

21 November 2016

New Models of Tertiary Education
New Zealand Productivity Commission
PO Box 8036
WELLINGTON

Tēnā koe Murray Sherwin

Thank you for the opportunity to comment on the findings, questions and recommendations signaled in the Productivity Commission's *New Models of Tertiary Education* draft report. The Wellington Institute of Technology (WelTec) and Whitireia Community Polytechnic (Whitireia) are supportive of the momentum building from this Inquiry to drive changes in the funding, compliance and delivery models for tertiary education, predicated on the expectation that the system can accommodate whatever it takes to deliver success for every learner. We welcome greater autonomy and responsibility as we see our role being to respond quickly to the requirements of learners and industry.

It would be tempting to agree or disagree with propositions put forward in the draft report so that modifications can be made to the system, simplifying requirements for providers and removing barriers to innovation. In themselves though, modifications are not sufficient to unleash innovation. Nor should the emphasis in designing any new models be at the expense of what learners, industry and the community needs from the tertiary education system. Instead, a wider perspective on the function and future of the system is warranted.

This joint submission from WelTec and Whitireia focuses on four key issues arising from the *New Models of Tertiary Education Draft Report* that would enable the construction of a system that would allow all learners, particularly Māori and Pasifika, to achieve in tertiary education:

1. Developing a clear and shared understanding of the purpose of tertiary education, and the purpose of vocational education in particular, for the future of Aotearoa New Zealand is essential before new models can be developed.
2. The critical need to reframe thinking around what 'investment' in tertiary education means.
3. Designing a system which has learners at the centre.
4. Embedding, in any new model, better processes for anticipating and adapting to the future; incentivizing innovation, and providing greater autonomy to institutions.

It has deliberately been kept short and we would welcome the opportunity to discuss these ideas in more detail in an appropriate forum.

An appendix provides easy reference to the *New Models of Tertiary Education* draft report.

Ngā mihi nui



Chris Gosling
Chief Executive

Submission from the
Wellington Institute of Technology and Whitireia
Community Polytechnic

In response to the
New models of tertiary education
Draft report

21 November 2016



Executive summary

WelTec and Whitireia are about the people of this place, learning together, transforming lives.

We believe the strength of the New Zealand tertiary education environment should be in its diversity, differentiation, growing leaders and thinkers, driving economic, social, cultural and environmental growth, and its role as champions for Aotearoa New Zealand.

The function of vocational education is to contribute to the sustainable social and economic development of the nation by evolving as society and the economy changes, ensuring we remain relevant, and responsive to the needs of industry, the community and learners.

At WelTec and Whitireia we look forward to the development of a cohesive system that:

- is learner-centred and accommodates whatever it takes to deliver the success expected for every learner;
- is distinctly New Zealand, founded on the Treaty of Waitangi, where Māori can succeed as Māori, and where indigenous knowledge is valued and shared;
- is geared for universal participation repeatedly throughout life, just-in-time, at-the-right-time, for-a-time;
- accommodates learners' different goals and motivations, not just the pursuit of qualifications;
- embeds systems and resources to know each learner's current and future learning needs and draws on information about changes in employment to help learners make sense of work options available and the learning needed to secure them;
- supports different learner journeys, *up* to higher levels of knowledge, *across* to similar levels of learning in new fields, or *down* to start afresh in just invented specialisms;
- revalues investment in and return on tertiary education, measuring the acquisition of 21st century skills and the social outcomes of tertiary education, 5, 10, 20 years later;
- minimises waste in the system, reconceiving how time and physical assets are used;
- recognises that it is the learning – rather than qualifications – that is the valued outcome from tertiary education;
- ensures learning experiences, and any qualifications that follow, are of the highest quality, with light touch controls of quality where high trust can be demonstrated;
- embeds processes for successfully anticipating and adapting to the future;
- provides ready access to reliable trends and data about how learners and their world is changing;
- encourages and builds the capacity of institutions to take risks, act quickly and adapt, to innovate and maintain high quality; and
- ensures agencies, funders and regulators are strategically aligned, responsive to the clearly articulated needs of learners, employers and communities.

