

About this document

The Government has asked the Productivity Commission to carry out an inquiry into “new models of tertiary education”

The Commission has published an **issues paper** on its website to assist individuals and organisations to participate in the inquiry. The issues paper outlines the background to the inquiry, the Commission’s intended approach, and the matters about which the Commission is seeking comment and information. It also contains 78 specific questions to which responses are invited.

This document sets out **just the 78 questions from the issues paper**. Submitters are welcome to use this document as the basis of their submissions. Submissions are also welcome in many other forms, as outlined in the issues paper.

Making a submission via this document

All submissions should include the submitter’s name and contact details, and the details of any organisation represented. This information can be entered below.

Submitter information	
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Submissions may be lodged at www.productivity.govt.nz or emailed to info@productivity.govt.nz. Word or searchable PDF format is preferred. Submissions may also be posted. Please email an electronic copy as well, if possible.

The Commission will not accept submissions that, in its opinion, contain inappropriate or defamatory content.

What the Commission will do with submissions

The Commission seeks to have as much information as possible on the public record. Submissions will become publicly available documents on the Commission’s website shortly after receipt unless accompanied by a request to delay release for a short period.

The Commission is subject to the Official Information Act 1982, and can accept material in confidence only under special circumstances. Please contact the Commission before submitting such material.

Key inquiry dates

Receipt of terms of reference: 3 November 2015

Due date for initial submissions: 4 May 2016
Release of draft report: September 2016
Draft report submissions due: November 2016
Final report to Government: 28 February 2017

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Questions

Below are the 78 questions contained in the issues paper. These questions are not intended to limit comment. The Commission welcomes information and comment on all issues that participants consider relevant to the inquiry's terms of reference.

Submitters should choose which (if any) questions are relevant to them, and leave or delete those they do not wish to answer. Many questions will not make sense without the accompanying discussion provided in the issues paper; submitters should refer to the issues paper to clarify the meaning of the question.

Question number	Question text	Where the question appears
Q1	What are the advantages and disadvantages of administering multiple types of post-compulsory education as a single system?	Page 3

Advantages

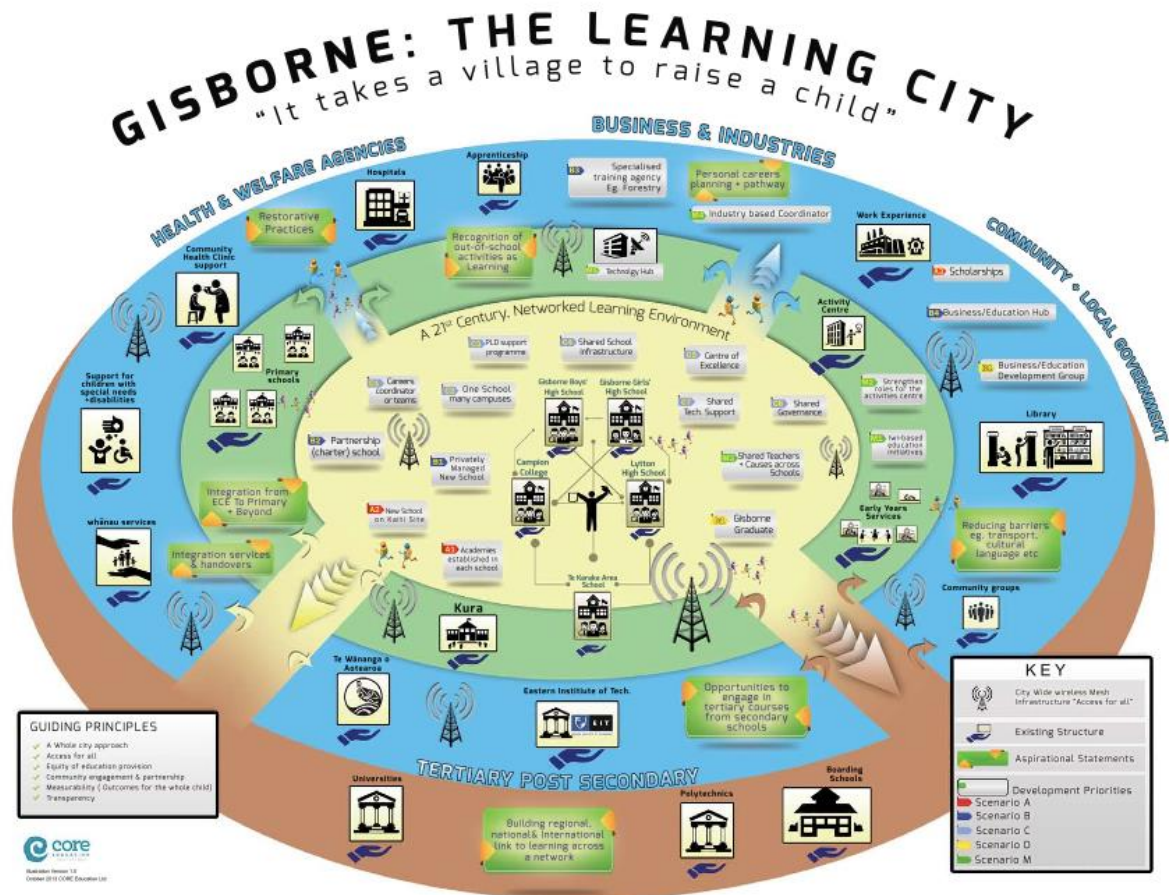
- Represents a significant move to a learner centred approach
- Accommodates the increasingly diverse range of interests and involvements of learners as a primary focus of the system.
- Creates opportunities for linked pathways for learners that will better suit their needs.
- Creates an alignment across the entire system of provision

