Innovation in the Market Assurance of new Programmes

i-MAP Study

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By Paul Coyle
Director of the i-MAP Project and Study

paul.coyle@i-map.org.uk

Glossary

i-MAP *Project*: The original i-MAP investigation begun in 2010, the national dissemination conference held in 2011 and the Guidance published in 2012.

i-MAP Study: The follow-up to the original Project, involving visits to universities and an online questionnaire in 2014, a workshop held in 2015 to test out draft conclusions and recommendations, and this report.

Module: A unit of study that is assigned a specific number of academic credits that contributes to the achievement of an award (in some countries this is referred to as a course).

Programme: A combination of modules leading to a full academic award, typically a Masters degree or a Bachelors degree.

HEI: Higher Education Institution, including universities and university colleges.

Acknowledgements

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The Director of the i-MAP Study gratefully acknowledges the contributions of all members of HEIs who participated in the institutional visits, completed the online questionnaire, answered supplementary questions and attended the workshop.

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NOTE: - Quotes which appear in this report are taken from the visits, online questionnaire and workshop conducted during the Study, unless otherwise stated.

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1 Executive Summary

The original i-MAP project investigated whether UK Higher Education Institutions (HEIs) could become more effective when launching new programmes by adopting a more market-led approach to development.

The Project's key recommendation was that the likely viability of new programmes should be evaluated in the early stages of development, using financial and market data, and that proposals which are not supported by the data should be prevented from progress to full development and launch.

The Project recommendations were offered with the intention of helping HEIs to reduce the large number of new programmes in the sector which failed to attract a viable first cohort of students. The Project concluded that there could be a valuable gain in efficiency if HEIs took steps to ensure that more new programmes were successful on launch, thereby reducing the costs wasted in the development of the many unsuccessful programmes. The Project Guidance was published in 2012.

A follow up Study was conducted in 2014 and found that a significant number of HEIs, across all mission groups, reported that they had adopted the i-MAP Project recommendations and that this had led to increased efficiency in their processes for the development of new programmes.

However, although there have been improvements in the processes for new programme development, the Study concludes that the key recommendations of the original Project remain valid, especially in an increasingly competitive Higher Education market.

Contributors to the follow up Study have identified additional enhancements that are deemed necessary to improve the strategic development of the academic portfolio e.g. a more robust integration of academic and financial planning.

The recommendations contained in this report build on the findings of the original Project and also highlight the key issues reported by the HEIs who contributed to the Study.

The Study acknowledges the diversity of the Higher Education sector and the autonomy of individual institutions. As such, the Study reflects back to the HE Sector, a range of issues and practices that individual institutions can use to assess their current performance and inform their strategic development of the academic portfolio.

Further support is available to HEIs via a consultancy service provided by i-MAP and supported by the Leadership Foundation for Higher Education, details of which are available at:

www.i-map.org.uk

SUPPORTING STRATEGIC DEVELOPMENT OF THE ACADEMIC PORTFOLIO

"*We found the i-MAP Project hugely beneficial*."
Director of Admissions
Unaffiliated University

"*It feels like a much more competitive environment*"
Marketing and Recruitment Manager
Russell Group University

"*Recruitment is becoming more volatile so these issues have become even more significant.*"
Deputy Vice-Chancellor
Million + University

"*This is a key strategic focus for the university*."
Member of Marketing
Russell Group University

"*It is important to get this right in England as the cap is removed and not repeat mistakes identified by the Project in developing and launching new programmes*."
Director of Student Recruitment
Unaffiliated University

"*Promoting efficiency in higher education is not about diminishing quality or essential services. Quite the opposite: it is about seeking excellence in teaching, research and innovation.*"
Professor Sir Ian Diamond
Universities UK Blog
November 2014

2 Project Findings

The original i-MAP project investigated whether the Higher Education sector could become more effective in developing new programmes by adopting a more market-led approach. The Project was supported by HEFCE's Leadership, Governance and Management Fund. Overall eighty HEIs participated in the Project.