1. Refreshing the purpose of tertiary education:

Any consideration of new models of tertiary education in Aotearoa New Zealand cannot be separated from thinking about the *purpose* of tertiary education.

The scope of the Inquiry, (NZPC, 2016a, p.116) focusing on “*how trends, especially in technology, tuition costs, skill demand, demography and internationalisation, may drive changes in business models and delivery models in the tertiary sector*” is motivated by the need for “*faster and more ambitious*” adaptations to the way the world is changing. The draft report does a good job of describing the drivers of change, and the deficiencies inherent in the system’s current response to these changes. It does not, though, provide a concise reason for the *purpose* of tertiary education in the future. Without this, there is a risk that new models may not deliver the outcomes needed from tertiary education.

The recent *Blueprint for Education System Stewardship* offers as a purpose of our education system: “*for every learner to succeed so that New Zealand prospers.*”

This contemporary definition of the purpose of the whole system is at odds with the traditional purpose of tertiary education which was set up to deliver success for some only. Because we in the sector recognise this changing need, we keep pushing against (and within) the system in the hope that it can deliver success for all, but the enduring power of the traditional purpose and mechanisms is such that it continues to thwart our attempts to adapt.

For this reason, WelTec and Whitireia are supportive of the momentum building from this Inquiry to drive changes in funding, compliance and delivery models for tertiary education, predicated on the expectation that the system can accommodate whatever it takes to deliver success for every learner.

The *Terms of Reference* for the Productivity Commission’s Inquiry require it to “draw on the main challenges in tertiary education identified by the OECD to assess the potential impact of the trends and new models on the New Zealand tertiary system.” The OECD’s *Skills beyond School* identifies as the first challenge “*a clear articulation of a nation’s expectation of the tertiary education system, in order to align priorities of individual institutions with the nation’s economic and social goals.*”

For Aotearoa New Zealand, there must be an expectation that the tertiary education system references the Treaty of Waitangi as a driver for how the system is shaped; and that the system delivers outcomes that are consistent with the Treaty of Waitangi. This means a system set up to expect not just that Māori will be successful in tertiary education, but that Māori can both develop indigenous knowledge for economic and social prosperity, and expect that others can access and use this knowledge for the same ends. We note with concern that no reference was made to the Treaty of Waitangi in the *New models of tertiary education Draft report*.

Tertiary education refers to learning that happens after completing secondary education (NZQA) to foster and provide the objects set out in the Education Act 1989, section 159AAA.

At WelTec and Whitireia, we see the purpose of a system for tertiary education is: to provide a cohesive means of delivering what each learner needs, after their compulsory entitlement to learning has been reached, so that New Zealand's economy, communities and whānau can thrive in the future.

For us, we are in the part of the system that focuses on vocational education therefore we continually engage and re-engage with learners, industries, communities and whānau to provide industry-led and industry-infused, high-quality, applied learning so that every learner succeeds and contributes to the sustainable economic and social development of the nation.

This requires a tertiary education system set up to meet the following expectations:

- every learner – Māori, Pasifika, engaged or disengaged, young or older – will be successful;
- universal and on-going participation in tertiary education, since all people need to continue to acquire and adapt knowledge and skills for the changing times;
- understanding and overcoming barriers that stand between them and success, developing the whole person;
- tertiary education is neither the exclusive focus of a learner's life, nor a single shot activity. It happens simultaneously with other endeavours and continues throughout the course of life;
- progress through tertiary education is not just heading *up* to ever higher levels of knowledge but also moving *across* to new areas of knowledge and *down* to lower levels of learning to acquire new skill sets. Current funding mechanisms and rules focus predominantly on "up" and dis-incentivise "across" and certainly "down";
- learners have different motivations for learning and definitions of success, and therefore not all tertiary education needs to result in a qualification; and
- the value of tertiary education lies as much in the contribution it makes to social goals as in the contribution it makes to economic goals.

At WelTec and Whitireia we believe the strength of the New Zealand tertiary education environment should be in its diversity, differentiation and its role as champions for Aotearoa New Zealand. Our function is to contribute to the sustainable social and economic development of the nation by evolving as society and the economy changes, ensuring vocational education keeps relevant, and responsive to the needs of learners.

We believe lives are transformed by learning together.

