Prospects for Quality Assurance in Australian Higher Education: Government Initiatives and Institutional Responses

Helen Cripps
Edith Cowan University
Lance McMahon
Murdoch University
Michael Sim Yaw Seng
Murdoch University

Abstract

The paper analyses the gradual development of quality processes and protocols in Australian Higher Education (AHE) and links this to the strong influence of global competition and marketing of international education. The creation, functions and processes of the newly established Australian Universities’ Quality Assurance Agency (AUQA) is raised, as are doubts about the capacity of AUQA to solve the problems of AHE alone.

The paper then turns to the initiatives of newly appointed Education Minister Nelson, discussing the comprehensive review of AHE and the paper Higher Education at the Crossroads: An Overview Paper. The stated purpose of the review is to ensure that Australia's higher education institutions are best placed to contribute to the nation's future. The Productivity Commission has also completed an international comparative study of the resourcing of higher education institutions and the management of those resources.

The paper looks at responses to these initiatives from AHE institutions, primarily focusing on Edith Cowan University as the key case study. The paper concludes that AUQA process of seeking quality compliance can be demanding on the resources of AHE institutions. Since coming to power in 1996, the Howard Government has implemented significant funding reductions in AHE and the quality problems in AHE can be attributed to this. Minister Nelson’s current initiatives will need to address this problem if they are to be successful in reaching their laudable aims.
Introduction: Governmental Directions and Quality in Australian Higher Education

Since coming to power in 1996, the Howard Liberal-National coalition government has pursued a policy of changing the funding arrangements for Australian Higher Education (hereafter AHE). This change has manifested as an approximately $2 billion reduction in direct federal funding and an emphasis on the development of institutional alternative funding sources, primarily through tuition fees for foreign nationals. (McMahon, L. Sim, M. Smart, D. 2002) In contrast, the quality assurance measures established by the preceding Labor administrations have not been subject to a radical change of direction, but rather have been built on in a fashion of relative continuity.

As noted by McMahon et al. (2002), the simultaneous process of altering the funding arrangements and seeking greater quality outcomes has inbuilt and possibly irreconcilable tensions. These tensions have been identified with alarm in some quarters. One example is the Australian Senate’s Employment, Workplace Relations, Small Business and Education References Committee, which chose to entitle its 2001 study of AHE, “Universities in Crisis”. Considine et al. (2001) found that Australia’s performance in higher education was slipping compared with that of comparable nations and that the reduction in funding was the main cause. Key indicators such as student to teaching staff ratios have demonstrated the rapid rate of decline in AHE standards in the Howard period (McMahon, L. Sim, M. Smart, D. 2002, pp.50-52).

The newly appointed Education Minister Nelson has instigated a comprehensive review of AHE, publishing Higher Education at the Crossroads: An Overview Paper (Nelson, 2002a), as the first part of the ongoing process. This has been followed by a further six discussion papers on the key policy matters in AHE (Nelson, 2002 b; c; d; e; f; g). The stated purpose of the review is to ensure that Australia's higher education institutions are best placed to contribute to the nation's future. The government also instigated a Productivity Commission international comparative study of the resourcing of higher education institutions and the management of those resources; "University Resourcing: Australia in an International Context" (Report not as yet available).

Nelson’s activities in reviewing AHE have indicated his willingness to depart from the previous direction of Howard Government AHE policy, but as McMahon et al. observed, his commissioning further reports when the root cause is clearly under-funding seems pointless (2002, p.52). That said, ministerial change cannot be dismissed as not at least offering a future prospect of a substantial re-think of AHE policy. Nelson is a relatively young minister from the progressive wing of the Liberal party. This contrasts with his predecessor, Kemp, who is from the conservative wing of the Liberal party. Also Kemp, as a former academic, seemed to have personal agendas in his AHE policy outlook. Nelson, as a former GP, has no such agendas and has exhibited some sympathy for the problems besetting the AHE sector.
An Overview of the Quality Instruments in Australian Higher Education

Defining quality and identifying quality outcomes is problematic across all fields of management, as has been recognised since Deming first advanced quality as a key management concern in the late 1940s (see Deming, 1982). While this is so in the production of tangibles, it is all the more so in the production of the intangibles which comprise most public goods, including education. Whereas a quality examination of tangibles can focus more on outcomes than processes, the quality examination of intangibles tends to focus more on processes than outcomes. This is acknowledged in current discussions of outcomes in AHE (Nelson 2002b, 129).