The Project was underpinned by a data analysis, conducted by The Knowledge Partnership consultancy, in which data, provided by the Universities and Colleges Admissions Service (UCAS) and the Higher Education Statistics Agency (HESA), were examined to assess the numbers of new programmes developed by the Higher Education sector and to reach a judgement about the rates of successful new launches.

Analysis of UCAS data from 2005-2008, showed that 18137 new undergraduate programmes had been launched in England and Wales, of which 4419 were single subject programmes. The Project chose a sample of subject codes (Biological Sciences, Engineering and Creative Arts) which provided a subset of 1703 new single subject programmes in over one hundred HEIs covering this period. In addition, HESA data for 2010 entry to all undergraduate degree programmes across all subject groups was examined.

The analysis of postgraduate data included HESA data from 2002-2008, covering 3890 programmes, (also in Biological Sciences, Engineering and Creative Arts).

The evidence base for the Project also included visits to the twelve HEIs in the Project Steering Group, involving fifteen days spent on campus meeting institutional leaders, academics and professional support staff who were engaged in new programme development.

The draft conclusions and recommendations of the Project were tested in a number of group workshops held during a national UK conference in autumn 2011 and attended by eighty five delegates.

The Project Guidance, published in 2012, identified ten critical success factors in the development of successful new programmes e.g. researching the choice of title and aligning the timetable for the new programme development with the recruitment cycle.

The Project Guidance is available for download from the i-MAP website:

www.i-map.org.uk

CONCLUSIONS

Acknowledging that there is a range of indicators by which the success of programmes can be evaluated, the Project chose to focus on the key criterion of the recruitment of a viable first cohort of students.

The data analysis revealed that:

Only 10% of new undergraduate programmes had recruited a first cohort of 10-15 students.

Only 19% of new postgraduate programmes recruited a first cohort of 10 or more students.

Initial poor recruitment to new programmes did not improve over subsequent years.

RECOMMENDATIONS

The main recommendations can be summarised as:

New programme development should be a staged process, using early financial and market scrutiny. Senior leaders should be prepared, where appropriate, to stop initial proposals progressing into full development.

Universities should review new course development processes, with the aim of reducing the number of unsuccessful new courses and thereby avoid the wasted development costs.

3 Project Impact

A follow up Study to the i-MAP Project was conducted during 2014. Section 4 introduces the Study in more detail. The Study used an online questionnaire to gather a range of quantitative and qualitative data. 39% of the contributors to the online questionnaire were familiar with the original i-MAP Project and the published Guidance. For 61% of contributors they were able to usefully participate in the Study without previous knowledge of the Project.

For the contributors familiar with the original Project, 64% reported that the Guidance had been considered by a portfolio planning committee at university level, 47% at faculty level and 42% by the Executive and Vice-Chancellor. However, on average 28% of these contributors did not know if, or how, their HEI might have reflected on the Guidance.

There was evidence that staff, in a range of roles, judged that the Project had confirmed their own sense of issues that needed to be addressed in the process for new programme development. The quotes in the opposite panel give some examples of how the Guidance enabled staff in HEIs to make and win the argument for change within their own institution. 41% of contributors familiar with the Project reported that they had made a case for change which had subsequently been implemented within their HEI.

The Study found that HEIs are at various stages in meeting the Project recommendations.

For the contributors familiar with the original Project, 37% said that their HEI was introducing and adopting practice in line with the Guidance, whilst 28% stated that their HEI already broadly operated in line with the recommendations. 20% of respondents said that their HEI wished to adopt this practice but it was proving difficult to implement.

The quotes in the opposite panel reflect the way in which the Project supported change and also the benefits of adopting a more rigorous approach. For the contributors familiar with the original Project, 26% reported that their procedures had been updated and as a result portfolio development was more efficient.

