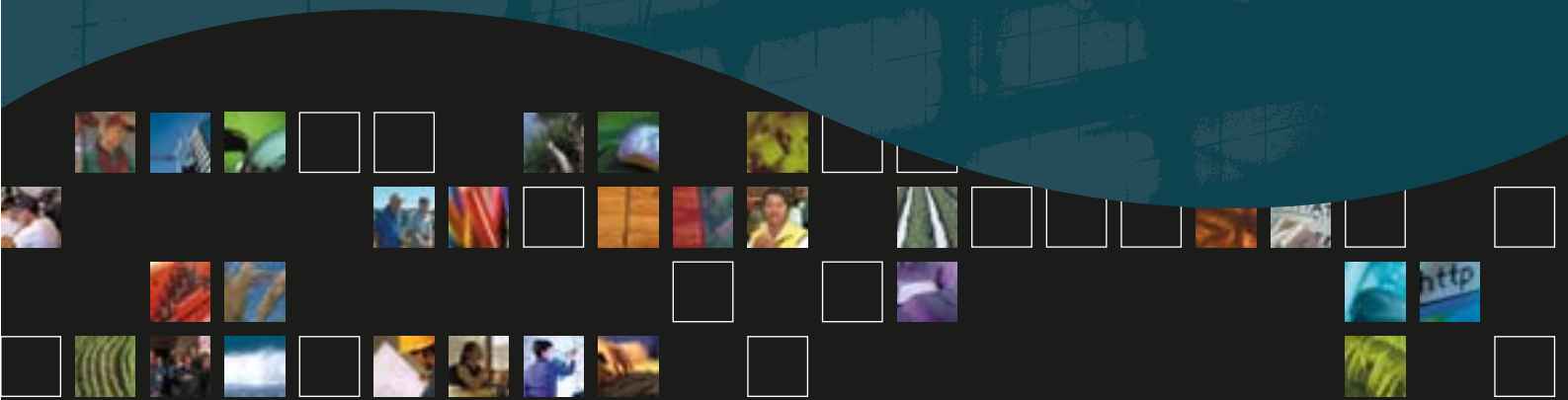


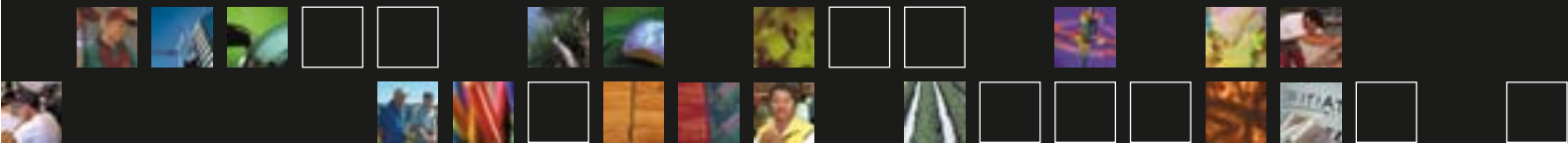


MINISTRY OF EDUCATION

*Te Tāhuhu o te Mātauranga*

# Tertiary Education Strategy | 2002/07 Baseline Monitoring Report





**Published by:**

Tertiary Sector Performance Analysis and Reporting  
Ministry of Education

**Design and Production:**

FitzBeck Creative

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All enquiries should be made to the publisher

April 2004

ISBN: 0-478-13059-7

ISBN Web: 0-478-13060-0





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## Foreword by the Associate Minister of Education (Tertiary Education)

In May 2002, the government released the *Tertiary Education Strategy 2002/07* (TES). The TES sets the direction for the tertiary education sector and is pivotal to the implementation of the tertiary education system reforms. This new approach will ensure the development of a more strategic and coherent tertiary education system, which is better aligned to New Zealand's needs as a nation and that meets tests of excellence, relevance and access.