In examining quality in AHE it has been argued that quality has a chameleon like nature (Vidovich, 2000), changing to suit the background environment. Lindsay also outlines the problems of quality identification in AHE:

> Quality in higher education is a nebulous notion. Its attributes are complex and intangible. Despite vigorous efforts to define it in terms that are more susceptible to measurement, it remains highly resistant to assessment by means other than judgements that reflect personal values as much as professional standards. (Lindsay, 1994, p.56)

Quality in this and other views of AHE is largely a subjective rather than objective view based mainly on processes rather than outcomes, as in the philosophy of Hume it exists in ‘the mind that contemplates them.’

Never-the-less, harder definitions of quality have had to be generated to advance discussions of quality in AHE, for example:

> ...systematic management and assessment procedures adopted by a university to monitor performance and to ensure achievement of quality outputs or improved quality. Quality assurance aims to give stakeholders confidence about the management of quality and the outcomes achieved. Most commonly at the national level, quality assurance is the responsibility of a specialist government agency, and less commonly, the responsibility of an agency established by the universities. (Senate, 2001, p174)

External forces such as the globalised competition for students and research resources also drive the quality process:

> Internationally there is a strong move towards having rigorous, internationally recognised higher education quality assurance processes. Foreign governments and institutions considering education relationships with Australia, and families considering personal education investment must have confidence in the quality of Australian universities and in the quality and reputation of Australian degrees (DETYA, 2001).

This drives up the stakes in the difficult process of quality management in AHE, all the more so in the light of the Howard Government’s shift to greater emphasis on the sector raising considerable funding from international student fees. A clear causal relationship exists as high quality standards are required to attract international students and equally that revenue from international students is essential to fund quality standards. As Considine et al. (2001, p20) found, international student graduations increased by 729.2% from 1990 to 1999. This compares with an increase of 107.3% for local students in the same period. Without the seven fold relative increase in international full fee payers the quality of AHE would be unsustainable, indeed the viability of much of the AHE sector would be unsustainable.

A crisis in quality in AHE would lead to a collapse in international student numbers that in turn would lead to a possibly intractable crisis in AHE. Certainly many AHE institutions would cease to be viable in the face of such a crisis. Minister Nelson has raised the international competition
agenda by floating the idea of Australia having a University in the world top one hundred. This may imply a two track quality system, with a world class elite and a sub-class remainder.

The focus on quality in AHE spans three decades and three changes of federal administration. In the late 1970s the Fraser Liberal-National Coalition Government promoted the self-monitoring of performance and measures for the first meaningful cross-institutional comparisons to be held in Australia’s atomistic AHE system. In the early 1980s the Fraser Government expanded these measures to include increased public accountability, efficiency and effectiveness, in line with the rest of the public sector. The Hawke Government continued to build on this trend and introduced system-wide studies from the mid-1980s. These included discipline reviews to determine standards and quality benchmarks, on a non-binding and no-penalty basis.

In the late 1980s Hawke Government Minister Dawkins administered significant structural changes to AHE, removing the binary divide between universities and other AHE entities. Although there have been some amalgamations and separations of institutions since Dawkins’ period, the contemporary make-up of the AHE sector is largely as it was established by the early 1990s.

Dawkins’ restructuring had the purpose, since realized, of greatly expanding AHE participation rates. To fund this expansion Dawkins altered the funding arrangements for AHE, primarily through the introduction of a local graduate tax system, the Higher Education Contribution Scheme (HECS) and fees for overseas students. Prior to the Dawkins funding changes 90% of AHE was government funded. The level of government funding was declining gradually under the Labor administration of Keating with the balance being taken up by the new HECS and fee based funding arrangements. However the Howard Government funding arrangements have led to a dramatic decline of over 6.9% per student between 1995 and 1999. (Considine et al. 2001 p24).
Current Government Directions in Quality and Australian Higher Education Policy

