

Submitter information

Name Karen Poutasi, Chief Executive, NZQA

New Zealand Qualifications
Authority

125 The Terrace

PO Box 160

Wellington 6140

Karen.Poutasi@nzqa.govt.nz

04 463 3026

NZQA comment on the “New Models of Tertiary Education” – New Zealand Productivity Commission

The NZQA Board met with the Productivity Commission in February 2016. This was a valued exchange and NZQA looks forward to further discussion with the Productivity Commission in the development of a draft report for later in 2016.

NZQA’s role is to ensure that NZ qualifications are valued as credible and robust both nationally and internationally. It does this through senior secondary assessment and quality assurance in the tertiary sector: ‘qualify for the future world’.

NZQA recognises that Education is now delivering into a global digital and connected world and that requires significant transformation if we are to ensure that learners “Qualify for the Future World”

NZQA’s approach in this submission is to respond to specific questions directly related to our responsibilities, with a focus on clarifying the contribution that relevant qualifications and robust quality assurance arrangements make to the performance of the tertiary education system.

Across the system as a whole, NZQA believes that there are opportunities to further improve:

- qualification design and development that better reflects stakeholder need and contributes to New Zealand’s productivity
- the coherence of education and employment pathways
- Māori and Pasifika achievement by ensuring that programmes and qualifications better meet the needs and aspirations of Māori and Pasifika
- the accountability of tertiary education organisations (TEOs) for their own performance and the achievement of learner outcomes
- the contribution that quality assurance arrangements make to the integrity of the qualifications framework

- flexible and robust learning and assessment activities that prepare learners for the changing nature of work
- policy and operational settings to enhance New Zealand's success in onshore and offshore international education
- the use of credit transfer and recognition of prior learning within and between TEOs
- the calibration of risk and compliance activities to balance innovation and the protection of student interests.

NZQA would appreciate an opportunity to engage with the Commission over some of these system-level opportunities.

While the following sections touch on some of these matters, the submission focuses specifically on questions posed by the Commission.

Chapter 2: The Tertiary Education System: Employers

Q17: In what ways and to what extent do employers interact with tertiary providers in New Zealand? Are there practical ways to encourage employers to have greater or more productive involvement in the tertiary education system?

Employers are central to the development of qualifications and their listing on the New Zealand Qualifications Framework (NZQF), particularly at levels 1-6. This is to ensure that New Zealand's qualifications are relevant and fit for purpose.

The NZQF contains all quality assured qualifications in New Zealand. It is designed to optimise the recognition of educational achievement and its contribution to New Zealand's economic, social, environmental and cultural success, and it is fundamental to an integrated tertiary education system. Government tertiary funding subsidies and student loans and allowances are only for qualifications that are quality assured on the NZQF. Student and graduate visas for international students are also only granted on the basis of study toward and achievement of qualifications on the NZQF.

At the sub-degree level, qualifications are designed to meet the identified and specific workforce and skill needs of employers, industry and communities. Relevant stakeholders are required to participate in qualification design and contribute evidence to establish and demonstrate these workforce and skill needs. In this way employers have an opportunity to make an essential contribution to the development of qualifications.

Qualifications describe the outcomes a graduate will have attained on completion of the qualification. The graduate profile describes what the person can "*do, be and know*" (the knowledge, skills and attributes) as a result of learning.

The outcome statement also describes the employment pathway (or contribution to the community) in which a graduate may be qualified to work, or the contribution they may make to their community, whānau, hapū, iwi, or hāpori Māori.

The requirement to list qualifications with an outcome statement was implemented in 2011, as a result of major changes to the qualification system arising out of the Targeted Review of Qualifications. The overall purpose of this review was to streamline and simplify the qualifications system (see <http://www.nzqa.govt.nz/studying-in-new-zealand/understand-nz-quals/targeted-review-of-qualifications/>).

Employers interact with TEOs, developing programmes that lead to qualifications and unit standards.

Ensuring programmes meet both learner and employer needs is essential to achieving the qualification outcomes. Unit standards reflect industry skills and must be designed in conjunction with relevant industry representatives.

NZQA considers that there may be opportunities for employers to be more consistently involved in the development and updating of qualifications at both subdegree and degree level.

Furthermore there are opportunities for employers to exert demand pressure regarding the changing nature of skills required in 21st Century employment – World Economic Forum “ The Future of Jobs” January 2016

Chapter 2: The Tertiary Education System: boosting achievement of Māori and Pasifika

NZQA's experience is that some Māori and Pasifika parents and families are unaware of the different education pathways available. Information about tertiary pathways often occurs too late, when subject and programme choices have already been made. Some Māori and Pasifika learners are not provided with sufficient guidance and advice on clear pathways and may find themselves enrolled in low-level or foundation programmes. This limits the choice and access to preferred tertiary study. There is also a socio economic cost in such circumstances as learners then take longer to transition into higher education programmes than most other learners.

