Notes on the Emerging Accreditation Regimes in Australia and New Zealand

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Abstract: In recent years, new higher education regulatory regimes have emerged in both New Zealand and Australia. In Australia, the new Tertiary Education Quality and Standards Agency (TEQSA) employs a risk management approach while the New Zealand Quality Agency (NZQA) has adopted an evaluative approach. In practice, these varying approaches create real differences in the ways in which the regulatory regimes are applied.

Keywords: Higher education, TEQSA, NZQA, accreditation, education regulatory regimes, risk management, evaluative approach

Introduction

In recent years, new higher education regulatory regimes have emerged in both New Zealand and Australia. In Australia, the new Tertiary Education Quality and Standards Agency (TEQSA) employs a risk management approach while the New Zealand Quality Agency (NZQA) has adopted an evaluative approach. In practice, these varying approaches create real differences in the ways in which the regulatory regimes are applied. As an example of the difference between the risk management and evaluative regulatory approaches this paper considers one discreet but critical element of these new regulatory regimes; academic staff qualifications. Unsurprisingly, the application of academic staff qualifications requirements is particularly an issue whenever a higher education provider seeks to deliver a new course of study. In order to do so, a higher education provider must seek regulatory approval, in both countries this is known as accreditation.

Purpose of Accreditation Regimes

Public policy in Australia and New Zealand, as elsewhere, recognises the positive correlation between a robust higher education system and a nation's productivity (Australian Workforce Productivity Agency 2012, Earle 2010). Accreditation regimes, in which higher education providers must seek regulatory approval before delivering new courses, are developed by governments in order to certify, among other things, that the courses produce a base of knowledgeable, skilled workers as well as the potential for innovation through research and development. The importance of the development of such a knowledgeable, skilled and innovative workforce is widely recognized, as documented by the Industry Task Force on Leadership and Management Skills (1995) and the Department of Education, Employment and Workplace Relations, Industry Skills Council and Innovation and Business Skills Australia (2011). Compliance with an accreditation regime also supports uniform academic standards across a range of higher education providers. This is an important protection to national reputations both in terms of the perception of foreign investors and the higher education sector itself.[1]

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[1] TEQSA (2012) explicitly acknowledges as much on its *Regulatory Risk Framework*: one of three critical overarching risks of paramount concern to TEQSA, is the risk to sector reputation for quality. Each higher education provider is

Within this overarching need for validity and reliability, accreditation systems (and the higher education provider registration which support them) have very individual characteristics; most, however, are based on a set of stakeholder developed standards and quality assurance and risk management processes.

Australia: A Risk Management Approach

In Australia, the higher education sector underwent a revolutionary change in 2012. The former state-based, quality assurance regulatory approach, which had been in place for decades, was completely overhauled. A new regulator, the Tertiary Education Quality and Standards Agency (TEQSA) began operations in January 2012 and is now responsible for regulating higher education nationally. In contrast to the previous compliance regime, TEQSA employs a risk management approach to regulation underpinned by several instruments: the TEQSA Act[2], the Higher Education Standards Framework[3] (Threshold Standards) and the Regulatory Risk Framework[4] (RRF).

In relation to course accreditation, part of the risk management employed by TEQSA is to establish categories of providers, with each category having a different risk profile. Public universities are deemed low risk, and are able to accredit their own courses; they are not required to seek regulatory approval to deliver new courses but must comply with the same standards as non-self-accrediting providers. Private higher education providers are deemed to be a higher risk and are therefore not self-accrediting and are subject to a rigorous course accreditation regime, although they can apply for self-accrediting status if they wish to undertake additional assessment.

The course accreditation standards extend beyond the detail normally associated with curriculum to include admission criteria, articulation and pathways; course development approval and coordination; course delivery methods and structure; teaching and learning arrangements; teaching and learning resources; course review, improvement and discontinuance; certification documentation, any planned delivery in a language other than English and offshore and third party delivery. Typically for quality assurance systems, providers are required to provide evidence of compliance with the standards that relate to all of these areas.

Less typically, TEQSA is required under its legislation to employ three principles as an overlay to the quality assurance approach. These principles - regulatory necessity, reflecting risk, proportionate regulation (TEQSA Act, 2011) – were clearly a response to the well recognised burden of regulatory compliance on educational systems and on governments (Productivity

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assessed against "Overall risk relative to the provider's ability to contribute to maintaining and building Australia's standing in delivering quality teaching and research."

[2] Tertiary Education Quality and Standards Agency Act 2011 available at http://www.austlii.edu.au/au/legis/cth/consol_act/teqasaa2011466/s66.html

[3] The Higher Education Standards Framework (Threshold Standards) available at http://www.comlaw.gov.au/Details/F2012L00003

[4] TEQSA 2012, *Regulatory Risk Framework* available at http://www.teqsa.gov.au/regulatory-risk-framework

Commission 2009, Bradley et al., 2008). To address these principles, TEQSA developed the RRF which defines its approach to risk at the provider level. The RRF identifies three broad areas of risk consequences - risk to students, risk of provider collapse and reputational risk to the higher education sector (TEQSA 2012). Risk categories have also been identified (such as financial viability, corporate and academic governance, physical and electronic resources and infrastructure). Risk indicators are used within each category and these will be assessed using quantitative data. So, for example, a risk indicator for financial viability will be 'low operating profit margin' and this will be assessed using publically available financial statements.