SUPPORTING THE CASE FOR CHANGE

"*The i-MAP Project and Guidance helped. As a wide ranging, benchmarked and external view, it's findings were hard to refute by colleagues.*"
Deputy Vice-Chancellor Million +

"*I am clear that most faculties considered the Guidance in some detail.*"
Member of Marketing Alliance University

"*The i-MAP Guidance has been used as evidence for the need to change our approach.*"
Registry Staff Unaffiliated University

"*The Guidance was invaluable and gave us self confidence in what we were trying to do and encouraged us to push harder.*"
Pro Vice-Chancellor Cathedrals Group

A MORE RIGOROUS APPROACH

"*As a result,* we are seeing fewer and better proposals coming forward.*"
Director of Marketing Alliance University

"*We have moved to an evidence based portfolio management system rather than a 'gut feeling' that something will work*"
Deputy Vice-Chancellor Unaffiliated University

4 Follow Up Study

In February 2014, the follow up Study, funded by HEFCE, commenced with visits to three of the twelve universities who were members of the steering group for the original Project: University of Central Lancashire, University of Chester and University of Leeds.

In March and April, key issues identified in these discussions were used to inform the design and content of an online questionnaire which aimed to collect quantitative and qualitative data from a reliable sample of HEFCE-funded institutions. Private providers were not included in the sample. A copy of the questionnaire is available on the i-MAP website.

In March 2014, the i-MAP website was moved to a new hosting service and the website redesigned.

From May to July, using contact information available on HEIs' websites, over seven hundred staff at more than one hundred HEIs were invited to complete the online questionnaire, which could be done so anonymously. This was an opportunity to gather information for the Study and also to publicise the outcomes of the original Project.

In June 2014, a presentation on the original Project and the ongoing Study was given during the Leadership Foundation's 'Governor Development Programme', with a focus on strategy and performance.

In September 2014, an approach was made, via secretaries and clerks, to 23 HEIs asking them to consider inviting members of Governing Bodies to contribute to the online survey. Also, reminders were sent to all those who had been invited before the summer to complete the survey but had yet to do so.

In September, 36 contributors to the online survey, who had registered their details, were contacted and asked to provide further explanation about the comments they had made in the questionnaire.

By October 2014, the survey had been completed by 119 people, of whom 81 individuals registered their contact details for further information about the Study, representing 59 HEIs who were declared as being: Pre-92 (37%), Post-92 (47%) and Specialist (16%).

During the autumn, the potential connection was explored between the Study and the HE Efficiency Review being undertaken by Universities UK and Sir Ian Diamond.

In November, detailed analysis of the online data began, as did the drafting of this report.

In February 2015, a workshop was held with 13 of the 31 people who, when they completed the questionnaire, had offered to comment on any draft outcomes of the Study.

2014 ONLINE SURVEY

The comparison of the percentage of contributors invited (I) to complete the online questionnaire and the percentages for those who replied (R) are as follows:

Governing Body: I-8% R-3%
Executive: I-6% R-44%
Academic: I-43% R-26%
Marketing: I-15% R-13.5%
Support: I-28% R-13.5%

Note 1: the figures for invites are based on an estimation of which category an invitee might belong to and there will be errors e.g. in allocations between the Executive and Support category, which includes Finance, HR, planning and quality. The percentages for replies are based on the declarations that contributors gave to the online survey which could be completed anonymously. The figures suggest that the findings of the Study should be tested with all groups but particularly academics and support staff.

2015 WORKSHOP

The 13 participants at the 2015 workshop held the following roles: DVC (1), Learning & Teaching (2), Marketing (5), Planning (1), Quality (2) and Student Recruitment (2)

and represented the following 11 institutions:

Cathedrals Group (1), Million+ (2), Russell Group (2), Unaffiliated (3) and University Alliance (3).

5 New Programme Development

The online questionnaire began by asking contributors to estimate the level of activity in new programme development at their own HEI.

The responses showed that new programme development remains a significant activity in the HE sector, with contributors reporting activity at both the undergraduate and postgraduate levels, and 32% of contributors stating that the number of new programmes launched each year is growing. Just 16% said that the number of new programmes launched was declining.

The questionnaire continued by asking contributors to select from a range of possible drivers for portfolio development including new programme development.

Responses showed that overwhelming the most significant drivers were a more competitive HE environment (66%) and a challenging recruitment position in certain subjects/ programmes (65%).