2. Reframe thinking around what 'investment' in tertiary education means

The prospect of new models for tertiary education forces questions about the value of the system, the investment required for it to provide a return by delivering on its purposes, and how costs of the system can be met.

These questions need to be set against a context where there is an expectation of universal participation, not just once but repeatedly throughout life, just-in-time, at-the-right-time, for-a-time, and delivers education with the dual focus on improving social and economic outcomes.

For a long time now, it has been naive to expect that on leaving the compulsory schooling system a young adult will be equipped with all the knowledge, skills and competencies needed to survive and thrive over the next five or six (or more) decades. In fact, the current expectation of the compulsory schooling system (MOE 2004) is that *“all school leavers, including those who go directly into paid employment, [will] take every opportunity to continue learning and developing their capabilities”*.

The compulsory sector curriculum *“takes as its starting point a vision of our young people as life-long learners who are confident, and creative, connected and actively involved.”* But in New Zealand, what happens after that to create citizens, communities and a workforce equipped with what UNESCO has defined as 21st century skills is, at best, random; at worst, engineered in favour of those who already enjoy considerable social and economic advantage. The goal now, and in the coming decades, is to make sure that everyone has the capacity to continue in education and to succeed in acquiring and applying new knowledge, skills and competencies in the changing world.

Without this, those who do not develop critical thinking skills will find it difficult to navigate and make sense of the information deluge already prevalent because of the rapid expansion of knowledge (and because everyone’s an author). Those who do not develop appropriate personal and interpersonal competencies by the time they leave school will struggle to work in groups; and those who never engage with opportunities to learn new skills will find it difficult to engage in the workforce. Even those who have previously been successful in tertiary education and in the workforce are likely, at stages in the future, to encounter situations where they will benefit from further tertiary education and learning because the context will keep evolving.

A minimum expectation of the future tertiary education system therefore is an expectation of universal participation of all citizens, and that this participation will occur at multiple points throughout their lives. This highlights the need for a system to support learners to navigate the choices and complexities of when to engage in tertiary education, who with, for how long and to what end.

This contrasts with the current system which is catering to increasingly fewer people, where *“participation rates in tertiary education have been steadily falling over the last decade, with more than 20% fewer domestic enrolments in provider-based tertiary education in 2015 than in 2005”* (NZPC, 2016b)

Many learners are unable to realise the full value of the investment in their tertiary education for reasons that are easily predicted, including:

- entering programmes that are poor matches for their levels of interest or current competencies;
- becoming disengaged during the programme because of factors such as pedagogical approaches or insufficient support; and
- discontinuing programmes because learning is not the exclusive focus of their lives and other demands on their time, like whānau or work responsibilities, need to have priority.

It is also wasteful for learners who successfully complete programmes of study to find that the market for their skills has ceased to exist or that they are qualified for work that no longer suits their personal circumstances.

If we were to have a system that expects successful outcomes for the investment, then it would include:

- processes for better matching learners with programmes that are right for them. The 'right' conversations prior to enrolment to match aspirations, competencies and programmes;
- targeted investment in teaching and technologies that are compelling and flexible for learners;
- investing in services that understand each learner, anticipate their needs and provide whatever support is needed at the right times;
- the means to adapt to the changing circumstances of learner's lives, such as by extending the time needed to successfully complete programmes; and
- the capacity to sponsor innovation, such as through pilot investment and quality assurance mechanisms.

If we were to truly appreciate that the 'attributes of highly skilled and productive workers are essentially the same as those of confident, creative, culturally enriched good citizens' (MacCormick as cited in *New models of tertiary education Draft report*) then the return on the investment in tertiary education would measure improved health outcomes, lower costs of unemployment, and reduced rates of incarceration.

If we were to recognise the full value of tertiary education, we would take a longer view of the investment, not just by focusing on what becomes of graduates in the year following graduation or their earnings in five years, but by tracking what they are doing one or two decades later, and analysing how the combination of education experiences impacted on a learner's life, that of their whānau, community and their contribution to the economy.

Government investment in tertiary education recognises public good outcomes, the delivery of services to achieve strategic goals 'so that New Zealand prospers' and the need to support affordable and equitable access to quality, relevant education. Individuals contribute personal funds to pay for learning services, and employers invest in professional development and training opportunities for their workforce.