Disadvantages

- Will require a greater administrative overhead for individual institutions to track and monitor learners
- Will require the development and consistent use of a single student management system across all tertiary providers
- Opens up concerns from some re data ownership and personal privacy

CORE Education has been committed to working as a part of a networked system, providing the teachers we work with in our professional development programmes with pathways to take what they've learned into higher qualifications. To this end we have recently signed agreements with Canterbury University and Unitec that will enable teachers who have completed our online "Empower" programmes to have their work recognised towards the post-grad qualifications offered by these institutions respectively. This has involved collaborations over submitting our courses to each institution's academic board and putting them through their academic approvals process so that they can be recognised within the qualifications. The net result is a seamless experience for teachers - avoiding the often cumbersome (not to mention time consuming) task of providing evidence through an RPL process.

Another example of CORE's commitment to and beliefs about the need for 'joined up thinking' at a system level can be seen in our work for the Eastland Community Trust in the development of a strategic vision for the region (report available here: (<http://www.ect.org.nz/news/core-education-report-on-secondary-schooling-in-the-region/>)) and the work we did to develop a Digital Alignment Strategy for Christchurch Schools on behalf of the local Ministry of Education (report not yet published, but can be made available if requested - key diagram from that report illustrated included below).



In both of these examples the strategic approach of the solutions we designed was based on the concept of ‘systemness’ and ‘joined up thinking’ with a focus on an end-to-end experience for the learners at the centre of it all.

Q2

Do prospective students have good enough information to enable them to make informed choices about providers and courses? What additional information should be provided? Who should provide it? Page 8

- Information within each institution must be provided in a consistent form so that students are able to easily and quickly compare and understand what the different options and pathways provide. This includes easy ways for students and prospective students to be able to see how things ‘fit’ together, what pathways are available, and what the costs are (including options for scholarships etc.) Many institutions do this reasonably well, but often there are ‘gaps’ in the information flow that means students find difficulty in piecing a full story together for themselves.
- Need to understand that there are lots of other options for engaging with tertiary level education that aren’t catered for in the Fig.6 which recognises only the approved or recognised tertiary providers - e.g. independent PLD providers (perhaps accounted for under the ‘other tertiary providers’ section?) This is the biggie in terms of ensuring we achieve a fully learner-centric approach to our tertiary provision. Not sure if it belongs here - but the notion of connections and connectedness at a system level needs to be considered carefully in any review, particularly given the different futures that are likely (see the Ako Aotearoa/DEANZ 2016 scenarios work here)

<https://akoaootearoa.ac.nz/projects/2016-scenario-guide-effective-tertiary-education-new-zealand>)

Q6**Do the business models of PTEs have common characteristics? Page 12**

Need to understand these as a part of a learning ecology - not a separate institutions. As such, the business models will on the one hand be different, and on the other, require alignment so that the student centred synergies are achievable.

