



**Tertiary Education Commission**  
**Te Amorangi Mātauranga Matua**

# **Performance-Based Research Fund**

**Sector Reference Group – Consultation Paper #2**

**Review of the staff eligibility criteria**

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Name	Status	Distribution
Sector Reference Group – Consultation Paper #2 Review of the staff eligibility criteria	CONSULTATION PAPER	Tertiary education sector and other stakeholders Online feedback to: <a href="https://www.surveymonkey.com/s/WL3VX8H">https://www.surveymonkey.com/s/WL3VX8H</a> Other feedback and questions to: <a href="mailto:PBRFSRG@tec.govt.nz">PBRFSRG@tec.govt.nz</a> Closing date: 12pm Friday 12 December 2014

## Purpose

1. This paper has been prepared as part of the consultation for the design for the 2018 Quality Evaluation. Specifically it:
  - provides information about the background and purpose of the staff eligibility criteria;
  - provides information about the review of the PBRF by the Ministry of Education and the decisions made by Cabinet in relation to staff eligibility;
  - discusses the issues surrounding the eligibility of staff members to participate in the Quality Evaluation process;
  - identifies options and recommendations to address these issues; and
  - invites feedback on the issues and questions raised in this paper.
2. This paper does not include any discussion about changes to the collection of staff census data; however this will be addressed as part of the consultation on the development of the technical requirements for data submission for the 2018 Quality Evaluation.

## Design principles for the 2018 Quality Evaluation

3. The work of the Sector Reference Group (SRG) in the design of the 2018 Quality Evaluation is based on the following principles and considerations:
  - upholding the objectives and aims of the Performance-Based Research Fund (PBRF) set out in Appendix 1;
  - drawing on the lessons learned as part of the previous Quality Evaluations;
  - accessing relevant experience and expertise across the SRG and the wider tertiary education sector;
  - ensuring that any proposed changes are exposed to rigorous sector and expert scrutiny;
  - achieving a level of consensus regarding how the 2018 Quality Evaluation should be conducted; and
  - avoiding changes that result in unreasonable compliance or high costs unless there is a robust rationale that indicates changes will result in significant improvements.

## Background to the staff eligibility criteria

4. The staff eligibility criteria that govern participation in the Quality Evaluation process is underpinned by two principles:
  - The individual is expected to contribute to the learning environment at the degree level; and/or

- The individual is expected to make a sufficiently substantive contribution to research activity.<sup>1</sup>
5. In determining the eligibility of staff, Tertiary Education Organisations (TEOs) are required to base their decisions on the premise that all academic and research staff who are substantially involved in teaching and/or research should be included in the PBRF research quality assessment.<sup>2</sup>
  6. Although the principles are apparently simple, the criteria have developed a level of complexity over time in response to sector feedback following the implementation of the previous Quality Evaluations.

### **Staff eligibility criteria for the 2012 Quality Evaluation**

7. The TEC published the following staff eligibility criteria for the 2012 Quality Evaluation in the *PBRF Quality Evaluation Guidelines 2012* (“2012 Guidelines”):

To be PBRF-eligible, staff must fulfil all of the staff eligibility criteria set out below:

- They were employed or otherwise contracted (under a contract for service) at any time between 15 June 2011 and 14 June 2012

AND

- EITHER They were employed or otherwise contracted under an agreement or concurrent agreements of paid employment or service with a duration of at least one year OR They were employed or otherwise contracted under one or more agreement(s) of paid employment or service for at least one year on a continuous basis [see [employment on a continuous basis and staff on leave](#) below]

AND

- They were employed or otherwise contracted for a minimum of one day a week on average, or 0.2 FTE, calculated over the period of the entire year

AND

- Their employment or service contract functions include research and/or degree-level teaching

AND

- Their contribution to research and/or degree-level teaching meets the requirements of the substantiveness test [see [substantiveness test](#) below]

AND

- If their principal place of research or degree-level teaching is overseas, they must fulfil the staff-participation criteria for overseas-based staff [see [strengthened substantiveness](#) test below]

AND

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<sup>1</sup> TEC, PBRF: Quality Evaluation Guidelines 2012, May 2013, p.37.