The Keating Government’s *Higher Education: Quality and Diversity in the 1990s* (Commonwealth Government, 1991) set the quality agenda on which current quality directions are founded and started the system of mandatory adherence to quality processes in AHE. Three rounds of voluntary self-assessment under the quality umbrella were conducted between 1993 and 1995. This initiative acted as a means of encouraging critical self-examination in AHE institutions and acted as a spur for a quality centric management approach. In 1998, the Howard Government moved to establish quality improvement as a key criterion in annual funding rounds with AHE entities (see DETYA, 1999, Harman, G. Meek, V. 2000). This was followed by the establishment of *Quality Assurance and Improvement Plans* as a mandatory requirement, published annually by the DETYA and open to public and media scrutiny (Skilbeck, M. Connell, H. 2000). The trend from the Dawkins’ years into the Kemp years was for the voluntary quality measures to transform into mandatory quality measures.

The *Quality Assurance and Improvement Plans* laid the basis for the development of Australian Universities’ Quality Agency (AUQA) and set the further directions for the Howard Government’s quality directions in AHE. In agreement with State Education Ministers, from 1999 the *National Protocols for Higher Education Approval Processes* created the formal means for the establishment of AUQA in March 2000. AUQA has since then been operating as an independent, publicly reporting and accountable national agency and commenced quality audits in 2001 on a five yearly basis.

AUQA is a quality watchdog agency and does not have the power to directly harm institutions transgressing on a quality basis. However a negative AUQA report would undoubtedly attract the interest of the Federal Minister and the relevant State/Territory Minister and lead to negative implications through other means. Also negative AUQA reports, as they are public, would harm the marketing image of an institution and cause problems with enrolments and therefore per student based funding, especially if there was a negative impact in international fee payer student recruitment.

While AUQA is technically independent, operating as a not-for-profit company funded by the Federal Minister, the six State and two Territory Ministers via the Ministerial Council on a joint basis, it can not escape the gravity of federal funding and policy hegemony in AHE.

Before the ministerial re-shuffle, a leaked Cabinet document revealed that Minister Kemp found the problems of quality revolved around funding and he therefore recommended deregulating admissions and fees, which would increase the capacity of AHE to charge up front fees for local as well as international students (Senate, 2001, Appendix 4, Leaked Cabinet Submission Proposals For Reform In Higher Education Minister: The Hon Dr David Kemp MP Minister for Education, Training and Youth Affairs). The Senate Committee agreed with Minister Kemp that under-funding was a key quality problem, but recommended the restoration of government rather than fees based funding. (Senate, 2001, Recommendation One).

As mentioned earlier, the replacement of Kemp by Nelson as Minister signals at least a partial change in policy direction by the Howard Government. Nelson has initiated a series of issue papers; *Higher Education at the Crossroads: An Overview Paper* (Nelson 2002a); *Striving for Quality: learning, teaching and scholarship* (Nelson 2002b); *Setting Firm Foundations: Financing Australian Higher Education* (Nelson 2002c); *Varieties Of Excellence: Diversity, Specialisation And Regional Engagement* (Nelson 2002d); *Achieving Equitable And Appropriate Outcomes: Indigenous Australians In Higher Education* (Nelson 2002e); *Meeting The Challenges: The Governance And Management Of Universities* (Nelson 2002f); *Varieties Of Learning: The Interface Between Higher Education And Vocational Education And Training*
(Nelson 2002g). Nelson’s initiatives have received a luke-warm response from the Australian Vice-Chancellors’ Committee (AVCC, see for example AVCC, 2002), various institutions including Edith Cowan University (see below) and a negative response from the National Tertiary Education Union (NTEU, see for example, NTEU, 2002).

Minister Nelson must secure a Cabinet win in the long-term budget process to re-establish public funding for AHE, as some of his statements and policy papers mentioned above indicate he is inclined to do. If he can achieve this, it will be a credit to his political skill and will augur well for his future advancement in the Ministry. Failure will be a significant setback, both personal and also for the AHE sector.
Case Study of an Institutional Response: Edith Cowan University

Edith Cowan University (hereafter ECU) was formed as part of the Dawkins’ restructure of Higher Education, in the early 1990s. The university was formed 10 years ago from a College of Advanced Education and as such is often referred to as a new university. In the sphere of higher education in Australia these “New Universities” are often “looked down on” as lacking the history, prestige and research track record of the older more established Universities. One thing that new universities such as ECU do lack is a substantial capital base that has been built up by the longer standing Universities. This lack of a significant capital base leaves little flexibility in the budget of these new universities, which are forced to compete and comply on the same footing as the older more wealthy universities. The quality agenda and the Nelson review have highlighted the fact that not all universities are equal.