A key priority has been to develop a means of monitoring the progress being made by the tertiary education sector towards the outcomes defined in the TES. The information provided through monitoring will be valuable in:

- providing better information for tertiary education organisations (TEOs), so they can shape their own goals and objectives in dialogue with their stakeholders
- providing better information for the stakeholders who are involved in this strategic dialogue, so that they can better understand the connections between tertiary education and their own social and economic goals
- ensuring, as a result, that the tertiary education system is better aligned with the goals and aspirations articulated in the TES and better placed to contribute to the social and economic development of the country
- providing an evidence-base to help government agencies develop policies to further achieve the outcomes defined in the TES.

This baseline report provides a view of what we now know of the sector as it was at the start of the tertiary education reforms and the TES. It will be followed by a series of annual monitoring reports informing Ministers, the tertiary education sector, education agencies, and key stakeholders of progress being made.

This report is very much an initial report – focusing on what we know from available information. The report sets out the areas that will be monitored over the next few years as new information becomes available. An area of particular interest, in this regard, will be how well the sector is engaging with key stakeholders to ensure that the education and research it is delivering are relevant to their needs and contributing to New Zealand's economic and social development.

This baseline report provides a picture of a tertiary education sector, at the point where the reforms began to be implemented, with both strengths and weaknesses. It reinforces the challenges and priorities articulated in the TES.

The report shows a sector that had attained greater financial stability, which will provide a sound base for further strengthening capability and quality within the system.

The period to 2002 was characterised by growth in participation in tertiary education, particularly in older age groups and for Māori. This provides an opportunity to have greater focus on issues of

quality and relevance of education and the contribution of tertiary education to social and economic development, while further improving equality of access. For Pasifika students the need to focus on improving completion of study is highlighted by the data in this report. For Māori students, progression from entry level qualifications to other qualifications will be an important area for attention.

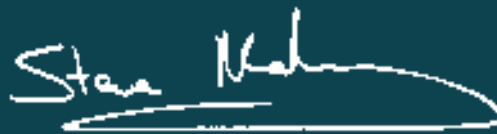
The challenge that New Zealand faces in meeting the demands of the knowledge society and economy is clearly evident in this report. Along with other Organisation for Economic Co-operation and Development (OECD) countries, we face the challenge of improving the foundation competencies of much of the adult population, while also further developing our specialist expertise.

The important role of research within the tertiary education sector is confirmed by the evidence in this report, in particular, the contribution it makes to new knowledge creation and discovery.

Over the next few months, important new information will be available on the performance of the tertiary education system. This information will include TEO charters and profiles, quality evaluations for the Performance Based Research Fund (PBRF) and work being undertaken by the Ministry of Education and the Tertiary Education Commission (TEC) on completion, retention and progression.

In some areas, the new information may change our understanding of the performance of the tertiary education system. In the meantime, I believe it is important that the information contained in this report is made available to TEOs, stakeholders and government agencies now, so that it can inform planning and development.

I commend this report to you and encourage you to consider the issues raised as we all engage with the continued development of the tertiary education system.

A handwritten signature in black ink, reading "Steve Maharey". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

**Steve Maharey**

**Associate Minister of Education  
(Tertiary Education)**

## Foreword by the Secretary for Education

I am pleased to introduce the *Tertiary Education Strategy 2002/07 Baseline Monitoring Report*.

If we want New Zealand to have a strong education system, I believe we must be unambiguously focused on learning, with strong alignment within and across diverse roles and a clear sense of strategic direction.

The introduction of the TES in 2002 provided a clear sense of strategic direction for the tertiary education system and how it needs to better contribute to improved student outcomes and wider social and economic outcomes. The TES contains a strong focus on achieving excellence in learning through teaching and research, developing a tertiary education system which is relevant to the country's needs and making sure that there is equitable access for all New Zealanders.

Monitoring the TES has required creating a new approach for system-level monitoring and evaluation. In the past, monitoring has focused mainly on the implementation of specific programmes. Now we are focusing on monitoring that is relevant to the tertiary education system as a whole and the difference it makes to better student and societal outcomes.