<sup>2</sup> *ibid.*,p.37

- If they are contracted to a TEO by a non-TEO, they must fulfil the staff-participation criteria for non-TEO staff.<sup>3</sup> [see [strengthened substantiveness test](#) below]

#### *Substantiveness test*

8. All staff considered to be PBRF-eligible for the 2012 Quality Evaluation had to meet the requirements of the substantiveness test, which means staff must:
  - EITHER fulfil a 'major role' in the teaching and assessment of at least one degree-level course or equivalent
  - OR undertake the design of research activity and/or the preparation of research outputs (e.g. as a co-author/co-producer), and thus be likely to be named as an author (or co-author/co-producer) of research outputs, and/or contribute to the supervision of graduate research students.
9. The 2012 Guidelines defined a 'major role' in the teaching and assessment of at least one degree-level course or equivalent to mean that an individual contributes at least 25% of the delivery of the course and corresponding working time to the design of the course and/or the design of the assessment process. If the staff member's contribution of at least 25% is for one or more streams of a multi-stream course, or is split into components of less than 25% across more than one course, the staff member will still be eligible, provided they satisfy the other eligibility criteria. Staff below this level might be excluded from being PBRF-eligible. When assessing staff contribution to a course, TEOs must consider all aspects of teaching, design of the course and/or the design of the assessment process that the individual is involved in regardless of the component of the course being delivered (i.e. lectures, workshops, tutorials).

#### *Overseas-based staff and non-TEO staff*

10. Staff whose 'principal' place of research or degree-level teaching is overseas (overseas-based staff) and staff who are contracted to a TEO by a non-TEO (non-TEO staff) could be considered PBRF-eligible for the 2012 Quality Evaluation if they met all of the criteria set out in paragraph 4 above and the additional criteria:
  - They were continuously employed or otherwise contracted for a minimum of one day a week on average, or 0.2 FTE on average, over the period of five years preceding the PBRF Census date (i.e. between 15 June 2007 and 14 June 2012)

AND

- They meet the requirements of the 'strengthened' substantiveness test. [ see [strengthened substantiveness test](#) below]
11. For overseas-based staff the meaning of 'principal' place of research was defined as "over a reasonable period of time (i.e. more than a year), and for more than 50% of their time spent on research and/or degree-level teaching each year".<sup>4</sup>
  12. No further guidance was provided regarding non-TEO staff.

<sup>3</sup> TEC, PBRF: Quality Evaluation Guidelines 2012, May 2013, p.39.

<sup>4</sup> TEC, PBRF: Quality Evaluation Guidelines 2012, May 2013, p.44.

### *Strengthened substantiveness test*

13. To meet the requirements of the 'strengthened' substantiveness test, staff must:

- BOTH fulfil a major role in the teaching and assessment of at least one degree-level course or equivalent during each year in New Zealand for the five years preceding the PBRF Census date.
- AND undertake the design or conduct of research activity and/or the supervision of graduate research students and/or the preparation of research outputs (e.g. as a co-author/co-producer), and thus be likely to be named as an author (or co-author) of research outputs.

### *New and emerging researcher criteria*

14. Once TEOs establish which staff meet the eligibility criteria, they are then required to determine which staff, if any, meet the criteria to allow their Evidence Portfolios (EPs) to be considered for the 'new and emerging' researcher Quality Categories ("C(NE)" or "R(NE)"). The criteria for 'new and emerging' researchers, as set out in the 2012 Guidelines, are:

- The staff member meets the requirements of the staff-participation criteria

AND

- EITHER they were first appointed to a PBRF-eligible or equivalent position (whether in New Zealand or overseas, and whether in a TEO or non-TEO) on or after 1 January 2006 OR their conditions of employment changed on, or after, 1 January 2006 to include a requirement to undertake either research or degree-level teaching where the staff member has not undertaken either in their previous conditions of employment (i.e. for the first time in their career).<sup>5</sup>

15. The PBRF Guidelines defined a PBRF-eligible position in relation to a 'new and emerging' researcher as including "...a first appointment as, for example, a lecturer or a postdoctoral fellow, but would not include a short-term position or positions (i.e. of less than 12 months) as, for instance, a research assistant or tutor. An equivalent position might also include appointment to a role at a non-TEO with employment functions that include research, e.g. a Crown Research Institute, or it could include a period of at least 12 months at 0.2 FTE or greater as a postdoctoral fellow at an overseas university."<sup>6</sup>

16. These criteria then allow new and emerging researchers to have the potential to secure the Quality Category "C(NE)" even if their EPs has very few or no Peer Esteem or Contribution to the Research Environment examples. In order to be considered for the "A" and "B" Quality Categories, new and emerging researchers must meet the standards that apply to all other staff members.

### *Supervised exclusions*

17. There are very specific and clearly identified circumstances where staff are considered to be excluded from the Quality Evaluation process. The "supervised exclusions" provisions were introduced for the 2012 Quality Evaluation. This followed feedback from

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<sup>5</sup> TEC, PBRF: Quality Evaluation Guidelines 2012, May 2013, p.46.