One of the interesting outcomes of the Nelson Review is the banding together of the “new universities” into a lobby group which calls itself the “New Generation Universities” and in a effort to gain increased leverage in the AHE sector ECU has aligned itself with this new lobby group. It may be worth noting that ECU was one of the few universities that responded to the Crossroads paper and all of the ensuing discussion papers, which was an extremely resource intensive task.

In the last 12 months the new quality agenda at ECU has had an increased profile within the university. Firstly there has been a renewed focus on the quality of Teaching and Learning and secondly, the quality of the functions/activities across the organisation. The focus on the quality of teaching and learning has been precipitated by not only the pending AUQA review and the Nelson Review, but also by a desire to improve ECU’s market position. Quality is now to be part of the ECU’s culture affecting everything from the development of a new strategic plan down to how an individual’s performance is reviewed.

The impact of the new quality agenda at an institutional policy level was highlighted in ECU’s response to the Nelson discussion paper on “Striving for Quality: Learning, Teaching and Scholarship” (Nelson 2002) which outlined the difficulties that this agenda posed to the universities that fall into the “New Generation” category. According to ECU (2002b) the Quality paper failed to grapple with some of the issues associated with providing quality teaching and learning in an increasing diversified higher education sector. Universities such as ECU that have chosen to focus more closely on researching, developing and transmitting knowledge associated with the professional services sector of the economy, rather than science and technology, are disadvantaged by funding models which reward the traditional views of teaching, scholarship and research.

On the one hand the Commonwealth Government has outlined its expectations in relation to quality in all areas of teaching and learning while the current funding system focuses to all large extent on the research out put of universities. The current system particularly disadvantages universities such as ECU that focus on innovation in teaching and learning not just research.

For ECU striving for quality in teaching, learning and scholarship is difficult in an environment of declining Commonwealth resourcing of universities and increasing expectations and demands. The AHE sector has had to contend with increasing student-staff ratios, greater requirements for formal accountability; an increasing need to ‘re-tool’ the sector in the light of rapidly changing technologies; an expectation of greater attention to entrepreneurial activity in addition to research output (ECU 2002b).

The Nelson review of higher education and the establishment process AQUA coincided with ECU’s strategic planning cycle and the impact of these factors is reflected to some extent in
ECU’s draft strategic plan. According to ECU’s 2003 – 2007 Strategic Plan the mission of the University is:

“To provide, within a diverse and dynamic learning environment, university education of recognised quality, especially for those people employed in, or seeking employment in, the service professions” (ECU 2002a).

Of the five strategic priorities that are outlined in the Plan quality in teaching is emphasised as ECU strives to position itself as a national leader in the education of the knowledge based service professions. Through the implementation of the Strategic Plan it is considered that ECU will be recognised for the quality of its teaching and learning opportunities in the service professions. The questions of who will recognise the quality and how it will benefit ECU have yet to be raised.

To achieve this positioning as a provider of quality teaching and learning ECU will have to strengthen its enterprise and the resource base to enhance its capacity to deliver high quality teaching, learning, research and services in the context of an increasingly challenging and competitive environment. The increasing of ECU’s revenue base through enterprise will be difficult, as the majority of its research capabilities are not in the revenue rich Bio-Tec or High-Tec areas.

As part of this focus on the quality of Teaching and Learning at ECU the university is currently implementing a Unit and Teaching Evaluation (UEI/TEI) instrument with the aim of improving the quality of teaching and learning at Edith Cowan University. This policy is viewed as part of the University’s continuing commitment to the development of appropriate policies and practices that promote improvement in teaching and learning. The emphasis of the policy is on self-evaluation and improvement by each School in the university.

Unit and Teaching Evaluation survey is to be completed by students of ECU’s 800 plus units and will be carried out at the end of every semester with the information gathered used for the improvement and development of units. The information will also be used in relation to the teaching effectiveness of staff and innovative practices being trialed within the units (ECU, 2002c). In the future the Unit and Teaching Evaluation process will also be applied to units delivered externally and those taught offshore.