Other drivers included increasing interest from the Governing Body in portfolio management and the connections to financial sustainability (34%) and a challenging recruitment position for the university as a whole (36%). The latter figure needs to be compared with the fact that contributors declared that recruitment was healthy and growing (37%) or challenging and falling (16%).

Another important driver was strong academic leadership by Deans/Heads of academic departments (64%). The importance of senior academics was endorsed in the responses to another question about the sources of new programme proposals which were cited as coming from Deans and Heads of School (85%) and individual academics (73%). This confirms one of the key findings of the original Project, namely that having an academic champion for new programme development is a critical success factor. Other sources of new proposals included a member of the Executive (53%), a committee at faculty level (47%) and the Vice-Chancellor (39%).

The Study notes a further possible driver. Programme teams may feel incentivised to create new programmes if they understand this to be one of the most accessible mechanisms by which they can attract additional resources, albeit over time as each new cohort is recruited.

The Study also confirmed that since the Project there had been increased leadership responsibility taken at all levels for ensuring proposals for new programmes are supported by financial and market data. 93% of contributors said that they personally felt able to participate in, and influence decisions on, new programme development.

6 Staged Development

The original Project advocated the value of a staged development process, the rationale being that HEIs should stop the development of proposals that were not supported by market or financial data and thereby avoid the wasted development costs of unsuccessful new programmes. 67% of contributors to the online questionnaire confirmed the use of a staged process as standard practice across their HEI, with a further 20% indicating that this was practice in some parts of the institution.

Attendees at the workshop confirmed the importance of the staged process and reported the value of informal meetings, very early in the process for the purpose of generating and screening ideas for new programmes, well before more formal consideration.

Contributors to the Study also reported the benefits of testing the market by developing options or pathways within existing programmes and of developing new provision at postgraduate level before expansion at the undergraduate level.

The Project recommended that HEIs should establish a clear understanding of the information requirements, and define the decision-making authority, at each step of the staged process.

Both the Project and the Study note that approvals needed at various stages translate into a potentially lengthy process with the possibility for delay at each approval stage. Any delays in the process, therefore, need to be avoided wherever possible, especially if HEIs wish to achieve an optimal timing of entry into the market. To avoid delays, it is important that sufficient resources are available (and that competing priorities do not prevent the necessary resources being available) at the right time in each stage of the development process. The Project and Study have identified the importance of an academic champion in the development process, and contributors to the workshop noted that these individuals need to be given the required support and resources at the right time otherwise a new proposal may flounder in development or at launch.

The findings of the Project and the Study (in relation to the location of authority for decisions, the integration of academic and business planning, and the provision of appropriate resources to support new programme development) have their counterparts in the QAA's UK Quality Code for HE, Part B Assuring and Enhancing Academic Quality, Chapter B1 Programme Design, Development and Approval, which became a reference point for the purposes of review carried out by the QAA from August 2014.

INFORMAL AND FORMAL CONSIDERATION

"*We are trying to generate ideas and then select best proposals before any engagement with the formal (committee) approval processes.*"
Academic Development Manager
Unaffiliated University

"*By the time it gets to committee people can be too wedded to their ideas.*"
Market Research Manager
Russell Group University

QAA QUALITY CODE

"*The final decision to approve a programme is fully informed by evidence from analysis of both its business case and its academic merits. Higher education providers facilitate integration between these two aspects.*"

"*Decisions are based on evidence, processes operate in a transparent way, and an appropriate level of resource is applied to ensure the required outcomes of the process are achieved.*"

"*Decisions relating to the process for, and outcomes of, programme design, development and approval are taken at the appropriate level within the HE provider and the location of authority is made clear.*"

7 Financial Models

A key consideration in the staged process is the gathering of the financial and market data by which to evaluate the potential viability and sustainability of new programmes. 39% of the contributors to the online survey indicated that their HEI did make use of financial models that support decisions in their new programme development processes. However, 51% of contributors said their HEI did not use such financial models and 10% did not know if they were in use or not.

Some HEIs use rough figures for start-ups costs, typically quoting between five and ten thousand pounds. Other HEIs have created calculations, based on a range of data, that help to determine start up costs on a programme by programme basis. These costs might include market research, promotion, curriculum development, quality assurance etc.

