

## SESSION D

### Cost-Effectiveness and Cost-Benefit Analysis for Strategic Management of Resources

#### Presenters

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#### Context

**Cost-Effectiveness Analysis (CEA):** true cost + program effects.

**Cost-Benefit Analysis (CBA):** true cost + long term monetary benefits.

#### Key Points

You can't look at the plain cost of a resource. For example, if a classroom receives iPads, they also have to pay for charging devices, maintenance fees, iPad cases, and storage units in addition to the cost of the iPad itself. Schools don't often have the resources to keep up with all of this. A lot of programs don't have significant strong research to implement resources and programs they would like.

What is the most cost effective way to implement programs that do the most and cost the least? How do you measure success? Outcome measures will be different dependent on differing variables. You can't compare cost of third grade reading program to a 10th grade math class. To find better outcomes requires CEA and CBA. Cost out indicators to come up with outcomes. Impediments include people, places, things, and ideas. Unions are many times opposed to cost effective/benefit analysis in fear of losing jobs. What do you do in a school district where you don't know what to do with money? You hire teachers and give them salaries.

#### Other Key Takeaways

Vision is to implement more and more CBA and CEA so that schools will really know where and how to spend and invest their money.