

AUSTRALIAN UNIVERSITIES QUALITY AGENCY

Executive Summary of
A Review of the First Ten NSAI Audit Reports

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OVERVIEW OF THE REVIEW

Background

In 2003 the Australian Government introduced the *Higher Education Support Act 2003* (HESA) to allow students in non self-accrediting higher education institutions to receive financial assistance for their students' tuition fees through the FEE-HELP program.

Non self-accrediting institutions (NSAIs) approved under the HESA for this purpose have become known as higher education providers, or HEPs. Although other institutions also provide higher education, the term 'HEP' is commonly used to denote only non self-accrediting higher education providers, and it is used in this sense in this review. The HESA requires that HEPs in receipt of FEE-HELP funds must meet a range of quality and accountability requirements, including regular audit by a quality auditing body named in the Higher Education Provider Guidelines.

AUQA is the only quality auditing body named in the Higher Education Provider Guidelines and in August 2009 the current minister decided that this situation will remain. As there are already approximately 80 providers required to undergo a quality audit under these requirements every five years, and twenty of these have been audited since the first pilot audits in 2006, AUQA felt it timely to undertake a review of the NSAI audits published to date. This first review will examine the first ten reports, and a second review will examine the next ten, not all of which are published at the time of writing (November 2009).

This review looked primarily at the themes emerging from audit reports. 'Themes' means common issues both of content and process. AUQA wishes to use the results of this review to improve audit processes for future NSAI activity, and to inform the Tertiary Education Quality and Standards Agency (TEQSA) which will be a new agency to regulate the Tertiary Education sector to be formed in 2010.

Method

The analysis is based on a close, comparative reading of ten NSAI Audit Reports; and an evaluation of the commendations, affirmations and recommendations (CARs) against the Quality Audit Factors (QAFs). This evaluation is subjective and a number of the CARs address more than one of the QAFs. The Performance Portfolios and supporting documentation for each institution were not consulted, as the focus of the review was on the audit reports and was not intended to repeat the work of the audit panels.

The Audit Process for NSAIs

AUQA bases its audits of non self-accrediting HEPs on each organisation's own objectives, together with the MCEETYA *National Protocols for Higher Education Approval Processes* (National Protocols, available at: <http://www.mceetya.edu.au/mceetya/>), the DEST (now DEEWR) Handbook for Quality Audits of Higher Education Providers and other relevant legal requirements or codes to which the organisation is committed. The programs or courses of NSAIs are accredited by state and territory accrediting agencies, so quality audits of HEPs do not include a detailed examination of the academic quality assurance processes for programs of study.

HEP audits under the HESA consider institutional actions and performance in relation to, firstly, the institution's objectives; and, secondly, a group of criteria collectively known as 'Quality Audit Factors' (QAFs). The four QAFs are set out in the handbook referred to above, in the AUQA Audit Manual, and for

convenient reference in Appendix D of this review. Their primary purpose is to provide the HEPs with a framework for the review of the effectiveness of core aspects of institutional performance.

The First Ten NSAI Audits

The first ten audit reports were completed in the development phase of the NSAI audit process. The audit visits were undertaken over the period November 2006 to April 2009 and the reports of those audits were published between January 2007 and July 2009. The NSAI audits vary in size, complexity and mission with the larger ones having at the time of audit a student load of approx 1300 EFTSL and the smallest having just 41 students enrolled in one higher education program. There were identifiable groups of NSAI audits, including the Christian colleges comprising three theological colleges and a stand-alone Christian foundation with University aspirations, two TAFE institutes and a category of 'other', including three colleges with single disciplinary orientations and one multidisciplinary college, a pathway provider for Monash University.

Two of the very early audits were undertaken by agencies which sought to become named quality auditing bodies in the Higher Education Provider Guidelines. These were integrated processes of quality audit and re-registration, although only the quality audit findings are published. In each case the audit panel included AUQA auditors. In August 2009, when the Minister decided that AUQA would remain as the sole audit agency listed in the Higher Education Provider Guidelines, the AUQA Board considered these two reports. In view of AUQA's involvement in the planning, monitoring and execution of these audits, the Board agreed to endorse them as satisfying the HESA requirements. Despite being endorsed by AUQA, these two reports are a little different in terminology and 'look and feel' from those undertaken solely by AUQA.

The audit reports, with the exceptions mentioned above, follow a relatively consistent format with an overview of the audit process, a summary of findings and a consideration of each of the Quality Audit Factors in turn followed by appendices. In general the audit report length and comprehensiveness reflects the size and complexity of the institution, as do the size of the panel and the length of the audit visit. In each case, the report provides some information about the institution being audited at Appendix A, with or without a small table of key statistics.

The next ten audit reports will be analysed early in 2010, and a composite report produced.