Given the prospect of every individual participating in tertiary education on multiple occasions over several decades, we should then be certain of two things: the demand for tertiary education will increase, and the funding available will struggle to meet expectations of the system.

We need processes to rethink investment in tertiary education to minimise waste in the system; to evaluate the stake government, industry, iwi, communities and individuals have in tertiary education; and to figure out how to maximise the value of the combined contribution each is prepared to make to secure the productivity and social gains expected from the system.

We want to make sure that we enshrine in future models the features that reflect who we are and what makes us unique and valued on the world stage so that we can resource models that are distinctly New Zealand, and not simply a regional variation of a global product.

3. Learner-centred tertiary education

We strongly agree with the Productivity Commission's statement in the *New models of tertiary education Draft report* that creating an education system that is truly learner-centric is the right goal (p. 325) and that achieving it requires a significant reorientation. We are cautious though that is not a singular 'reorientation' onto a new trajectory; rather, it is a reorientation that welcomes and accommodates diversity, expanding and diversifying services to remove barriers to learning and success.

Learners are diverse and have complex needs. At WelTec and Whitireia, our diverse learners include:

- Māori
- Pasifika
- youth
- highly talented and creative people
- people with disabilities
- innovative and enterprise focused people
- those with excellent outcomes from schooling
- those with poor outcomes from schooling
- solo parents
- refugees and migrants
- Lesbian, Gay, Bisexual, Transgender, Queer and Intersex
- people who need literacy and numeracy skills
- long-term unemployed
- those in prison.

Most of our learners fall into many of the above groups. We expect that in the future, we will have an increasingly older demographic including people who have previously been successful in learning and work but who find their job has become obsolete; they too will have diverse needs as they move across to new fields of learning.

We are continually refining how we work to meet diverse needs because, like *The Blueprint for Education System Stewardship* (SSC, 2016), we believe equity of access to quality education is crucial to achieving equitable outcomes, and different solutions are needed for diverse learners to have equitable access to successful outcomes. These solutions can range from specialist services (mentoring, language needs, academic support), to provision in different places (closer to home or work), or times (block courses, evening or weekend provision).

The current funding settings, based on standard EFTS, have no mechanism to accommodate diverse learner needs; student loan requirements disadvantage those who may need additional time to complete a programme successfully; and the centralised

programme approval processes are not able to provide the flexible or timely modifications to meet particular learner needs while still ensuring quality.

These systems settings, treating 'unequal people equally', may well contribute to the persistent failure to achieve equitable outcomes for government Priority Groups. Perpetuating these settings points strongly to the likelihood of similarly inequitable outcomes for learners with different needs in the future.

A truly learner-centric system in Aotearoa New Zealand would be set up to expect and deliver success for all learners. It would start from an understanding that 'if we get it right for Māori, we get it right for everyone' (SSC, 2016, p11.).

No one enrolls in tertiary education with the goal of not being successful, though 'success' comes in many forms.

At Whitireia and WelTec, we are already moving to accommodate expanded definitions of success. The wide range of learners across our two ITPs and PTEs, including services to learners at Rimutaka Prison, and our diverse industry partners have made it clear to us that 'success' comes in a range of forms, of which completing qualifications is just one. In fact, we anticipate a diminished role for formal lengthy qualifications in tertiary education in the next couple of decades as learner motivations and goals change, and other ways of 'credentialing' learning are increasingly valued by employers and learners.

In the past, a primary motivation for participation in tertiary education, particularly at universities, was to achieve qualifications. In the ITP sector, we recognise different learners can have quite different goals, even when they participate in the same programme.

For instance, because our programmes are industry-led and industry-infused, some learners enrol to increase their chances of finding employment and when this happens, they have little hesitation in leaving before the qualification (or even course) has been completed because their goal has been achieved. Ironically, this outcome results in a black mark for the provider, and the learner has failure recorded against them.

Someone wanting to establish their own start-up may enrol in a business degree and, having mastered how to write a business plan, creates one that secures a bank loan meaning they can accelerate plans for the business and set plans for the degree aside for a while. Other learners pursue a single short course to build a single competency, not to pursue a qualification but to secure a promotion at work.