The Study was made aware of HEIs that have developed and use standard templates to consider, for example, projected income (including HEFCE grant as appropriate) and direct labour costs, taking into account year-to-year student recruitment and progression rates.

HEIs reported that it can be difficult to fully quantify costs. However, a clearer understanding of costs offers the opportunity to invest the resources required to support a successful launch.

The difficulty of creating appropriate financial models should not be underestimated. Shared modules, shared resources and common administrative services were cited as adding complexity to financial modelling. It can, therefore, be advantageous for the financial models to be created by professional data analysts or senior finance staff. The Project had noted that the expectations of the financial literacy amongst academics and marketers needed to be more realistic.

The potential for delays in the gathering and analysis of data, need to be considered so that programmes are not delayed getting to market. Contributors reported that there could be difficulties in obtaining the required data, for example from Estates or Human Resources, in a timely or indeed routine manner.

The challenges of creating the financial models and populating them with reliable and timely data, limits the quality of information available to institutions and perhaps explains why institutions do not turn down proposals for new programmes or take decisions to close provision. The information on which to base decisions may not be available.

USING FINANCIAL DATA

"*The costs of developing provision in new areas is always underestimated and rarely are they marketed properly or given the financial backing that they need to launch them*"
Head of School Cathedrals Group University

"*Decisions are made primarily on academic rather than financial grounds*"
Member of Executive Specialist University

"*We are still struggling with the costing models*"
Administrative Officer Unaffiliated University

"*We have no concept of the 'cost' of delivering a programme made up of provision used by other programmes, a "if we have to run the modules anyway" approach*"
Registrar Russell Group University

"*We are developing different business and financial models for different programmes*"
Pro Vice-Chancellor, Cathedrals Group University

"*Costings of delivery are getting more accurate but it remains difficult to forecast future recruitment*"
Pro Vice-Chancellor Cathedrals Group

8 New Programme Success

The Project identified ten critical success factors in the development of successful new programmes, including aligning the timetable for new programme development with the recruitment cycle. However, only 15% of contributors to the online questionnaire in the Study reported that the majority of new programmes launch well in advance of the recruitment cycle.

The Project recommended that HEIs should research and test the choice of programme title so that it succinctly communicates the programme content and is likely to be understood by the target audience. The Study found cases of HEIs testing titles with students, potential applicants and employers, and examples of a move away from specialist to more generalist titles.

The Project identified that only 10% of new undergraduate programmes recruited a viable cohort of students and the Project recommendations were designed to significantly improve the number of successful new launches. However, although contributors to the Study reported the use of a staged development process, including the analysis of market and financial data, contributors also reported that just 28% of new programmes recruit a viable first cohort and that as a consequence 56% of new programmes are supported by remedial marketing.

The Project noted that "instant success" is highly predictive of sustained success and, because recruitment is unlikely to grow from an initial low base, recommended that HEIs should scrutinise the success of new programmes in their first years of operation. However, 62% of contributors to the Study reported "*recruitment is likely to build to higher numbers in future years and over time the course will become more successful.*"

Despite improvements in the process of new programme development, there remains a need to raise the success rates for new programmes. Clearly, the original Project recommendations remain valid and HEIs should continue to enhance their processes for new programme development. In addition, contributors to the Study identified the need to develop greater expertise in:

Gathering of market intelligence by which to establish if there is a market for proposals (83%)

Modelling of income and expenditure to establish if proposals are likely to be financially sustainable (64%)

Promotion and launch of new courses (54%)

Development of the curriculum for new course (42%)

Quality assurance and the validation of new courses (30%)

9 Programme Closures

Contributors to the Study reported that the focus in the development of the academic portfolio tended to be on adding new programmes and they identified the need for consideration to also be given to potential closures of programmes. In the online questionnaire 23% of contributors reported that the number of programmes being closed year on year is growing, with closures at the undergraduate and the postgraduate levels.