Q7**What are the implications of economies of scale in teaching (and the government funding of student numbers) for the delivery of tertiary education in different types of providers and for different types of courses and subjects? Page 12**

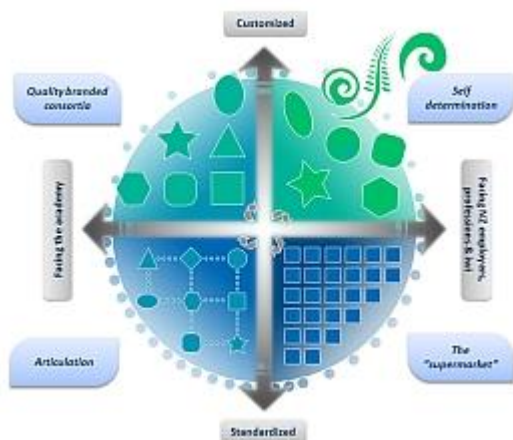
Inevitably this may mean wins for some and loses for other organisations. If the fundamental value of an EFT is kept at a uniform level, then the challenge will be to find ways of adding the extra value at (a) the individual level where courses may differ in requirements in terms of specialist knowledge, expertise or environments, and (b) the organisational level, where support is required to provide opportunities for staff to remain up to date in their field and remain current in their knowledge and experience (e.g. PBRF is one example of an attempt to address this).

Q8**How does competition for student enrolments influence provider behaviour? Over what attributes do providers compete? Do New Zealand providers compete with one another more or less than in other countries? Page 12**

Any system which is funded based on student numbers faces the challenge of placing competitive interests ahead of any sort of collaboration. It also forces the institution to be focused on itself, rather than the learner. Large fixed costs for many institutions requires regular and guaranteed levels of income, and can reduce the willingness of institutions to collaborate with potential competitors in a limited market.

Q9**What are the implications of fixed capital costs for the business of tertiary education? Do differences in the capital structure of different tertiary institutions have important implications for the delivery of tertiary education? Page 13**

Ref the 2016 scenario guide (<https://ako.aotearoa.ac.nz/projects/2016-scenario-guide-effective-tertiary-education-new-zealand>) developed by DEANZ in association with Ako Aotearoa for insights into the different scenarios of student centred response that will define the way(s) tertiary institutions will need to be structured and operate into the future.



Q10

What are the implications of the multiple activities of tertiary education for its delivery? What outputs are best produced together? What outputs are best produced separately?

Page 13

Whilst we regard the value of research it needs to be undertaken in the context of contemporary practice - for example the focus on PBRF funding has in a number of institutions led to the employment of senior researchers, and not those who are able to accurately reflect what is happening in current practice. This is particularly noticeable in current teacher training.

Q11

What are the benefits and disadvantages, in terms of students' learning outcomes, of bundling together research and teaching at universities in New Zealand?

Page 14

The relationship between teaching and research is often assumed and just as often ignored. Research should and does influence teaching (and vice versa), but the gulf between the two can at times seem large. Teachers are told to use "research-based strategies" and yet such strategies may be presented to them stripped of the very sensitivity to context, analytic rigor, and thoughtful skepticism that are the hallmarks of quality research.

Developing a culture of inquiry (a foundational pre-requisite for research) should be a priority in all learning establishments (compulsory and post-compulsory). The ability to investigate, explore and engage critically with information (as distinct from simply absorbing it to become 'learned') is of critical importance in the emerging knowledge age.

Currently teaching and research are treated as separate activities in most tertiary institutions - the link between them needs to be more transparent and actionable. While there is and likely will

always be a place for 'pure' research at some level, research that is more practice-based and integrated into the learning process ought to be prioritised.

CORE examples of spirals of inquiry here?

Q12

What value is attached to excellence in teaching compared to excellence in research when universities recruit or promote staff?

Page 14

Q13

Do New Zealand TEIs cross-subsidise research with teaching income?

Page 14

Q14

What other evidence is there about what makes for effective teaching in a tertiary environment? Is it different for different types of learning or student? How can teaching effectiveness be best measured and improved?

Page 17

Q15

How do tertiary providers assess, recognise and reward teaching quality in recruitment and career progression? To what extent do tertiary providers support the professional learning of teachers?

Page 19

Q16

How do New Zealand tertiary providers use student evaluations? How does this influence provider behaviour?