In some cases, the expectations of the wider whānau or community can be carried with the learner which may or may not necessarily align with the learner's own goals, as when the learner becomes the first in family to achieve an architecture degree but is delayed in their aspiration to become a builder.

For some learners, achieving levels of literacy and numeracy not previously imagined changes their self-efficacy as a learner and the way they see their place in the world, bringing confidence to tackle parent-teacher interviews at their child's school for the first time ever.

The rapidly changing world of work is valuing other ways of credentialing what people have learnt, such as when a learner studying Information Technology creates a software programme which is then marketed by their own business and purchased overnight by large logistics firm in China.

Each of these examples question the current model's definition of success though undeniably provide varying levels of return to the learner, the funder, industry and society.

In the future, definitions of success may include achieving defined levels of competency in new 'literacies' necessary for the future world: financial literacy, technology literacies, perhaps even scientific, health and environmental literacies.

In a system set up to ensure every learner succeeds, it is the learning - rather than qualifications - that is the valued outcome. In this system, qualifications are reconceived as an entitlement, awarded to those learners who have met particular conditions of combinations of learning programmes. For these reasons, it is vital that learning experiences, and any qualifications that follow, are of the highest quality. It is our view that the focus on quality must be equal to, not at the expense of, meeting the diverse needs of learners; and that the controls for regulating quality should be lighter where high trust can be demonstrated.

Diversity, in learners and learner motivations and definitions of success, is also apparent in the learner journeys individuals take. As a provider of vocational education, our provision includes those still in secondary education, those in full-time study who are yet to start employment, those who are in employment and who may never have engaged in tertiary education, and those who not currently in employment.

The learner journey is already complex. With the expectation of universal participation in tertiary education in the future, many entry and exit points, on multiple occasions throughout life as personal and economic contexts change, this complexity will only increase. The exponential growth in knowledge is increasing the range of specialist fields of endeavour learners can choose to follow, not just once or as a single pursuit but again and again as people change careers. The mastery of 'soft skills', including those identified by UNESCO and others not yet imagined, will be increasingly valued in employment just as they will be in personal relationships.

Navigating this complexity successfully is too important to leave to chance. Failure to match the opportunities available to each learner's current and complex needs is wasteful of the resources invested in the system and of a learner's time and potential, and thwarts the plan for achieving the goal of a prosperous nation.

What is needed is a system and resources to get to know each learner's current competencies, on-going needs and aspirations, and preferred learning modes. It could also draw on information about changes in employment opportunities relevant to local, regional and national contexts and help learners make sense of the work options available and the learning needed to secure them.

It could provide high quality, tailored advice to match programmes and providers that suit the learner's context and have a track record of quality learning experiences for 'people like them.' It could also identify whatever resources (mentoring, literacy, work-based learning experiences, and community support) might be required for the learner to succeed so they can put in place at the right time. At WelTec and Whitireia we have recognised this and we are increasing our focus on the learner journey and we will be further developing our upfront support and advice, intervention, pathways, and employment preparation and support. It will also mean working with the learner to anticipate where the learner's journey might go next, whether 'up' into higher levels of expertise, 'across' to similar levels of learning in new fields, or 'down' to start afresh in just-invented specialisms.

For minimum-wage workers with a young family living in say a suburb of Porirua, doing two or three different jobs never thinking about tertiary education, not even seeing themselves as learners, such a system would be transformational. It would have the capacity to recognise current competencies built up from employment, as the recognition of prior learning (RPL) process does now. The learner would use it to search possible areas of interest and align these with employment prospects, help identify time available for learning that fits around family needs, indicate preferences for local provision, with 'hands-on' experience, in a small group, with iwi support.

If such a system were in place, learners, whānau, industry, communities and government could have more confidence in the value of tertiary education and its contribution to economic and social cohesion.

A system to support new models of tertiary education will need to factor in services so all learners access and succeed in tertiary education.

Other enablers for successful outcomes can be achieved by removing some of the 'artificial' barriers the current system perpetuates.