HEIs reported closures in the following subjects:

N - Business and Administrative Studies (30%)
L - Social Studies (24%)
W - Creative Arts and Design (23%)
I - Computer Sciences (16%)
H - Engineering (13%)
C - Biological Sciences (13%)

The factors seen as driving programme closures included a strategic decision by an HEI to reduce the number of programmes in the portfolio that do not attract sufficient applicants or recruit enough students (48%).

As with new programme development, proposals for change are predominantly initiated by individuals e.g. Deans and Heads of School (69%), Deputy or Pro Vice-Chancellor (66%) or the Vice-Chancellor (26%). However, in programme closures there appears to be an increased role for committees e.g. a committee at faculty level or equivalent (55%) or a Portfolio Planning committee at university level (45%).

Criteria used when considering the potential closure of a programme were reported in the online questionnaire as being:

Trends in numbers of applications (85%)

Trends in actual recruitment versus targets for recruitment (74%)

Costs of delivering the programme versus income (65%)

NSS results (41%)

and also the share of applications compared to competitor courses (39%), aims and objectives in the university's strategic plan (33%), employment statistics (31%), the views of employers and professional bodies (24%), the research strengths of the staff delivering the course (20%) and views of alumni (8%).

Contributors to the Workshop confirmed that HEIs are using a range of data by which to judge the performance of programmes and reported the use of 'traffic light systems' or 'dashboards' to monitor performance.

Just 9% of contributors to the questionnaire said that it was not clear what criteria are used to make decisions about closing a programme and 83% felt able to contribute to, and influence decisions on, programme closures.

A MORE ROBUST APPROACH TO PROGRAMME CLOSURES

"*A focus on opening new programmes has meant we haven't been thinking about deleting programmes.*"
Administrative Officer
Unaffiliated University

"*The closure of low or negligible recruiting courses is not undertaken frequently enough* "
Member of Admissions
Russell Group University

"*Courses are cherished by academic staff who want to keep them going despite poor recruitment* "
Academic
Russell Group University

"*I think it is fair to say that we are being clear that the university cannot sustain areas that do not have a market demand*"
Marketing Manager
University College

"*There isn't a systematic approach to deleting programmes from the portfolio. People are reluctant to remove programmes.*"
Marketing Manager
Russell Group University

"*We are now regularly reviewing and where necessary closing or merging persistently low recruiting courses where previously we may have let academics run them with a mixture of tweaks to try and improve recruitment combined with, to be blunt, wishful thinking*"
Deputy Vice-Chancellor
Million + University

10 Rationalisation

The online questionnaire and the workshop contributors identified a range of benefits for their institutions and for students, as a result of rationalisation involving closing unsuccessful provision and removing duplication in the portfolio. At the module level, there were seen to be benefits for students by ensuring that there was genuine choice through removing modules that were unlikely to run. For both the module and programme level, contributors reported a reduction in administrative overheads, and an increase in administrative capacity, as a result of closures.

Contributors acknowledged the complexities of running out programmes and advised that careful consideration needs to be given to the impacts of closures on students; an issue possibly relevant to HEFCE's work on the collective student interest. Some HEIs had developed a check list of actions that would anticipate and meet the needs of students.

Discussions at the workshop identified the potential impacts on the workloads and roles of both academics and administrative staff, arising from the closure of programmes and the knock on consequences for students. It was considered beneficial to anticipate these HR issues during the planning of closures.

Both the Project and the Study confirmed the importance of collaboration and cross-functional teams in the development of the academic portfolio.

Workshop contributors were strongly in favour of a group overview of rationalisation, with academics and professional support staff working together, anticipating and planning for the consequences of closures.

85% of contributors to the online questionnaire stated that good working relationships between academics and professional support staff are important to successful portfolio development, with 23% rating these relationships as highly productive and 57% productive.

Both the Project and the Study strongly recommend that the closure of a programme is not considered in isolation and that decisions are set within the context of the strategic development of the overall portfolio of programmes. Workshop participants suggested that there are benefits to considering new proposals alongside programmes for potential closure so that an overview could be taken of the academic portfolio at school or Faculty or University level and ideally within a 5-10 year horizon.

11 The Walking Dead?

Whilst the Study found examples of HEIs that were rationalising their academic portfolios and closing programmes, the online survey showed that 67% of the contributors knew of programmes that had been suffering from ongoing poor recruitment for many years.