Page 19

CORE's facilitators routinely use evaluations received from the teachers on their PLD programmes as a basis for reviewing and refreshing the courses to keep them relevant and authentic. An important note here is that the traditional 'end of course' evaluation has limited value in this regard. While it will provide a useful summative evaluation that can then be used to inform the further development of a course or programme, the real value of an evaluation process is that it will provide learner feedback continually through a course or programme so that facilitators can make iterative changes to what is provided or the resources used in order to ensure the programme is personalised and learner needs are catered for.

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?

Page 21**Q18**

What are the similarities and differences among ITOs, or between ITOs and other tertiary subsectors, in how they operate?

Page 21**Q19**

What makes for a successful ITO in terms of meeting the needs of firms for skilled staff?

Page 21**Q20**

How effective is the ITO model in meeting the needs of learners and firms?

Page 21

Q21

What arrangements for arranging workplace training and apprenticeships in other countries could New Zealand usefully learn from?

Page 21**Q22**

Is the current architecture a good fit for a tertiary education system? What are its advantages and disadvantages? Are there good alternatives?

Page 24

The move to embracing more open, collaborative spaces for learning (and working) can be observed happening in many international jurisdictions. This move involves more than simply a philosophical or structural change - it reflects the deeper connections being made between learning behaviours and the utilisation of spaces that encourage or enable those behaviours. In an age where the traditional academic lecture is being replaced by listening to podcasts or watching video clips and the valuable face-to-face time used for more interactive, collaborative tasks, the dominance of large, 'lecture' oriented spaces must be questioned. The architecture of modern tertiary institutions should therefore take account of the following:

- Spaces for large group activity
- Spaced for presentations and performance
- Spaces for private study and 'retreats' for thinking
- Spaces for small group meetings and workshops
- Etc.

CORE Education has published a MLE matrix to help guide schools in their design of modern learning environments - while targeting schools in this instance, the principles behind this could be applied equally to tertiary learning environments. (see <http://www.core-ed.org/professional-learning/mle-matrix>)

In addition, CORE has published a number of articles and resources that are helpful in providing background to this shift, and informing the change in institutions (see <http://www.core-ed.org/professional-learning/mle-resources>)

Q23

How effective is the TES instrument at giving government education agencies direction about prioritising resources and making trade-offs in carrying out their roles? What are the benefits and risks, in terms of fostering an innovative system, of a more or less directive TES?

Page 24

Q24

How do other instruments (eg, funding mechanisms, letters of expectation, budget initiatives) influence government agencies' behaviour? How do these align with the TES instrument?

Page 24**Q25**

When do the TEC's independent funding role and its Crown monitoring role align, and when are they in tension?

Page 25**Q26**

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

Page 26**Q27**

How do New Zealand's government institutional arrangements for tertiary education compare to those in other jurisdictions?

Page 27**Q28**

In what ways does a focus on educating international students complement or undermine the other goals of tertiary education providers?

Page 31

Q29**What factors best explain the discrepancy between growing levels of tertiary education attainment without a significant productivity dividend?****Page 34****Q30****What are the best measures to determine whether the tertiary education system is working well?****Page 36****Q31****What other evidence is there about the influence of tertiary education system performance on graduate income premia in New Zealand?****Page 38****Q32****To what extent are graduates meeting employers' expectations with respect to hard or technical skills? What about soft skills and capabilities?****Page 47****Q33****What are the significant trends in employer demand for tertiary-educated employees, and in student demand for tertiary education? How is the system responding?****Page 50**

The changing demand on skills for jobs means there is a change in demand for the type and level of tertiary educated employees in many sectors.

In Christchurch CORE is working alongside a collaboration of local high tech companies (see work schedule http://www.cdc.org.nz/wp-content/uploads/2015/05/Chch-Tech-Sector-Strategy_strategy-action-options.pdf) that goes under the title of 'Nurturing Home Grown Talent' - the focus being how to attract more young people into high tech careers in the local area. A survey by the group early in 2015 revealed around 3000 new jobs likely to be created in the city

among the group of high tech companies represented, with only 300 students in the local secondary schools taking subjects that would be required to gain entry into the qualifications required for these positions.