On the evidence of achievement at level 3 NCEA in at least one STEM standard, Māori and Pasifika students are disadvantaged. A focus on Māori and Pasifika and STEM is therefore warranted.

Chapter 2: The Tertiary Education System: Quality Assurance

Q26: What are the pros and cons of different quality assurance arrangements for universities to those for ITPs, wānanga, and PTEs?

Under section 253 of the Education Act 1989, NZQA has the power to set Rules for the quality assurance of the whole tertiary sector in New Zealand. These Rules apply to universities, ITPs, wānanga and PTEs. To implement these Rules, New Zealand has two quality assurance agencies with the following responsibilities:

- NZQA maintains the NZQF and quality assures qualifications and education organisations for the non-university tertiary education sector.
- Universities New Zealand quality assures organisations and qualifications for the university sector, respectively through the Academic Quality Agency for New Zealand which operates independently from universities and through the Committee on University Academic Programmes

Chapter 3: Purpose, performance and outcomes of the system: export education

NZQA's strategic focus is to ensure that learners qualify for the future world. NZQA's Future State programme is embedded in NZQA's culture, thinking, planning, and day-to-day processes. It focuses on changes across several areas to ensure NZQA's services reflect learning in a global networked digital environment. NZQA will be better, faster, cheaper, and easier to work with, so that in the future we can deliver secondary assessment online, on demand, and deliver quality assurance irrespective of borders.

For export education, NZQA's focus is to maintain the credibility of NZQF qualifications while improving the recognition and understanding of New Zealand's qualifications and quality assurance system overseas.

Learners are operating in a world that is rapidly changing, requiring Education systems to be agile and adaptable to meet evolving needs. TEOs need to be confident in the educational outcomes they are seeking to achieve, and the value of the education they offer learners.

For TEOs, their import/export international activities can be motivated by expanding and diversifying existing programmes, capacity-building (recruitment pathways), diversifying revenue streams (commercial imperatives), enrolment growth, research linkages (graduate/faculty research opportunities), and an international 'public good' imperative (reaching learners who would not otherwise have access to education).

There are complex challenges in balancing the many opportunities available to TEOs for offshore delivery with the regulatory role that protects the reputation of both New Zealand's qualifications and the education provision of New Zealand TEOs.

People are increasingly mobile and expect their qualifications and other learning to be recognised and count wherever they are located. This includes recognising learning gained formally and informally (e.g. in the workplace). NZQA needs to make sure the NZQF and quality assurance activities continue to provide confidence that qualifications and learning gained in New Zealand are recognised both here and internationally as relevant, useful and of high quality. This includes making it easier for people with qualifications gained overseas to have these appropriately recognised in New Zealand.

TEOs work with learners to plan individualised programmes to assist learners to achieve their goals using the learner's record of achievement. This must readily accommodate learners transferring from another TEO.

A quality assurance system needs to be robust and flexible both domestically and internationally as borders become more blurred with the development of regional quality assurance and qualification frameworks, or meta-frameworks.

The comparison of the NZQF with other national qualifications frameworks creates a 'zone of mutual trust', leading to a better functional understanding and appreciation of NZQF qualifications and respective learning outcomes¹. By broadening and deepening the functional knowledge and understanding of respective frameworks, transparency in any reference to national qualifications framework can be further elevated. This can, in turn, enhance opportunities for future cooperation with New Zealand. This leads to growing international education for the building of export markets, supporting the goals of the Government's Leadership Statement for International Education.

NZQA undertakes projects that compare the NZQF with other national or regional qualifications frameworks. The trust that develops between countries during these projects supports the delivery of NZQF qualifications offshore and the growth of export education.

Offshore Delivery Rules

An example of the relationship between NZQA's regulatory role in international education and TEO international education interests is the *NZQF Offshore Programme Delivery Rules (Offshore Rules)*, which came into effect in September 2012. These Rules extend existing quality assurance measures and are aligned with UNESCO/OECD Guidelines for the Quality Provision in Cross-Border Higher Education.

The Offshore Rules apply to all universities, institutes of technology and polytechnics, private training establishments, wānanga, and government training establishments. Offshore delivery is defined as:

¹ Qualifications frameworks are rapidly emerging around the world, with UNESCO, Cedefop and European Training Foundation showing that in 2014, there were more than 150 countries and territories involved in the development and implementation of qualifications framework.

- programmes delivered by a New Zealand provider in a country other than New Zealand
- where an overseas provider delivers part of an NZQF qualification offshore in partnership with a New Zealand provider
- distance or e-learning delivery of an NZQF qualification marketed to offshore learners by a New Zealand provider or its offshore partner.