Take time, for instance. The period of tertiary education provision on a daily and weekly basis (with a few exceptions) runs at the very time the majority of people are at work. Right there you have a barrier that excludes those who want or need to learn in the evenings or weekends. At the same time, the huge investment in specialist facilities and equipment lays idle, night after night, weekend after weekend, year after year. The options for starting and ending learning programmes still run, in the main, from the beginning of the calendar year till near the end, leaving at least some facilities on most campuses empty and closed for months on end. Shorter blocks of learning are possible, but it is still not feasible to run a programme that starts in March one year and finishes in say April of the following year. While it is possible 'in exceptional circumstances' to extend time for individual learners, as a system we have failed to entertain the idea that the 'exceptional' could become the norm. Lives are messy, multiple demands are made on a learners' time and things pop up unexpectedly. The way the system runs is oblivious to the predictable if occasional need to take time out to care for whānau, attend to urgent priorities at work, have surgery, or to de-stress and recharge.

It is past time that we acknowledged that the notion of full-time study over several consecutive years is neither sustainable nor particularly desirable. It compromises a

learner's capacity to earn an income to support themselves and any dependents, and it perpetuates the prospect that some learners may graduate with a degree in their early 20s without ever previously engaging in paid work. For those who learn at a faster pace, or who have learned what they need to before formally completing a qualification, keeping them longer is wasteful. It may well be better to use that funding for the learner's next career shift or learning need.

So, learner-centred tertiary education models will need a fundamental emphasis on two processes that currently receive scant attention across the system:

- knowing each learner, their motivations and needs, both personal and professional; and
- having effective mechanisms to co-construct learning options.

No learner opts in to what is a voluntary tertiary education with the goal of not succeeding. They hope and expect to be successful, whatever that means to them. Those of us in the business of tertiary education need effective resources directed towards working with learners of all ages and stages to find out what that is and how it fits the current context, and then work with learners and others to do whatever it takes to achieve success.

Learner-centred tertiary education does not mean the learner alone determines the market or shape of tertiary education provision.

Learner-centred is not the same as the learner being able to pick whatever options they want without regard to what the economy and society needs and expects of them. It does though anticipate that different options will be available that can be matched to the particular and multiple requirements of increasingly diverse learners.

This is complex business, and those designing and delivering new models and systems for tertiary education in the future need to identify and work with these complexities differently in the future: hold them, watch how they grow or change, learn where they came from and what they might become, and then consider how to bring cohesion and balance to what may initially seem to be competing interests. Sponsor innovations and if they are not working, have the mechanisms and courage to change or jettison them before they do enduring harm to individuals, the economy or the nation's prosperity.

4. Embedding processes to meet future needs.

Regardless of whatever models emerge as a result of this Inquiry, particular attention needs to be paid to processes for successfully anticipating and adapting to the unknown future, however it unfolds.

The first is to regularly update the purposes of tertiary education as the wider context and population changes, continually refreshing and updating our expectations of the system.

This process, perhaps a 'national conversation', would invite and mandate input from a wide range of participants with a stake in tertiary education to ensure the system remains fit for purpose and true to who we are. Without it, we may find even new models lose their

relevance. We also risk waking up one day only to find that the system functions – but bears little relationship to who we are as New Zealanders.

Such a process would provide a way for iwi to influence services and outcomes expected from tertiary education, consistent with the Treaty. It would provide a way for industry - peak bodies, large and small employers, professional associations - to define and change what it requires of the system, accelerating the delivery of some skills, signalling the near obsolescence of others. It would amplify the voice of diverse learners, current and prospective, making their aspirations and needs more explicit at national level and not just at provider level as is currently the case. It would provide a consistent vehicle for those from Pasifika and migrant communities, secondary schools, local government, and a range of policy areas to shape what could be delivered by the tertiary system.

When common agreement is reached about the purpose and outcomes of the system, about what stays the same (such as the need for a literate and numerate workforce) and what needs to change, these agreements can be embedded as national priorities with resources allocated accordingly. It is at the local or regional level where such 'conversations' could really gain traction because a clever process would be one that extended beyond merely identifying common expectations of tertiary education to one that gave effect to those aspirations.