As stated before, the quality issue is not new and during the 1990’s CQAHE assessments were undertaken at ECU. These assessments focused on the quality assurance systems in place and it is mooted that the old CQAHE reports will be one of the starting points of the AUQA audits (ECU 2002d). According to David Woodhouse (2001), Chairman of AUQA, his organisation’s intentions differ from the previous CQAHE quality audits in that AUQA’s intent is to enable institutions and agencies to demonstrate accountability through improvement and will set outcomes within the context of total effectiveness audits. AUQA will be undertaking quality audits which entail the systematic and independent determination whether the organisation has planned arrangements that are suitable to achieve its objectives; whether the actual quality activities conform to the planned arrangements; and whether the arrangements are being implemented effectively.

Though a quality function previously existed at ECU the current move at ECU may in part have been sparked by the impending AUQA audit of the University to be undertaken in 2003/4. Under the CQAHE assessment ECU received less than flattering feedback and this has been the basis for the new Quality at ECU initiative. Overriding Goal for Quality at ECU is that by 2006, ECU will perform as well as or better than other universities against National Quality Award Frameworks.

This overriding goal for quality is supported by three sets of objectives, strategies and performance indicators for managing quality at ECU.
• Objective 1 - People and Quality
  Scholars and support staff will adopt best practice quality principles.

• Objective 2 - Professionalism in Management
  Scholarship and support outcomes will be achieved and improved through formalised planning and review processes.

• Objective 3 - Excellence in Enterprise
  ECU’s capacity to achieve its mission of providing university education will be dramatically improved (ECU, 2002d).

The Quality at ECU initiative is based on a continuous improvement cycle of 4 principles: Plan, Do, Review and Improve.

The first step “Plan” is based around ECU Strategic Plan which provides a 5 year outlook with which the Operational plans at the Faculty and Central Administration level down to individual work plans are to be aligned.

The second phase “Do” is about how this planning is implemented in the day to day work practice of the individual through agreed standards, policies and documentation of processes with quality being the responsibility of the individual doing the task.

The “Review” focused on improving processes, products and services using feedback from the ongoing review cycle to identify opportunities for improvement.

Finally the review process leads to “Improve” where information is fed back into the cycle to improve ECU’s performance which can be measured against both internal and external benchmark marks (ECU, 2002d).

The Quality at ECU process not only applies to Teaching and Learning but all the activities of the university and its staff. The Plan-Do-Review-Improve cycle is to be part of each individual’s daily life at ECU throughout all levels in the organisation.

The indirect cost in staff time of implementing Quality at ECU across the organisation has yet to be identified or measured. Nor have any benefits to ECU, besides compliance with AUQA audit, been identified to ascertain if Quality at ECU has any other tangible benefits to the university in areas such as image, student satisfaction, an increase in fee-paying student or income.
Conclusion

Although the Australian constitution sets education as being a matter for the States, the iron grip the Federal government has over AHE funding and consequently policy means that Federal hegemony remains unchallenged. This is despite a current political landscape where all six state and both territory governments are governed by Labor administrations. Changes to AHE arise through ministerial replacement, bureaux redirection and through the influence of peak bodies such as the AVCC and the NTEU. Minister Nelson has shown a disposition to alter the direction of his predecessors, but a radical departure has not yet been forthcoming and can only be expected if Minister Nelson’s abilities in Cabinet funding battles are proved.

In terms of institutional responses, there is little choice but to the path set by the Federal Government. This can require considerable resource reallocation within institutions, shifting more resources into management systems designed to meet the requirements of quality expectations at the expense of already stressed teaching and research resources. The case study of ECU indicates both positives and negatives. On the positive side, ECU is using the AUQA and Crossroads policy initiatives as a spur to implement change. On the negative side, raising the resources for this purpose in an institution that is new and resource poor is a considerable burden.

Deming’s (1982) pioneering work on quality found that a poorly resourced production process will result in a poor product. Once a perception takes hold that a product is of poor quality, altering that perception is an onerous task even where the quality of the product is palpably high quality. Minister Nelson’s statement and policy papers have demonstrated his concern for the quality standards in AHE and the lasting damage to which a poor response to quality problems may lead. The inference is that the funding crisis must be addressed for the quality agenda to be effectively implemented in AHE.
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