I see this project as part of a larger shift in thinking about education. It is part of a move from thinking about inputs and activities to focusing on the learning outcomes – whether these result from a programme of teaching or new research. It is also a shift from relying on anecdote to developing a comprehensive and systematic evidence base for what does and does not work in terms of the broader learning, social and economic outcomes. It also represents a

move away from a focus on the provider to a focus on effectiveness of teaching and research, wherever and however it may occur.

This baseline report presents what we know currently about the tertiary education system to the end of 2002 with regard to the TES. It is necessarily based on existing information. Over the coming year, I expect new and emerging information sources to enhance and enrich our understanding about the performance of the tertiary education system and the contribution it makes to New Zealand's development. As new information becomes available, the monitoring reports will cover more of the aspects articulated in the TES.

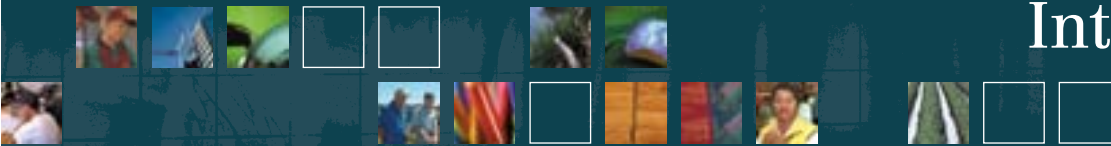
This report represents a significant piece of work. The development of the monitoring framework has had input from a wide range of people in government agencies and sector representative groups, iwi, Māori, and Pasifika community representatives.

I would like to thank those who have contributed to the development of the framework and the report and we look forward to your continuing engagement with this project.



**Howard Fancy**

**Secretary for Education**



# Introduction | 1

Tertiary Education Strategy | 2002/07  
Baseline Monitoring Report

## The Tertiary Education Strategy (TES)

The TES sets out the government's medium to long term strategy for tertiary education. It:

- articulates the broad goals for the tertiary education system
- provides vision and direction on how the tertiary education system can meet the needs of students, research users and wider stakeholders
- sets a framework to guide planning and funding.

The TES covers all aspects of post-school education including:

- courses provided by universities, polytechnics, colleges of education, wānanga, private training establishments and other tertiary education providers
- foundation education through to doctorates
- industry and workplace training
- employment training and second chance education
- adult and community education.

The TES is made up of six interrelated strategies:

- Raise Foundation Skills so that all People can Participate in our Knowledge Society
- Develop the Skills New Zealanders need for our Knowledge Society
- Strengthen Research, Knowledge Creation and Uptake for our Knowledge Society
- Te Rautaki Mātauranga Māori – Contribute to the Achievement of Māori Development Aspirations
- Educate for Pacific Peoples' Development and Success
- Strengthen System Capability and Quality.

Across these strategies there are 35 objectives. While the objectives are presented as relating to one of the six strategies, many of them are interconnected and overlap with key concepts in other strategies.

In addition, there are nine change messages threaded through the objectives which relate to increasing the relevance, connectedness and quality of the tertiary education system, and provide a focus on the overall changes sought throughout the system. The change messages are:

- Greater alignment with national goals
- Stronger linkages with business and other external stakeholders
- Effective partnership arrangements with Māori communities
- Increased responsiveness to the needs of, and wider access for, learners
- More future-focused strategies
- Improved global linkages
- Greater collaboration and rationalisation within the system
- Increased quality, performance, effectiveness, efficiency and transparency
- A culture of optimism and creativity.

In general, the TES focuses on improving the ability of TEOs to manage for improved outcomes, rather than setting specific outcome targets. This is to be achieved through a mix of shifting attitudes and culture and the implementation of new funding and accountability policies.

There is an expectation that the progress of the tertiary education system with regard to the TES will be monitored and evaluated.

## Monitoring the TES

### A baseline monitoring report

This is a baseline monitoring report. It provides a view of what is known now about the state of the tertiary education system at the start of the period of the TES and before the implementation of the tertiary education reforms. Therefore, the main focus of the report is on the 2002 academic year. In a number of areas, supporting information on trends over earlier years is also provided to show the direction and degree of change already underway. The report also provides an update on the implementation of the key policies that support the achievement of the TES as at the end of 2003.