TEOs remain responsible for the quality of learning and assessment delivered offshore regardless of which TEO is delivering the programme. TEOs are also responsible for the actions and performance of any offshore partner organisation and must proactively monitor the quality of delivery. TEOs must be accredited even if they do not intend to offer the programme within New Zealand. The same applies if offshore partners deliver the whole programme.

The Offshore Rules apply to programmes, or parts of programmes, that lead to qualifications listed on the NZQF, including completely new programmes and programmes for which providers are already accredited.

Offshore delivery is dynamic, with new and innovative approaches encouraging government agencies to work more collaboratively. These approaches to offshore delivery are captured under the common term of *transnational education* – defined as award or credit-bearing higher education programmes undertaken in a different country to that of the awarding institution. The definition includes offshore delivery activities that do not necessarily culminate in the awarding of a New Zealand qualification. The modes of provision arrangements can include branch campuses, sub-contracting, franchising/validation, joint degrees, double/dual degrees, twinning articulation and online learning.

The regulatory levers project undertaken by the International Education Senior Officials Group, focuses on a better shared view of the regulatory levels across New Zealand's education system. This will provide a common view, and consistent application across government agencies, a shared view of risk in international education provision and how to manage these risks.

Credit Transfer and the Recognition of Prior Learning

Learners are increasingly mobile both globally and across institutions. Part of NZQA's *Future State* programme has been to consider better recognition of a learner's skills and knowledge by considering the use of credit recognition and transfer and the recognition of prior learning. This is a challenging issue that cuts across the policy, funding, quality assurance and provision of tertiary education. It is critical that learners are not duplicating learning and can have their skills recognised, without compromising the integrity of the qualifications gained. In many ways this matter cuts to the heart of the value added by a formal learning experience over the experiential learning or learning gained in another institution. Building on the work started within NZQA it is timely to have a system-level discussion about extending

the use of recognition of prior learning and removing current impediments to credit recognition transfer.

Chapter 3: Purpose, performance and outcomes of the system: There is little agreement on how performance should be measured

Q30: What are the best measures to determine whether the tertiary education system is working well?

NZQA believes that the outcomes for learners and New Zealand society offer the best measure of whether the tertiary education system is working well. NZQA contributes to these outcomes through supporting a tertiary education system that delivers high-quality learning, teaching and research in a setting of appropriate accountability.

NZQA has the regulatory power and policy framework needed to quality assure qualifications, programmes and other education products, as well as the TEOs that deliver education.

The evaluative quality assurance framework (EQAF) is vital to the integrity and maintenance of the NZQF, and the recognition of qualifications listed on it. The EQAF seeks to support the development and enhancement of a quality focus in TEOs. It supports each TEO taking responsibility for identifying and understanding the education outcomes it achieves, and how the learning and other support it provides contributes to this.

In 2012, an independent evaluation² of NZQA's EQAF was carried out to determine the effectiveness of the new framework for improving educational outcomes for learners.

The independent panel concluded that the introduction of the EQAF for the non-university tertiary education sector is at the leading edge of quality assurance and quality improvement internationally. Anchoring a quality assurance system in strong, sector-wide evaluative thinking is a solid and defensible approach to improving meaningful learning outcomes, and to having the capacity to sustain such gains over the long term. Further, the panel commented that Te Hono o Te Kahurangi –kaupapa Māori principles for matauranga Māori qualifications, programmes and providers, was a unique and valued contribution to EQAF.

NZQA incentivises TEO performance through directly linking the results of External Evaluation and Review (EER) with less regulatory intervention, while also placing sanctions on those TEOs that demonstrate poor performance.

² <http://www.nzqa.govt.nz/assets/Studying-in-NZ/Quality-assurance/evaluation-qa-framework-report.pdf>

In order for the quality of tertiary education to continue to improve, TEOs must continue to improve their competence in self-assessment and their performance in educational delivery. It also requires NZQA to ensure that the EQAF is appropriate for all types of TEOs and stakeholder needs, as well as having a system in place to ensure that the necessary internal capability is maintained, while seeking continual development. Consistent evaluative capability backed by judicious compliance requirements is key to building and maintaining confidence in the EQAF and cross-site quality assurance processes.

Chapter 5: New Models: Some examples of new models

Q50: Are current quality assurance and accountability arrangements robust enough to support a wide range of new models?

NZQA's EQAF is flexible and designed to constructively respond to the distinctive contributions and character of the wide range of TEOs in New Zealand. The EQAF uses the theory and practice of evaluation. In particular it draws from mixed method and participatory approaches to arrive at a robust process for reaching consistent and comparable judgements and decisions.

Quality is dynamic and will look different in different contexts. In tertiary education, what matters is the value that learners gain from their learning experience, and the utility of their qualifications in terms of employment or other future outcome. Every TEO should have an understanding of quality which varies according to the purpose and goals of the organisation, and the needs of their learners and stakeholders.