The online survey identified a range of consequences arising from programmes which had a history of poor recruitment, including pressure to over-recruit on more popular courses (75%) and insufficient resources for more popular courses (51%).

In addition, for programmes with very low student numbers there were problems with student dissatisfaction (35%), staff dissatisfaction (28%) and insufficient resources (17%).

Contributors identified examples of reasons that might justify the continuation of programmes with a history of poor recruitment e.g. programmes are in strategically important but vulnerable subject areas (80%), under-recruitment in one programme can be compensated for by over-recruiting in more popular courses (56%), and academics have research strengths (52%). The workshop noted that HEIs routinely use cross subsidies to support programmes that are performing less well.

There was a clear sense in the questionnaire and in the workshop that there were poorly recruiting programmes where decisions needed to be taken to phase them out.

The questionnaire identified possible reasons for the difficulty of agreeing and implementing programme closures, including that the University is decentralised and the decision to run under-recruiting programmes is devolved (32%) or that the issues associated with closing the programmes are potentially too problematic (29%).

In addition, the workshop identified that a common reason for programme teams to resist the closure of a programme would be the associated loss of resources.

The strategic decisions associated with the continuation of poorly performing programmes may well be of interest to Governing Bodies and the rationale for cross subsidies may be relevant to the work being done by HEFCE, BUFDG and the NUS to increase the visibility of institutional financial information for students.

A robust approach to considering programmes for possible closure would ensure that even difficult cases are addressed, with due regard for the student experience and the effective distribution of resources.

12 Strategic Development of the Portfolio

The i-MAP Project and follow up Study have investigated the processes that HEIs employ in the strategic development of the academic portfolio, including the development and launch of new programmes, the consideration of programmes for potential closure and the phasing out of provision.

In terms of new programme development, the Study found that this remains a significant activity in the HE sector and the most significant drivers are a more competitive HE environment and a challenging recruitment position in certain subjects.

59% of contributors to the online questionnaire stated that their HEI's strategic plan explicitly described, at a strategic level, future plans for the development of new programmes but 30% stated that this was not a feature of the published strategy.

In comparison, only 23% said that the strategic plan explicitly described, at a strategic level, the future plans for the closure of programmes with 67% confirming that the published strategy did not address this issue.

Both the Project and the Study strongly recommend that decisions about new programme development and programme closures are not treated separately and are set within the context of the overall strategic development of the academic portfolio.

The Study gathered views on the role of the Governing Body. 34% of contributors to the questionnaire stated that there was increasing interest from the Governing Body in portfolio management and the connections to financial sustainability. A number of HEIs were very clear that they saw no role for governors in matters related to academic governance. However, 68% of contributors to the questionnaire reported that revisions to the processes for using financial planning to inform academic planning and vice versa, would increase efficiency, provide better outcomes and improve value for money.

Whilst members of Governing Bodies are unlikely to be involved in decisions about individual programmes, they might provide support for the development of an integrated academic and financial strategy, and offer useful, constructive challenge to HEIs. The recently updated HE Code of Governance, published by the Committee of University Chairs, offers useful guidance, although ultimately, the role of the Governing Body is a matter for individual HEIs.

Finally, participants at the workshop noted that HEIs are busy working environments and care should be taken that the strategic development of the portfolio is not neglected due to competition with a variety of other strategic projects.

13 Improving Efficiency

The HEIs in the Study who had adopted the i-MAP Project recommendations reported that this had led to increased efficiency. The Study found evidence that HEIs are using template financial models that can calculate development costs on a programme by programme basis. Use of market and financial data early in the development process had meant a move away from simply launching programmes and waiting to see if they would attract sufficient students. However, despite these improvements, contributors to the questionnaire reported that only 28% of new programmes recruit a viable first cohort of students. Therefore, development costs continue to be lost in unsuccessful new programme launches.

Contributors reported that further revisions to the standard activities in programme development, would increase efficiency and improve value for money. They cited the following priorities for development: gathering of market intelligence by which to establish if there is a market for proposed new programme (83%), modelling of income and expenditure to establish if proposed new programmes are likely to be financially sustainable (64%), promotion and launch of new programmes (41%), development of the curriculum (41%) and quality assurance (30%).

