



Revised educational performance  
indicators for SAC funded  
tertiary education organisations

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## **Introduction**

This is a summary document that outlines

- the educational performance indicators that will be used from 2010 for measuring Tertiary Education Organisations (TEOs) educational performance
- an overview of changes made as a result of feedback from the sector
- an overview of the processes leading up to the publication of TEO performance information.

Information about how the indicators will be used for performance-linked funding and publication are not included in this document.

## Background

The Tertiary Education Strategy signals the need for improvements to students' course and qualification completions and progression rates. The Government has approved the educational performance indicators set out in this paper and the TEC has refined the definitions and business rules following sector feedback.

The educational performance indicators are:

- *Successful course completion*: measured by the EFTS-weighted successful course completion rate.
- *Student retention*: measured by the Student continuation or completion rate.
- *Qualification completion*: measured by the EFTS-weighted qualification completion rate.
- *Student progression*: measured by the Completion progression rate.

These indicators apply to TEOs funded by the Student Achievement Component (SAC) and Youth Guarantee (YG) funds. Equivalent indicators for Industry Training and other funds are still being developed and are not included in this paper.

## Changes resulting from your feedback

In December, TEC released a detailed definition and rules paper which explained the proposed educational performance indicators. As a result of feedback changes have been made to the indicator definitions. The key changes are:

- Qualification completions will be an EFTS-weighted rate of qualification completion (compared to the total EFTS enrolled) rather than a count of the number of students who completed qualifications in one year.
- EFTS weighting both the successful course completion and qualification indicators to allow for differing completion rates of part-time and full-time students.
- The National Qualifications Framework (NQF) register level will be increasingly used to show the level of a course or qualification instead of the Qualification Award Category (QAC) Code.
- The QAC Code will be used primarily to distinguish between formal and non-formal qualifications, as it is able to define (particularly non-formal) qualifications to a finer degree.
- TEC will calculate the student progression indicator using a window of 24 months for planning purposes, but the 12-month window for the indicator will be used for input into funding decisions and publishing performance information.
- The retention indicator now allows for subsequent enrolments in courses that are not Student Achievement Component-funded.

The Actual to Expected Qualification Completion Ratio will not be used as an indicator. However, as sector feedback suggested it provided useful information, the TEC will still calculate the actual to expected ratio and provide this information to TEOs.

A more detailed response to the sector's feedback is set out in the document *Educational Performance Indicators for Student Achievement Component Funded Tertiary Education organisations - Definitions and Rules*, which is available on the TEC website.

## Summary of the educational performance indicators

### Successful course completion

This indicator measures the proportion of students who successfully complete the courses in which they are enrolled. The *successful course completion* indicator, (measured by the *EFTS-weighted successful course completion rate*) takes into account the 'size' of the course based on the number of equivalent full-time students (EFTS) participating in the course.

The successful course completion rate is the sum of the EFTS delivered for successfully completed enrolments as a proportion of the EFTS delivered for the total course enrolments in a given year ("year n"), as shown in the following formula:

$$\frac{\text{EFTS delivered for the total number of successfully completed course enrolments ending in year n}}{\text{EFTS delivered for the total number of course enrolments ending in year n}}$$

### Student retention

Student retention measures TEOs' success in retaining their students through to the completion of their qualifications. The indicator measures the proportion of students enrolled in one year that re-enrol in any course at the same TEO in the following year, or successfully complete their qualification (and is also known as the *student continuation or completion rate*).

The retention rate is calculated using the following formula (where year n + 1 is the reporting year):

$$\frac{\text{Students re-enrolled in year n + 1 or completed in year n or year n + 1}}{\text{Students with some portion of an enrolment in year n}}$$

This indicator replaces the first-year attrition indicator, which is complex to calculate and difficult for TEOs to replicate.

## Qualification completion

This shows the proportion of a TEO's students who complete qualifications and it is measured by the *EFTS-weighted qualification completion rate*.

EFTS-weighting, allows for comparisons across TEOs by taking into account the relative size of different qualifications and different students' study programmes. This indicator is more timely and simpler to replicate than cohort-based two- and five-year qualification completion rates.

The *EFTS-weighted qualification completion rate* is the number of qualifications completed at each TEO (weighted by the 'size' of the qualification), divided by the total number of EFTS delivered at a TEO in a given year. The formula for calculating the rate is:

$$\frac{\text{Sum of qualification completions in year n x EFTS value of the qualification}}{\text{Sum of EFTS consumed for courses ending in year n}}$$

## Student progression

Student progression is measured by the *completion progression rate*. This gives the percentage of students who complete a qualification at one TEO and move on within 12 months to pursue a qualification at a higher level at the same or a different TEO.

The completion progression rate is simple to calculate and provides timely information. The indicator includes progression to higher-level qualifications funded by the Industry Training Fund as well as SAC-funded qualifications.

The formula for the completion progression rate is:

$$\frac{\text{Number of students enrolled at a higher qualification level within 12 months following the completion}}{\text{Number of students completing a qualification at each level in year n}}$$

## **Publishing Performance Information**

We are planning to publish educational performance information about individual tertiary education organisations from the middle of 2010.

As the educational performance indicators are a new way of analysing and presenting TEO information, we will provide you with opportunities to review and confirm data used by TEC.

Full data analysed by Educational Performance Indicators will be made available to each TEO in a form that can be downloaded so you are able to review and confirm the data.

You will see the way your educational performance information is going to appear in public and, again, this will be provided in a form that can be downloaded so you are able to review and confirm the data being used.

We will work directly with TEOs that identify data differences to improve the accuracy of their data.

We will provide more detail of the time frames and what you will receive, within the next few weeks. This will be via both e-newsletter and the TEC web site.