Valid quality assurance will recognise these different contexts, while still retaining the required consistency and rigour of approach to assess performance credibly. In addition, the approach to evaluation taken by the distinctively Māori organisations, notably wānanga and Māori private training establishment, will directly incorporate their values, beliefs and aspirations.

One of the core principles underpinning the quality assurance system is that each TEO will take greater responsibility for quality in their organisation. They do this through the development of TEO-specific self-assessment processes that focus on how stakeholder and student needs were identified and met, how the organisation knew about how well identified needs were being met, and how the organisation acted on areas identified for improvement.

The EQAF has a number of critical components to ensure the integrity and maintenance of the NZQF. These include:

- rigorous programme approval processes
- self-assessment
- moderation of unit standards
- monitoring of degree programmes
- EER

- active risk management.

National external moderation ensures that TEOs and industry training organisations using unit standards are making assessor judgements that are consistent with the national standard.

EER uses key questions directly addressing achievement, outcomes and key contributing processes to judge the quality of a TEO, including its compliance with statutory requirements. NZQA evaluates the TEO's educational performance and capability in self-assessment on-site. It reports a level of confidence in each of these aspects and the TEO is placed in one of four categories of capability.

NZQA collects information on TEOs from across NZQA's quality assurance processes, complaints received, and concerns raised from other government organisations. Data mining is a relatively recent tool of value in determining whether there are patterns of concern. NZQA gathers information on whether there is a risk to learners or a breach of NZQA's Rules or legislative requirements and takes action (including statutory action) to address these breaches.

NZQA works closely with the Tertiary Education Commission to ensure aligned approaches to accountability requirements for government funded tertiary education organisations.

Assuring consistency of graduate outcomes

The design of New Zealand³ qualifications at levels 1-6 encourages flexibility in how learners achieve qualification outcomes through programmes designed to meet their specific characteristics and learning needs.

This means there can be a range of ways to achieve the qualification and its outcomes. Hence it is important that employers, parents, educators and other stakeholders have confidence that graduates have all achieved the qualification outcomes to an equivalent level. This has led to the introduction of a new quality assurance function which requires each TEO to use evidence from its self-assessment (including external benchmarking and other industry feedback) to show how it knows its graduates have met the qualification outcomes. The evidence is discussed and compared to that of other TEOs during a consistency review facilitated by an independent reviewer.

Review of TEO Monitoring Framework

The Commission's issues paper describes the government agencies that make up the tertiary education system and their range of functions and roles and responsibilities that overlap each other (page 22). For NZQA, and the Tertiary Education Commission (TEC), a recent focus has been ensuring there is sufficient

³ New Zealand certificates and diplomas are the new qualifications listed on the NZQF. They are a result of changes arising from the Targeted Review of Qualifications at levels 1-6 (not including university qualifications).

alignment across agency practices to provide an overarching understanding of provider risk and performance.

An example is the review of TEO monitoring framework - an independent review held in early 2015 that was commissioned by NZQA and TEC. The review, undertaken by Deloitte, found that while the foundation of the monitoring framework is essentially solid there is a disconnection where the interests of the two organisations intersect around programme delivery. The application of the monitoring framework will benefit from strengthened joint planning and the use of data analytics. NZQA and TEC have actioned the changes recommended in this report. Three of the 10 recommendations are complete, with the remaining recommendations being implemented from 1 July 2016.

Chapter 6: Creating an innovative system: Government can encourage a flow of new entrants

Q67: Does the programme or qualification approval process via NZQA or CUAP enable or hinder innovation? Why?

Maintaining the credibility of New Zealand qualifications, nationally and internationally, recognises that New Zealand learners are operating in a world that requires transferrable education content.

NZQA considers that the principles underpinning qualification design enable innovation as they are based on:

- Needs based – workforce and skill needs of industry or community
- Focused on outcomes
- Flexibility
- Trust and accountability.

The qualification approval criteria seek evidence of how well these principles are reflected in the design of the qualification. Programme approval criteria are focused on ensuring that a programme leading to one or more qualifications listed on the NZQF will lead to the qualification's outcomes and good curriculum design. For example, the programme has clear and consistent aims, and learning activities and assessment practices are coherent and designed to enable the learner to achieve the aims and outcomes.

There is scope for innovation particularly within the design of teaching, learning and assessment activities, as long as the overall needs and outcomes are met.

The responsibility for demonstrating how graduates will meet qualification requirements and outcomes through a programme of study rests with the TEO through its self-assessment processes.

A key component of the lifecycle of a qualification is regular review and maintenance to ensure that the qualification remains relevant, needed and fit for purpose. Stakeholders include groups such as industry, employers and the community.

It is important to constantly review the balance of regulation to protect the reputation of New Zealand education and the interests of students with the need to innovate in a global networked environment.

Qualifications are a currency and confidence in that currency is essential if it is to prove efficient for qualification owners and for employers.