1. This work highlights three issues for tertiary institutions:
2. How to attract greater numbers of students into the courses where there is demand from employers
3. How to ensure the courses offered by tertiary providers are current and reflect the ever evolving needs and workplace practices of these employers
4. How to provide access to these qualifications in more flexible ways respecting the fact that many of the potential students are already in employment in these organisations - so timing and timeliness are key.

Q34

What is being done to develop, assess and certify non-cognitive skills in tertiary education in New Zealand? Do approaches vary across provider types, or between higher, vocational, and foundation education?

Page 51**Q35**

What are the implications of new technologies that are predicted to make many currently valuable skills obsolete? Will this change the role of the tertiary education system?

Page 53

Useful article by Clay Shirky here “The Digital Revolution in Higher Educaiton Has Already Happened.Noone Noticed: (<https://medium.com/@cshirky/the-digital-revolution-in-higher-education-has-already-happened-no-one-noticed-78ec0fec16c7#.gbs7cusbp>)

In this article Shirky notes the escalating rate of participation in online courses occurring in the US, and how this has now become the ‘new normal’. The situation in NZ has not been documented to the same extent, but it would be fair to say that an ever increasing number of students are regularly accessing their learning via new technologies.

This doesn’t simply apply to the provision of online learning - the in-class use of digital devices to record lectures, take photos of class notes (instead of hand writing them), engage in collaborative note taking and assignment writing etc - all of these things are now becoming the new normal in tertiary classrooms everywhere - driven largely by the fact that the majority of students are now in possession of digital devices that allow this to happen.

Further trends and information on the use and potential use of technologies in higher education can be found by reading...

1. The Horizon Report - <http://www.nmc.org/publication/nmc-horizon-report-2016-higher-education-edition/>
2. CORE’s Ten Trends - <http://www.core-ed.org/thought-leadership/ten-trends>

Q36**What challenges and opportunities do demographic changes present for the tertiary education system?****Page 55**

Ref. VLN community operating for over 20 years, schools throughout NZ
<http://www.vln.school.nz/groups/profile/572/the-vln-community-home-of-the-learning-communities-online-lco>

Q37**What evidence is there on the effect of tuition fees on student access to, or the demand for, tertiary education in New Zealand?****Page 60****Q38****What are the likely impacts of domestic student fees increasing faster than inflation?****Page 60****Q39****What impact has the pattern of government spending on tertiary education had on the tertiary education provided?****Page 61****Q40****How have providers' input costs and revenue changed over time? What are the implications of these changes?****Page 62**

Q41

How might Baumol's cost disease or Bowen's law (discussion of which tends to focus on providers like universities) apply in other parts of the tertiary education system?

Page 64**Q42**

What specific technologies should the inquiry investigate? Why?

Page 67

Ref Virtual Learning Network - <http://www.vln.school.nz/groups/profile/572/the-vln-community-home-of-the-learning-communities-online-lco>

Ref ten trends - <http://www.core-ed.org/thought-leadership/ten-trends>

Ref Horizon report - <http://www.nmc.org/publication/nmc-horizon-report-2016-higher-education-edition/>

Q43

What parts of the tertiary education system are challenged by ongoing technological change? What parts can exploit the opportunities created?

Page 67**Q44**

How has internationalisation affected New Zealand's tertiary education system? What are the ongoing challenges and opportunities from internationalisation of the tertiary education system?

Page 71**Q45**

Is the "New Zealand" brand an important part of international competition for students, staff, and education products and services? What should providers and government do to manage or enhance this brand?

Page 71

Q46**What other trends provide challenges and opportunities for the tertiary education system?****Page 71****Q47****What trends are likely to be most influential for the tertiary education system over the next 20 years?****Page 71**

Ref ten trends - <http://www.core-ed.org/thought-leadership/ten-trends>
And Horizon report <http://www.nmc.org/publication/nmc-horizon-report-2016-higher-education-edition/>

- Learning space design
- Unbundling programmes
- micro-credentialling
- Inter-institutional collaboration
-

Q48**Are there other important types of new model that should be included within the scope of this inquiry?****Page 74****Q49****What new models of tertiary education are being implemented in universities, ITPs, PTEs and wānanga? How successful have they been?****Page 74****Q50****Are current quality assurance and accountability arrangements robust enough to support a wide range of new models?****Page 75**

Q51

How might new models of tertiary education affect the New Zealand brand in the international market for tertiary educations, students, education products and services?

