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Smart Spending: Understanding ROI in College Tech

By Michael Anft

- **A stronger emphasis on tech ROI**
- **Yardsticks to evaluate tech's value**
- **Involving stakeholders**
- **Questioning the value — and price — of emerging AI tools**

The past decade has been a good one for companies that develop higher-ed technology. Fueled in part by the Covid-19 era, when colleges were forced to operate and teach remotely, the college tech industry has mushroomed into a [\\$200 billion industry globally](#), according to Business Research Insights, a consulting firm. And some analysts forecast it to [triple in value by 2031](#).

Even as more investment flows into ed-tech companies, and they continue to roll out new generations of technology that support learning and student services, colleges are facing financial concerns, including declining enrollment (or the prospect of it), falling or stagnant state support, and a loss of federal grants.

Crack the Code to Enrollment Success

The Ultimate Checklist for Improving Communication & Boosting Student Enrollment

It should come as no secret that good communication is the most effective way to engage students and attract them to your campus. The issue: Effective communication isn't easy. If your team wants to improve the way it communicates with prospective students, manages ongoing relationships, and keeps track of key interactions, this checklist is for you.

Step 1: Align Your Goals Across Departments

- ☐ **Identify and engage key stakeholders:** Most likely, these include staff from admissions, marketing, student services, and IT.
- ☐ **Set shared goals for enrollment, retention, and engagement:** It's critical to have everyone on the same page.
- ☐ **Develop a unified communications vision:** Determine how communication and workflows should work together across departments to improve enrollment outcomes.
- ☐ **Determine key performance indicators (KPIs):** Make sure that these align with institutional goals (e.g., application completion rates, response times, retention rates).

Step 2: Identify Communication Gaps & Challenges

- ☐ **Assess current communications tools:** Which communications tools (email, phone, text, etc.) are you using? Are these the same across all your departments?
- ☐ **Evaluate how you track student communication:** Are you able to access the full history of interactions with a student, no matter where the communication happened?
- ☐ **Identify messaging inconsistencies:** Are you sending mixed messages to prospective students from different departments? Why might this be happening?
- ☐ **Define missed touchpoints:** Are there critical steps that your team consistently misses (application reminders, registration alerts, retention check-ins, etc.)?

Analyze Workflow Efficiency

- ☐ **Streamline current administrative processes:** Are tasks like document submission, approvals, and communications still done manually?
- ☐ **Identify bottlenecks:** Where do processes get delayed, and who is responsible for each step?
- ☐ **Improve cross-departmental collaboration:** Are teams able to collaborate seamlessly, or do silos create challenges in delivering smooth student experiences?
- ☐ **Reduce staff time spent on repetitive tasks:** What portion of your team's time is spent on repetitive tasks that could be automated?

The Ultimate Checklist for Improving Communication and Boosting Student Enrollment

- Identify gaps in messaging
- Steamline workflows
- Automate processes
- Use real-time data

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Get the Checklist



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The result: Fiscal precarity has led many institutions to assess the value of their outlays for technology more closely.

During Covid, [the federal government granted billions to colleges](#), some of which went to shore up their education technologies during 2020 and 2021. That money is long gone. Colleges are now much more likely to take a hard look at how much technology they can afford, what they really need from it, and whether it does enough work to support their mission, observers say.

While tech skepticism among college professionals is nothing new, college leaders long predisposed toward putting digital tools to work are now asking whether new products are worth the price.

[Questions about the true value](#) of emerging generative-AI tools also suggest that college professionals may not be as willing to tap into the tech pipeline as they have in years past.

Yet, as they devise ways to assess their tech ROI, institutional leaders find themselves in a bit of a bind. Student demand for more technology will likely keep colleges shopping for more digital tools.

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[A nationwide survey](#) of 962 students conducted last year by Grand Canyon University found that students prefer more technology in their daily academic lives.

As colleges look to more tightly control the amount of money they spend on technology,

they’ll need to balance budgetary concerns with growing student expectations.

A stronger emphasis on tech ROI

Solid relations between colleges and tech companies have long been the norm. Institutions regularly run pilot programs on tech platforms to see how or if such platforms will provide the services they need, while tech developers frequently use the experiences of college users to improve their products and assess their market value.

Colleges have often created partnerships with tech companies for the rights to run pilots, purchase and upgrade products, and enter into agreements for ongoing service and support.

But a new attitude about technology among college leaders has been brewing recently, observers say, one that emphasizes an institution’s entire tech footprint more holistically than additively. What’s more, many colleges are shifting their views on tech companies, often regarding them as vendors rather than partners.

“We’re seeing a shift toward a much more intentional process, as colleges are being more careful about purchases,” says Liv Gjestvang, vice president and chief information officer at Denison University. “There’s a lot more strategic thinking about the level of value these tools bring to our mission.”

Colleges are now more likely to develop a vision for the use of digital tools that is folded into their strategic plans for long-term growth. Technology is rarely seen as its own category. Instead, college leaders regard it as one of many competing budget factors to be considered.

This is true even at a well-to-do institution like Bowdoin College. For example, when leaders there pondered whether to offer students a tablet, a laptop, or both to use in and out of class, they

noted the existence of computer labs on campus. Those labs could be used to provide some students with tech access, meaning that they could get by with one device instead of two. But Bowdoin discovered there was more value in repurposing the labs into classrooms, which saved it the cost of building additional academic space. The savings were much greater than the cost of buying and supporting two sets of devices.