Imagine a series of conversations on the Kāpiti Coast for example, where people from local industry, secondary schools, iwi, district council and tertiary education providers identified the need to increase skills to protect the environment, and in particular to improve the quality of local water. As the conversation continues, they quickly realise the need to develop a workforce for the local enviro-tech company to produce the apparatus for monitoring water quality to newly-secured international markets. By continuing to work together, they co-construct a series of tertiary programmes: for learners identified by the schools and iwi to gain the skills the employer needs; for local government to use the apparatus and track subsequent improvements in the quality of the local water supply, providing feedback to the company to improve the product design.

Such a process brings stakeholders' needs closer to the centre of the system where the learners are, articulating, permitting and supporting innovation to improve economic and social outcomes.

Of course, there is potential to design other processes to engage industry, learners and the community in defining and delivering the purposes of tertiary education to ensure it stays relevant and valued.

Another way to support the tertiary education sector as it anticipates and adapts to change would be to provide easy access to the same reliable trends and statistical data about how the learner's world is changing. With a shared perspective on social, technological, economic, environmental and political trends, tertiary education providers can see patterns emerging and take action to be ready for them.

For example, if it is already possible to build houses using 3D printers, how long will it be before this approach overtakes the traditional methods used to train every carpenter in the

country? Maintaining the status quo is forgivable if we cannot see what is coming next; but once we can see these possibilities, the need for innovative responses is inevitable. In this way, increasing knowledge of trends forces innovation.

The emergence of big data systems that can make sense of the huge volumes of intelligence, much of which was previously inaccessible, can be used to mine information about the dimensions, competencies, and aspirations of future learner cohorts, as well as about the changing economic and social contexts. There will be no reason why providers cannot be ready with tailored responses to what each individual will need even before they enrol. There will be no excuse for not supplying the right skills to industry to meet expanding demand.

Finally, it is reasonable to expect that innovation will spring first from the interface closest to learners and learners, as it always has. Currently, this is conceived as the 'edges' of the system, away from the centre where funders and regulators are located. In learner-centred models though, this innovation source will be at the heart of the system, dynamic, agile, flexible, attempting to respond to a multitude of challenges simultaneously - a risky business.

To help manage these risks safely, learners and providers will need funders and regulators with the capacity to act quickly and adapt systems to suit innovation while ensuring high quality standards are maintained. Central agencies, funders and regulators need to be strategically aligned and responsive to the needs of learners, employers and communities. A "light touch, high trust" low compliance and a highly responsive and innovative systems need to be in place.

Fostering a culture of innovation in the sector can be as much about removing the barriers to productivity on a day-to-day basis and replacing them with the permissions and flexible funding components to create or dissolve bespoke solutions or models, to vary content, location, modes and pace to meet changing needs.

In conclusion

At WelTec and Whitireia we look forward to an operating environment which enables us to:

- put the learner at the centre of decision-making,
- support diverse learner journeys, creating seamless learning-to-employment-to-learning experiences;
- reflect the changing needs of learners, industry and the community, collaborating on learning design and measuring valued outcomes together; and
- provide assurance of our alignment to national interest, and show high standards of stewardship of national resources.

Such a context will facilitate our capacity to increase the employability of learners, supporting every learner to achieve their goals throughout their lives so that New Zealand's economy, communities and whānau can thrive in the future.

Appendix 1

List of Findings Questions and Recommendations with reference to relevant section of report