The RRF's use of quantitative parameters that are not available to providers for further scrutiny is a contested element of the risk management approach. The challenge of setting quantitative parameters in such a diverse market is finding suitable parameters that will equally indicate risk for small private providers as well as large public universities. Given that TEQSA has been in operation for less than one year, it remains to be seen if this challenge will be suitably addressed. A further concern is that the use of such a quantitatively defined approach to identifying risk may act against TEQSA's application of judgement in the risk management process. Higher education providers may be even more constrained within an unrevealed set of performance measurements than they were under the previous compliance focused quality assurance regime.

Although TEQSA describes its approach to risk profiles as underpinned by a 'strong qualitative element' (TEQSA 2012), it is not clear how this will be achieved or the mechanism for non-quantitative data to be included in 'TEQSA's internal decision-making processes'. For example, course accreditation applications from non-self-accrediting providers will not use a panel of stakeholders approach (typical of most accreditation systems) to make recommendations to TEQSA with regard to the course but will employ consultants to only advise TEQSA on the course or other elements of the application. Thus, recommendations for accreditation will only be made to the TEQSA commissioners from within TEQSA itself.

New Zealand: An Evaluative Approach

In contrast to Australia's recent move to a unified national approach, the New Zealand system is divided; two bodies are responsible for higher education in New Zealand. The first body, the New Zealand Qualifications Authority (NZQA, 2012) is responsible for the quality assurance of non-university tertiary education providers including polytechnics and the National Qualifications Framework (NQF). This same agency also administers the National Certificates of Educational Achievement (NCEA) and the New Zealand Scholarship for secondary students. The second body, the Committee on University Academic Programs (CUAP) of the New Zealand Vice-Chancellors Committee (NZVCC) is responsible for quality assurance with regard to universities. This paper examines the NZQA accreditation regime only.

The NZQA was established following a major reform of the New Zealand tertiary education sector in 1989. The passing of the Education Act (1989) allowed, among other significant changes, the delivery of degree level qualifications by private education providers. In

consultation with the NZVCC, NZQA developed and published criteria for the approval and accreditation of degree qualifications. With only minor changes over the past twenty years, these criteria include learning outcomes; coherence; delivery and learning methods; assessment; acceptability of the course amongst a wide range of stakeholders; the institution's regulations and resources and ability to evaluate and review; as well as capacity for supporting research. Unique within the New Zealand education environment, obligations to Maori (the indigenous people of Aoteoroa) and the Treaty of Waitangi must also be taken into account. Embedded within each of the criteria are requirements for providers to demonstrate, where appropriate, that the degree qualification "is cognisant of Maori tribal *tikanga*, *reo* and traditions and is acceptable to Maori as a reflection of their aspirations for quality learning and standards in accordance with *te reo me ona tikanga*".[5]

In contrast to the risk management approach now used in Australia, NZQA uses an evaluative approach when assessing whether or not to accredit a new degree qualification. Like the Australian regime, the assessment process requires the education provider to meet the defined criteria however, rather than using the combination of Threshold Standards andRRF, the NZQA uses the criteria, supported by requirements, to determine the extent that comprehensive and robust evidence confirms that the provider has the ongoing capability and resources to support sustained delivery of the qualification. This determination is based upon an evaluative assessment of the credibility, relevance and accuracy of the information and supporting evidence made available by the provider.

The evaluation of applications for degree qualifications are undertaken by panels, whose members are drawn from the university, polytechnic and private education sector as well as Maori and industry stakeholders. Following accreditation, NZQA typically appoints one of the education sector panel members to monitor degree implementation and development to ensure that standards are met. The panel assessment approach and application of standards leads NZQA to, at least by comparison to the Australian system, a more judgment based system, more apt to the use of qualitative assessments.

Point of Comparison: Academic Staff Qualifications

The difference between the Australian risk management regime and the evaluative approach adopted by New Zealand may be seen by briefly comparing the approaches to academic staff qualifications. As part of the accreditation process in both countries, the higher education provider must demonstrate to the regulator that academic staff are appropriately qualified. TEQSA stipulates that academics must be, amongst other things, qualified to at least one qualification standard level higher than the course of study being taught or possess equivalent professional experience. The skills of the individual are not seen as part of a greater whole and thus the question of whether "on balance" the skills of an individual may be suited to a teaching team cannot be answered, no judgment may be passed; the individual, in isolation, either has the requisite degree or experience or does not. This relatively inflexible approach may stem from the specificity typically associated with data-based risk assessments.

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[5] *Te reo me ona tikanga* may be translated as "language and customs".

In contrast to TEQSA's approach, NZQA takes a more holistic view; the qualification of an individual is seen in a broader context, as one element to be considered when assessing an entire teaching team. As in Australia, academics must be appropriately qualified; however, NZQA specifically acknowledges that some individual academics will not meet the standard. A collective view of the teaching team provides for the notion that there will be differing but complementary contributions to meeting the standard. This approach, allowing and relying on judgment by a group of people, is consistent with the overarching evaluative approach adopted by NZQA.

Conclusion

TEQSA's three guiding principles establish the possibility of a "light touch" risk managed approach to higher education regulation, allowing the sector to design and deliver its own processes to meet the broader productivity agenda. Although difficult to tell, given the relatively short time in which TEQSA has been in operation, its weakness may turn out to be its tendency to eschew judgment in favour of an overreliance on quantitative measurement. Conversely, the strength of the NZQA evaluative approach is its capacity to foster contextual judgement as central to its regulatory approach. The very comprehensiveness of the evaluative approach may, in time, emerge as its weakness.

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