Q52

What can be learnt from the tertiary education systems of other countries? Are there models that could be usefully applied here?

Page 77

Q53

What measures have been successful in improving access, participation, achievement and outcomes for Māori? What measures have been less successful? Why?

Page 78

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Q54

What measures have been successful in improving access, participation, achievement and outcomes for Pasifika? What measures have been less successful? Why?

Page 79

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Q55

What measures have been successful in improving access, participation, achievement and outcomes for at-risk youth? What measures have been less successful? Why?

Page 79

Q56

What measures have been successful in improving access, participation, achievement and outcomes for those with limited access to traditional campus-based provision? What measures have been less successful? Why?

Page 79

Ref blended programmes - VLN community?

Q57

What measures have been successful in improving access, participation, achievement and outcomes for people with disabilities? What measures have been less successful? Why?

Page 79**Q58**

What measures have been successful in improving access, participation, achievement and outcomes for adults with low levels of literacy or numeracy? What measures have been less successful? Why?

Page 79**Q59**

How innovative do you consider the New Zealand tertiary education system is? Do you agree that there is “considerable inertia” in the system compared to other countries? If so, in what way and why?

Page 81

Pockets of innovation, but not yet uniform - often reflecting the context of competition instead of collaboration - a system, not an ecology.

Q60

What are the factors associated with successful innovation in the tertiary education system?

Page 81

The system as a whole needs to embrace a far more learner centred approach, currently the primary focus as a system appears to be on supporting the institutions, staffing, buildings etc. with interest in students being limited to measures of participation, enrolment, completion etc - which in turn support the rewards for the institution. Placing the learner at the centre begins with a system design that gives learners greater choice, greater agency, more pathways, reducing barriers and obstacles to study. Key to this is providing multiple forms of participation, multiple forms of access and multiple forms of assessment and accreditation at the end.

Q61**What are the benefits to innovators in the tertiary education system? What challenges do they face in capturing these benefits?****Page 81****Q62****What are the barriers to innovation in the tertiary education system? What might happen if those barriers are lowered?****Page 81****Q63****How well do innovations spread in the tertiary education system? What helps or hinders their diffusion?****Page 81****Q64****How successful was the Encouraging and Supporting Innovation fund in promoting innovation in the tertiary sector? What evidence supports your view?****Page 83**

Q65

Are there examples where the New Zealand Government has directly purchased innovation or innovative capacity in tertiary education? If so, was it successful?

Page 83**Q66**

How easy or hard is it for a new provider or ITO to access TEC funding?

Page 84**Q67**

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

Page 85**Q68**

What impact has Performance-Linked Funding had on providers' incentives to innovate?

Page 86**Q69**

How much does funding shift between PTEs based on assessments of performance? Whose assessments are they, and what are they based on?

Page 88

Q70

How much does funding shift inside a TEI (eg, between courses, academics, or faculties) based on assessments of performance? Whose assessments are they, and what are they based on?

Page 89**Q71**

What influences tertiary providers towards offering a broad or narrow range of course offerings? What are the advantages and disadvantages (for providers, students, and the sector as a whole) of a relatively homogenous system?

Page 89

No brainer to have a more distributed view of provision - eg in specialist areas, have high quality programmes offered across a range of tertiary organisations, instead of lots of courses at a lower quality.

Q72

Do New Zealand's tertiary policy and regulatory frameworks enable or hinder innovation? What might happen if existing constraints are loosened?

Page 90**Q73**

How do intellectual property protections in tertiary education foster or hinder innovation? Are the effects different in different parts of the system or for different kinds of provider?

Page 91

Need to pursue an open standards system - and use of Creative Commons

Q74

How does the Crown's approach to its ownership role affect TEI behaviour? Is it conducive to innovation?

Page 92

Q75

Do regulatory or funding settings encourage or discourage providers from engaging in joint ventures? If so, how?

Page 93

Q76

How do regulatory or funding settings encourage or discourage providers from seeking external investment?

Page 93

Q77

How do tertiary providers create incentives for internal participants to innovate? What kinds of choices by providers have the biggest “downstream effects” on their level of innovation?

Page 93

Q78

What incentives do government education agencies have to innovate in the way they carry out their functions, both within and across agencies? What constraints do they face?

Page 94