“It was a case where we didn’t start talking about finances, but learned there was a financial benefit over all to examining our tech ROI and asking those questions,” says Michael Cato, Bowdoin’s senior vice president and chief information officer. “We looked at our assets and needs and realized that those devices allowed us to free up space for classrooms, which is very expensive.”

Other institutions are moving in a different direction. They are encouraging collaboration between departments and divisions to eliminate conflicting or redundant tech platforms — and lower their costs.

“Now, the budget is talking, and colleges are realizing that buying technology won’t be as easy as it was before,” says Kathe Pelletier, senior director of community programs at Educause, a nonprofit that supports the use of technology in higher ed. “Of course, technology is no less important. But institutions are looking for new ways to improve it — to pull what they have together, either by reducing the friction between tools or taming the digital jungle so their systems are more manageable.”

Yardsticks to evaluate tech’s value

When assessing the value of technology, college IT professionals have become more focused on how easily students and faculty can use a digital tool, Pelletier adds.

While institutions have long used yardsticks that measure a tool’s ability to aid student success —

such as via attendance, engagement, and participation levels, how students’ grades are trending while using a tool, or how quickly they can connect with faculty or other students — they are adding another level of metrics to ferret out waste and lower overall tech costs.

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The metrics help them answer many questions, including: Are platforms duplicative? Do their functions overlap? Are enough faculty members adopting systems? Is a program or system intuitive, to the point where users will feel like they can figure out how to use it? Is its content as complete as it needs to be? Does software for virtual classrooms effectively imitate a real environment? And can those tools be upgraded easily and inexpensively so that a college’s long-term IT modernization plans won’t be slowed by them?

Now that ed tech has been around long enough to have a history, college officials are more likely to understand what they need from it. They are adjusting their yardsticks accordingly while adding in a new one: how much longevity they should expect from a tech tool.

“We’re starting to appreciate that digital technologies have a lifespan,” says Melody Buckner, associate vice provost for digital learning and online initiatives at the University of Arizona.

Recently, a partnership between Arizona and a long-time tech partner ended after two of the



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platform's original selling points — accessibility and adaptability — waned.

“They didn’t evolve their software. It became obsolete, and then they tripled the price of it,” says Buckner, whose tech budget has been cut by 3 to 7.5 percent each year since Covid. “All of that lowers the ROI. It was an easy decision to move on.”

Involving stakeholders

Top officials aren’t the only ones helping make decisions on digital tools. Colleges often rely on student advisory boards that were formed when students began to be charged recurring fees for using campus technology. Those fees often pay for more digital classroom tools and upgrades.

At Georgia State University, a student board votes on tech projects that have been proposed by faculty and staff members after they have

been vetted through a strategic team led by its chief innovation officer and the provost.

Elsewhere, students are given incentives to offer their opinions on digital products. At Bowdoin, an institutional research office pays students for their feedback, getting an 80-percent response rate.

“We ask the same students year-round and get their opinions gathered quickly,” says Cato. “For them, it’s almost like having a job during the semester.”

Like many other colleges, Bowdoin also invites faculty governance groups to weigh in.

But officials in IT and teaching and learning centers need to proceed cautiously with faculty members, many of whom are tired and overburdened, some observers say, a sentiment that jibes with [an Educause study](#). “If we see that there’s a strained, unmotivated work force, it can affect an

institution's ability to streamline their technology or measure the value of it," Pelletier says.

Questioning the value — and price — of emerging AI tools

Much skepticism about tech ROI, or at least the potential of it, centers on generative AI. While many faculty members have long worried about students' cutting corners or outright cheating using generative AI tools, many college IT and teaching-and-learning leaders also now have reservations about them. Many say AI's capabilities as an aid to learning remain limited.

"There's a lot of hype out there," says Eszti Major-Rohrer, senior director of teaching and learning systems at Ohio University. "Some of those tools that are billed by vendors as transformative don't live up to the pitch."

What's more, college tech leaders say, companies aren't offering the same kinds of price discounts that they have become accustomed to for tech tools.

Some say that generative AI might be able to reduce the time it takes to do mundane tasks — but not much else. Cato, from Bowdoin, says he can envision an AI program that takes on the work of adding up expenses and quickly writing reports on them. He and other college chief information officers are beginning to fashion their own large language models, often using open-source technology to tailor their own solutions.

Generative AI's novelty and broad sweep make it difficult to assess its value quickly.

Colleges often don't have enough staff to effectively run generative-AI platforms, says Pelletier, from Educause. And the technology's novelty and broad sweep make it difficult to assess its value quickly.

"The research question about AI is really broad and complex," says Leif Nelson, executive director of learning-technology solutions and research computing at Boise State University. "We can't say AI equals ROI in any overarching way. We go by case by case, such as by looking at how it can increase productivity in the classroom, because there's a lot of variation."

Disappointments regarding generative AI — and the still-unrealized potential of it — point out the difficulties colleges face as they try to stay on the cutting edge of technology — and within budget.

"We're really at the tipping point with technology," says Chris Ament, chief information officer at Ohio University. "We're moving away from a time when technology is part of the learning experience to one where it is the experience. Every institution has to navigate that journey."