SUMMARY OF THE ISSUES IDENTIFIED IN AUQA AUDIT REPORTS FOR NSAIS 2007-2009

A review of the first ten audit reports of NSAIs published from January 2007 to July 2009 addressed three aspects of the reports. Firstly the Quality Audit Factors (QAFs) against which the audits were conducted; secondly the audit findings, both the areas where institutions are generally performing well and common areas in need of improvement; and thirdly the nature of the reports themselves.

This review summary concentrates mainly on the second aspect. There were numerous commendations for aspects of teaching and learning, the overall student experience and the development of a quality culture. The five areas identified for improvement, which are described below, are: institutional governance, academic governance, human resource management, benchmarking, and assessment and moderation.

SECTION 1: THE QUALITY AUDIT FACTORS

The review of the ten NSAI reports highlights some gaps in the Quality Audit Factors (QAF) against which NSAIs are audited.

Of the five areas for improvement listed above, there are gaps in institutional governance, academic governance and assessment and moderation. Most obviously QAF1.5 'good practice in governance' is too broad in focus for the numerous governance issues identified for Councils. Furthermore, the Academic Board, which receives considerable attention in the audit reports, is not specifically mentioned at all in the current QAF.

Similarly, the key academic issue of assessment straddles at least three of the sub-sections of QAF2, namely F2.1 'the progress of all students', F2.2 'good practice and innovation in teaching and learning', and F2.4 'processes in place to ensure that student achievement is consistent with its stated educational objectives'. Moreover, the terms 'assessment' and 'moderation' are not mentioned in QAF2.

A major gap in the QAFs appears to be specific mention of overseas onshore students, and their possible special needs for social integration, student support or English language proficiency. Although these audit reports did not identify any issues relating to overseas students, subsequent highly-publicised events suggest that this omission should be rectified in any subsequent iteration of the QAFs.

SECTION 2: AREAS OF GOOD PRACTICE

The NSAI's are commended overall for their student-centred approaches to teaching and learning, their interest in identifying particular needs and providing appropriate student support, and in some cases for the underlying support structures. They provided a satisfying overall student experience including effective engagement with their communities. Many NSAI's are making considerable steps in developing a culture of continuous improvement.

2.1 Student-centred Approaches

A number of institutions were commended for their student-centred approaches to learning and their organisational ethos. Commendations included comment on a 'caring academic community', and the use of adjectives such as 'respectful', 'collaborative' and 'student centred'. The flavour of these is summed up by a commendation for 'a College's holistic approach to education and acknowledges the respect and affection to which students, staff and the community holds for the 'College experience'. These commendations pertained particularly to the Theological Colleges and Christian foundations.

The overall student learning experience is identified as an area of strength in the NSAI audit reports, where there were a number of commendations but no recommendations or affirmations. Typically the commendations included comments such as:

- 'a ...determination to maximise the learning experiences of its students'
- 'the quality of the student experience provided through the affiliated colleges'
- 'the positive learning experiences of its on-campus students'.

Part of this positive learning experience was attributed to small class sizes, a focus on teacher performance and some innovative curricular and pedagogical approaches.

2.2 Student Support

The commendations for student support parallel and reinforce the positive view of teaching and learning activities (2.1). The NSAI's performed well in recognising student needs and tailoring support. Commendations included:

- 'attention to the needs of individual students'
- 'efficient and well-resourced support for student learning'
- 'recognising the need to provide academic and counselling support to meet a significant level of need among its students'
- 'customising support in foreign language learning'.

In one instance, the commendation for student support went beyond the norm to a system of pastoral care for students and their families which was described as the 'building of College communities' and the College was commended on 'the inclusive nature of support for students' spouses and children and for the overall pastoral care and especially chaplaincy services available to all students.' Only one recommendation was received in this area and that for a specific cohort of students.

The underlying support systems for students also receive some attention through the audit reports, including for library, learning support and information communication systems:

- 'the outstanding Library holdings that support research and scholarship at the highest level, and for the services the Library provides to faculty, students and external scholars'
- 'the high regard held by staff and students for library services'
- 'the quality of its systems for distributing information among prospective and current students'.

2.3 Community Engagement

Community engagement with external partners, employers and industry where appropriate was well developed and acknowledged as a strength for half the NSAIs audited. The main focus was on industry partners enhancing the employability of graduates. These comments were particularly relevant to the TAFE Colleges.

2.4 The Development of a 'Quality Culture'

The audit reports are overwhelmingly positive in their appraisal of how institutions have embraced a 'quality culture' or commitment to continuous improvement. These general commendations are strongly worded and positively endorse the efforts of the leadership teams of many institutions. Commendations include:

- 'leadership of the Office of the Dean and CEO of the College in establishing and nurturing an organisational culture characterised by a strong commitment to quality assurance and improvement'
- 'commitment and willingness to engage in processes for setting strategic direction and accepting the challenges of implementing quality mechanisms and processes over time'
- 'attention to continuous quality improvements'.