There are significant challenges associated with the closure of programmes. Problems often need to be managed over the extended period of running a programme out. It takes time to fully realise the savings of closing a programme, with ongoing costs and reducing income. However, ultimately efficiencies can be gained.

Contributors reported that further revisions to the standard activities in programme closures and the rationalisation of the portfolio, could increase efficiency and provide better outcomes. They cited the following priorities for development: the gathering and analysis of performance data (66%), the reallocation of resources, disinvestment and investment (60%), the management of the perceptions of current students, potential applicants and external stakeholders during the running out of a programme (52%) and redeployment and restructuring (38%).

It is important that the challenges do not dissuade HEIs from planning necessary programme closures. HEIs should keep under regular review decisions to compensate for under-recruitment in some programmes with over-recruitment in other programmes, and continue to manage the consequences for resource allocation and the quality of the student experience.

ACHIEVING EFFICIENCY

"*It is understood and supported within University that we need to offer effective and viable programmes. Delivering a smaller number of student focused market driven programmes creates efficiencies across our systems*"
Administrative Officer Unaffiliated University

"*We have rationalised our provision and what we have seen so far is a reduction in module/course admin, QA, exam board workload, simpler more focussed marketing etc.*"
Deputy Vice-Chancellor Million + University

"*A key issue is that closing a programme won't automatically save money or allow resources to be redirected.*"
**Dean
Russell Group University**

"*As an institution, we are reluctant to close down poor financially performing courses. Usual arguments are that it takes 3 years to run down a course in which case we still need to employ staff and finally pay them off – costs which may more than offset any potential saving.*"
Director of Finance Cathedrals Group University

14 Development and Enhancement

Contributors to the Study reported that further revisions to the standard activities in the strategic development of the academic portfolio, would increase efficiency, provide better outcomes and improve value for money.

A draft of the Study report and its recommendations were considered in May 2015 by HEFCE's Leadership, Governance and Management (LGM) Strategic Advisory Committee. The draft report was introduced by the i-MAP Director, Paul Coyle, who was also a member of the Committee.

The final recommendations of the Study, see the panel opposite, highlight the key issues reported by the HEIs who contributed to the Study. The key recommendations of the original Project remain valid, especially in an increasingly competitive market.

A launch event for the Study and its report was held in London in September 2015, attended by representatives from more than 40 universities in England.

Information about the launch event, including a summary of the table discussions during the event, will be made available on the i-MAP website.

The Study acknowledges the diversity of the Higher Education sector and the autonomy of individual institutions. As such, the Study reflects back to the HE Sector, a range of issues and practices that individual institutions can use to assess their current performance and inform their strategic development of the academic portfolio.

A range of consultancy services to support HEIs are available via i-MAP with the support of the Leadership Foundation for Higher Education. Details are available on the i-MAP website.

It is intended to maintain a network of interested individuals and organisations who have participated in the Project and/or the Study. The plan is to continue discussions across this network, to share relevant information and case study materials via the i-MAP website.

For further information please go to: www.i-map.org.uk

RECOMMENDATIONS

HEIs should seek improved efficiency in the strategic development of the academic portfolio by ensuring that:

1. Their strategic plan explicitly describes future plans for the development and closure of programmes, with an appropriate level of involvement of the Governing Body in matters of academic governance and planning for financial sustainability.

2. They continue to enhance the staged development processes for new programmes, in line with the 2012 i-MAP Project Guidance, with a view to increasing the success rate for new programme launches and thereby saving the development costs of unsuccessful new programmes.

3. There is a robust approach to considering programmes for possible closure and that improvements are made in the planning and implementation of closures, with due regard for the student experience and the effective redistribution of resources.

4. Standard procedures in the strategic development of the academic portfolio (e.g. the integration of academic and financial planning) are improved, with support, as appropriate, from the i-MAP consultancy services which are offered in partnership with the LFHE.

For further information please contact

paul.coyle@i-map.org.uk