This baseline report provides a basis against which change and progress related to the TES will be measured over the next five years. Following on from this report will be a series of annual reports that will monitor the overall progress of the tertiary education system against the TES.

The report is structured around the six strategies. For each strategy, there is a section on the expected change for the period of the TES, which is a summary of the key changes set out in the TES and priorities indicated in the Statement of Tertiary Education Priorities (STEP). This is followed by a summary of the baseline picture for 2002 and a discussion of the areas for further development of monitoring. Each section then provides more detailed data on key areas covered by or relevant to the strategy.

The currently available data and information can only provide a partial picture in relation to the TES. There are a number of areas where there will be a high reliance on new data sources, many of which will be generated through implementation of the tertiary education system reforms. There will also be areas where there will be a need to collect new information specifically for monitoring, particularly with regard to understanding the views of key stakeholders.

### The purpose of monitoring

The purpose of monitoring the TES is to provide ongoing timely information on the progress of the tertiary education system against the TES and against the baseline position set out in this report, which gives a view of the state of the sector before the reforms were implemented. Monitoring will help make sense of the extent to which the intended changes are happening, in which areas and to what degree.

There are two main audiences for this work. One is ministers and government, in terms of providing information on progress and highlighting any areas that may require further attention. The other is the tertiary education sector, associated government agencies and key stakeholders, in terms of providing information that can provide a broader context for policy development and sector planning processes.

Monitoring is focused on the tertiary education system as a whole; not on assessing the performance of individual organisations. It focuses on the overall patterns of change and response. However, it is specifically focused on the progress of the TES and is not intended to provide monitoring of all aspects of the tertiary education system. Monitoring and evaluation of specific policy and funding changes will be undertaken separately by the agencies responsible for implementation.

Monitoring will assess the progress of the system at several levels including:

- outcomes for learners, students, research users, Māori whānau, hapū and iwi, Pasifika communities, business and industry and the nation as a whole
- the degree of progress being made towards achieving the strategies, objectives and change messages and the current priorities expressed in the STEP
- the progress made in implementing specific policies and initiatives related to the TES.

Monitoring will also inform the development of the STEPs and of the next TES.

### The challenge of monitoring

The TES sets a direction for the sector and has a focus on improving the ability of the sector to manage for outcomes. It does not set specific, measurable goals and targets. Much of the TES is aimed at shifting the attitudes, culture and focus of the sector. The key messages of the TES are summarised in the nine change messages. These are intrinsically difficult to measure.

A narrow focus on quantitative indicators could easily miss the real story. The system may be 'scoring' well but still missing the point of the TES – or the other way around.



The challenge of monitoring, therefore, will be to highlight the overall messages, not just report on indicators. This requires using a mix of quantitative data that can provide measures of change over time, balanced with qualitative information that can provide explanation of how and why change is or isn't occurring. The monitoring will need to focus on system-wide indicators, but these are likely to be slow to respond in many areas. Therefore, there will also need to be information on examples of innovation and successful change. Some areas will require longer-term research beyond the scope of the monitoring work.

Even so, monitoring can only provide a partial and selective view of change across a system that is as complex as tertiary education.

Over the period of the TES, monitoring will shift in focus from summarising what is happening in relation to the TES, to making sense of how changes are contributing to the larger goals of the TES and the well-being of the country. It will also have a greater focus on progress against the change messages.

### **Evaluation of the TES**

Monitoring will provide information and commentary on trends and changes in the system associated with areas of the TES. In addition to monitoring, an evaluation of the current TES is planned. The purpose of the evaluation will be to determine the significance, value and effectiveness of the current form of the TES. It will need to consider both the TES itself and the success with which it has been implemented. The evaluation will aim to improve understanding of areas such as:

- how well the TES has been implemented across the sector
- how effective the TES has been in focusing the sector on achieving outcomes and contributing to national goals
- the significant changes in the sector resulting from the TES.