In other institutions, affirmations show that this quality improvement work has begun. There are also a number of recommendations to improve QA systems as might be expected in this early part of the first audit cycle.

SECTION 3: AREAS FOR IMPROVEMENT

Areas of improvement for the NSAI include institutional and academic governance, emphasising the pivotal role of the Academic Board or its equivalent peak academic body. Human resource management practices and procedures require further attention and formalisation. While most aspects of teaching and learning and student support are areas of strength, assessment is identified for further work with a number of recommendations about external moderation. In more general terms, the NSAI are encouraged to obtain external validation of performance through appropriate benchmarking.

3.1 Institutional Governance

The audit reports identify institutional governance as a significant area for improvement for NSAI. Recommendations and affirmations point to a number of interrelated issues including Council membership, external impartial input, professional development of Council members, and the relationships between governance and management. Examples of such advice include:

- 'broadening the membership of the College Council to include persons...able to provide impartial informed advice'
- 'improve the participation of student representatives on Council, Academic Board and other relevant Committees'
- (urgent) 'all members of Council receive the appropriate professional development to effectively discharge their governance responsibilities'
- 'consideration be given to the relationships between the role of the Council, the CEO and senior staff in terms of governance and management'.

The issue of appropriate institutional governance structures is widespread across the NSAI and also relevant to those TAFE Institutes which have recently taken on higher education functions.

3.2 Academic Governance

An area of concern related to but distinct from institutional governance is the issue of academic governance. A recurring theme is the role and effectiveness of the Academic Board or the equivalent peak academic body. The identified issues focus on the composition of the Board and its role in academic oversight and policy. These concerns are encapsulated in an urgent recommendation 'that the College review the composition and role of the Academic Board with a view to its having a strong and senior membership commensurate with its academic oversight responsibilities'.

Further areas for improvement include organisational structures, committee structures and roles, and the policy environment as the basis of decision making. Examples of the general concerns include:

- 'revise and strengthen the College's existing board and committee structure'
- 'revise current documented quality policies and procedures...and adopt standard nomenclature for the description of the revised policies, processes, and organisational arrangements'.

More specific concerns range from the overarching 'to rationalise the number of faculties, courses and programs' to the detail of urgently improving 'the quality of minute taking'.

3.3 Benchmarking

The audit reports consistently recommend benchmarking as an area for improvement, including the identification of appropriate benchmarking partners. Recommendations include general observations that institutions should:

- 'begin to develop and implement an approach to benchmarking'

- 'further define and develop a quality management system for higher education, including a formal approach to benchmarking'
- '(urgent) pursue the finalisation of arrangements for and implementation of benchmarking for selected relevant College processes and activities'
- 'implement processes to compare and benchmark its academic and operational processes and outcomes with relevant institutions'.

In a number of cases, benchmarking was hampered by the paucity of available and reliable data sources.

3.4 Human Resource Management

One of the most consistent expressions of concern in the audit reports relates to many areas of human resource management:

- 'AUQA affirms that the College give consideration to formalising some of the currently relatively informal approaches to several aspects of human resource management, such as: performance management of faculty and staff; study leave applications and reports; appointment processes of faculty and staff; professional development provisions; induction and continuing support for visiting lecturers; and the development of an Academic Promotions Policy.'
- 'develop formal human resource management arrangements and underpinning policies and procedures to codify current practice'.

Staff development was seen as a very important issue which could be improved generally across the NSAs. For example, a college was asked to 'substantially strengthen its ongoing support to assist staff in both understanding and operating in the higher education environment'. Other recommendations and affirmations identified the need for additional 'professional development' in various forms, including effective staff evaluation systems, academic workload models, promotions policy and remuneration.

Overall, the audit reports reflect a general concern over the human resources management practices of many of the NSAs.

3.5 Assessment and Moderation

The audit reports commend many of the teaching practices of the NSAs. Assessment is an area of mixed practice. In particular a number of recommendations encourage external moderation in assessment processes. These include the urgent development of an approach to 'external moderation of assessment in all higher education courses', and to 'assessment validation and moderation processes...by involving external assessors'. One recommendation specifically mentioned 'formative assessment' and another 'turnaround time and the quality of feedback to students'.

The issue of assessment is seen as an important one for NSAs and an area for some improvement.

SECTION 4: THE AUQA REPORTS

The audit reports are objective and balanced in tone, style and focus. The reports comprehensively address institutional objectives and are particularly cognisant of the context of change which most institutions are experiencing.

The reports are tightly written and concise and have become more consistent in their style and nomenclature over the period. Two of the reports undertaken by other authorities and subsequently endorsed by AUQA are a little different in style and terminology. The review endorses the consistency and professionalism brought to the auditing of NSAs by AUQA.