Question / finding / recommendation	Section of NMTE report
Q12.2 What measures might encourage providers to enter into articulation agreements to provide pathways for students to study across providers?	4
Q12.6 What do you think of the Student Education Account proposal as outlined in this draft report? What would you do to improve it?	2
Q12.9 Are there alternative models that could shift the tertiary education system from being provider-centric to being genuinely student-centric?	2
F3.1 Students choose tertiary study for a wide range of reasons. Improving career prospects and pursuing personal interests are key reasons. Students are acutely concerned with whether their investment in tertiary education will lead to well-remunerated employment.	3
F3.2 Māori and Pasifika have relatively high rates of participation in tertiary education, but the high participation rates are entirely at subdegree-level study.	2
F12.13 The tertiary education system is increasingly oriented towards full-time study, towards younger students (under 25 years) and away from extra-mural study.	2 and 3
F12.14 Decisions about entering tertiary education and the influences on prospective students are complex. The arrangement and delivery of careers services including in schools, and government provision of information to prospective tertiary students, is fragmented and operating poorly.	3
F4.3 Employers can have input into the tertiary education system through a range of formal and informal avenues. The incentive for employers to engage with tertiary providers may be muted by the relative ease of access to skilled migrants while tertiary providers lack incentives to respond to employer input in a meaningful way, as the majority of their funding comes from government	4
F4.5 Tertiary education qualifications that equip graduates with transferable skills are desirable in that they retain their relevance in a changing job market. Several providers noted they are focusing on developing transferable skills; however, in some cases, these skills are poorly integrated into assessment processes.	2
F4.8 Current funding and regulatory settings for tertiary education that focus on younger, full-time learners completing full qualifications, the design of the student support system, and funding rules that make recognition of prior learning difficult, all present barriers to mid-career retraining.	3
F5.1 The Tertiary Education Strategy contains some worthy priorities, but indicators are frequently vague and monitoring against the strategy is sporadic. It is not clear that the strategy is an effective tool for driving outcomes.	4
F5.10 NZQA processes are time-consuming, costly and a barrier to innovation in the development and delivery of programmes. Tertiary providers have no choice in what quality assurances NZQA undertakes and charges them for.	4
F5.11 There is scope for NZQA to adopt a more risk-based approach to external evaluation and review, and for reviews to concentrate more on providers' value-add and student outcomes.	4
F8.9 The funding and quality assurance systems do not reflect stated government commitments to improving educational outcomes for disadvantaged student groups, including Māori and Pasifika.	2

Question / finding / recommendation	Section of NMTE report
F8.11 The tertiary education system is poorly suited for lifelong learning.	2, 3 and 4
F9.1 Course and qualification completion rates as currently published by government are not a reliably good indicator of a provider's performance in educating students, because they do not measure value-add.	1, 2 and 3
F9.2 Whatever happens educationally between age 15 and young adulthood in New Zealand does not reduce variation in skill levels across the population, or improve the skills ranking of younger New Zealanders compared to other OECD countries.	2, 3 and 4
F9.3 The tertiary education system underperforms for Māori and Pasifika students. They experience persistently worse tertiary education outcomes than other students.	1, 2 and 3
F12.1 The tertiary education system allocates more resources to those who spend more time in education, especially at higher levels. These people also gain the largest private rewards from their education. The system therefore extends and exacerbates the inequality that emerges in the schooling system, rather than ameliorating it.	2
F12.2 Regulation should recognise that different people can reasonably hold different views about what constitutes "good quality" tertiary education. Regulation should focus on enforcing minimum standards.	1 and 3
F12.9 The inquiry's recommendations, if adopted, will improve the system, and its openness to new models. However, they are insufficient to address the system's major structural deficiencies identified by the inquiry.	1, 2, 3 and 4
F12.10 The current tertiary education system is provider-centric from the students' perspective; and government-centric from the providers' perspective.	4
R12.3 The Ministry of Education should design a new quality control regime for tertiary education that encourages innovation, takes a risk-based approach, and enforces minimum standards of quality.	4
R12.3 The Ministry of Education should design a new quality control regime for tertiary education that encourages innovation, takes a risk-based approach, and enforces minimum standards of quality.	4
R12.5 The Tertiary Education Commission should change the way it measures completions so that provider performance is not penalised if a student transfers to continue learning at a different provider or moves into work.	3
R12.9 The Ministry of Education should reform its approach to school-based career education so that school students, from an early age, develop the skills and knowledge to make effective decisions about their study options and career pathways.	3 and 4
R12.13 NZQA should review their programme approval processes, with a view to reducing timeframes and removing any unnecessary requirements. It should set a target for the median timeframe for approvals.	3
R12.14 NZQA should update its policies to permit providers to change the location of delivery without prior approval, where those changes do not materially alter the programme from the perspective of students.	3
R12.22 Government should: <ul style="list-style-type: none"> ○ extend funding eligibility to students who do not intend to pursue qualifications. 	3
R12.30 The Government should alter the definition of an equivalent full-time student (EFTS) to allow alternatives to the input-based "learning hour" as a basis of calculation.	3

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