The evaluation will help inform the development of the next TES.

### **Further areas for monitoring**

In each of the strategy sections in this report there is a discussion of further areas for monitoring and ways in which new data and information will be used to fill out the picture. In general, monitoring will make the greatest possible use of existing data

and new data that is being collected as part of policy and funding changes, or that is being developed for a range of purposes. Data will only be collected specifically for monitoring if it is essential to understanding progress and it would be difficult or costly to gather it through existing processes.

Significant areas of information that will be added to monitoring reports over the next one to two years include:

#### ***Information on qualification and course retention, completion and progression***

The Ministry of Education has recently completed a longitudinal dataset of student enrolments and completions at qualification level, which provides a proper basis for calculating retention rates, completion rates and progression at qualification level. The work was completed concurrently with this report and information from it will be used in future monitoring reports. The full implementation of the National Student Index in 2003 will make it possible to analyse retention, completion and progression at both course and qualification level.

#### ***Information from TEO charters and profiles***

The introduction of charters and profiles will, over time, provide comprehensive information on TEO plans and strategies, TEO engagement with key stakeholders, the development of collaborative initiatives and the performance of TEOs against their own targets. A key use of this material will be to assess the alignment of TEO plans to the TES and examine progress against the change messages.

This information will start to become available for analysis in 2004, with more comprehensive information becoming available in 2005, when the full system is implemented. It will take time to develop robust methods for analysing and interpreting the information against the framework of the TES.

#### ***Perspectives of key stakeholder groups on progress of TEOs***

The information from charters and profiles will need to be compared with information from key stakeholders. This information will provide external views of TEO progress against the TES, the quality of relationships that have been developed by TEOs and perspectives on the relevance of tertiary education to student, community and industry needs.

***Information from the PBRF***

The PBRF provides new data on researchers and research in the tertiary education sector. It includes a census of research staff, which provides information on the characteristics of research staff overall. There is also new information on the quality of research from the peer review process.

***Information from the Adult Literacy and Life Skills Survey***

This survey will be conducted in 2004/05. It will not only provide new information about foundation competencies across the population, but also provide a number of insights into the relationship between foundation competencies, tertiary education and life outcomes.

Work will also be undertaken during 2004 to assess how best to develop information in a number of critical areas, including system-wide measures of various aspects of quality of education, information on graduate outcomes and improved information on the tertiary education sector workforce. In some areas, monitoring will be reliant on improvements to the quality of existing data.

**Finding out more**

This report presents summary indicators of progress. To find out more detailed information and statistics please refer to the following sources:

**Ministry of Education**

New Zealand's Tertiary Education Sector Profile and Trends 2002

**Participation in Tertiary Education 2003**

Copies of these reports can be downloaded from <http://www.minedu.govt.nz/goto/tertiaryanalysis>

**Tertiary Education Commission**

Information and reports on specific education and training programmes and funding can be found on the TEC website: <http://www.tec.govt.nz>



## List of abbreviations

<b>ACE</b>	Adult and Community Education
<b>CoRE</b>	Centre of Research Excellence
<b>CRI</b>	Crown Research Institute
<b>EFTS</b>	Equivalent Full-time Student
<b>ELSI</b>	Economic Living Standards Index
<b>GDP</b>	Gross Domestic Product
<b>ICT</b>	Information and communications technologies
<b>ITO</b>	Industry Training Organisation
<b>NZQA</b>	New Zealand Qualifications Authority
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PBRF</b>	Performance Based Research Fund
<b>PTE</b>	Private training establishment
<b>STAR</b>	Secondary Tertiary Alignment Resource
<b>STEP</b>	Statement of Tertiary Education Priorities
<b>TEC</b>	Tertiary Education Commission
<b>TEI</b>	Tertiary education institutions (a public provider of tertiary education)
<b>TEO</b>	Tertiary education organisation (any provider of tertiary education or an ITO)
<b>TES</b>	Tertiary Education Strategy