<sup>6</sup> *ibid.*, p.46.

the sector that due to the broadness of the eligibility criteria, staff members who did not have a strong association with degree-level teaching and/or research remained eligible for inclusion.

18. As eligibility is determined principally by the substantiveness tests for teaching and research, staff who are working under the close guidance of a lead researcher, who are not engaged in any independent research, or are working under the strict supervision of another staff member while teaching, and do not meet the substantiveness test for either teaching or research, may be considered PBRF-ineligible.
19. There is also an expectation that the job descriptions and duties for these staff will be explicit about the nature of their supervised work and are subject to audit, with TEOs required to justify any exclusion of staff on the basis of the substantiveness test and/or strictly supervised teacher status.

#### *Employment on a continuous basis and staff on leave*

20. The eligibility criteria require staff to be employed or have a service contract on a continuous basis. This implies that the staff member had no gaps in their service except for the following exceptions:
  - days the organisation is closed;
  - days when the staff member is on leave taken within the terms of their employment agreement(s); and
  - a gap of up to, but not exceeding, one month between employment agreements or contracts for service.
21. There were also provisions for staff to be considered as PBRF-eligible if, as at the PBRF Census date, they were on either short-term or long-term leave. The 2012 Guidelines set out short-term leave as:
  - annual leave;
  - study leave;
  - sabbatical leave;
  - sick leave;
  - bereavement or tangihanga leave;
  - paid parental leave; and
  - other forms of paid short-term leave.
22. Staff on long-term leave were considered PBRF-eligible if their employment agreement required them to return to their normal duties within one year from the start of their period of absence, and staff recruited specifically to cover their duties in the organisation are not evaluated through the PBRF. Long-term leave in this context included:
  - unpaid leave of absence;

- secondment; and
- unpaid parental leave.

### ***Staff eligibility criteria and the PBRF census***

23. TEOs participating in the PBRF are required to undertake a detailed census of their staff members (PBRF Census) on the PBRF census date. For the 2012 Quality Evaluation, the census date was 14 June 2012 and all staff employed or contracted for services by the TEO at any time between 15 June 2011 and 14 June 2012 were required to be included.
24. The PBRF Census is used to identify staff members who are 'new and emerging' researchers, employed concurrently by more than one TEO, and those who have transferred between participating TEOs. However, its two main purposes are to assist with the staff eligibility audit and as a basis of funding and reporting on the results of the Quality Evaluation.

### ***Changes to the reporting of the 2012 Quality Evaluation***

25. In March 2012, the TEC's auditors released a report on the preparedness of TEOs intending to participate in the 2012 Quality Evaluation. One of the issues noted was potential for the different human resource practices applied by TEOs, along with differences in the application of the staff eligibility criteria, to affect the Average Quality Score (AQS).
26. The reason for this is the number of unfunded Quality Categories ("R" and "R(NE)") in a TEO affected the AQS for that organisation. TEOs with fewer unfunded Quality Categories were likely to receive a higher AQS. While the AQS has no impact on funding TEOs receive through the PBRF, the AQS and relative rankings have reputational value for TEOs and for this reason it is important that the calculation of the AQS is seen as fair and meaningful.
27. The area of greatest concern was the application of the supervised exclusions provisions, with significant variation in the number of staff considered to be in this category across the universities.<sup>7</sup>
28. Following consultation with the sector, the TEC made changes to the way that the results of the 2012 Quality Evaluation would be reported which included:
  - changing how the AQS was calculated and reported, with only staff who receive a funded Quality Category ("A", "B", "C" or "C(NE)") included in the calculation of the AQS (renamed the AQS(N));
  - the inclusion of additional measures that used different data sources in the denominator (staffing data from the Ministry of Education (AQS(S)) and data on the number of Equivalent Full-Time Students (EFTS) (AQS(E) and AQS(P)); and
  - removing the requirement to identify staff as PBRF-eligible in the PBRF Census (meaning information on TEO-identified "R" or "R(NE)" EPs was not available) .

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<sup>7</sup> TEC, PBRF: Report on the overall preparedness of Tertiary Education Organisations for the Quality Evaluation, 22 March 2012, pp.13-14.



29. These changes effectively removed staff whose Evidence Portfolios (EPs) received an “R” or “R(NE)” Quality Category from the reporting of results, along with the ability of the TEC to identify staff who could have been categorised as an “R” or “R(NE)” by their TEO. These actions mitigated the impact of differing application of the staff eligibility criteria.
30. The PBRF Census remained the data source for the AQS results at the level of TEOs, panels, subject areas, and nominated academic units as well as the full-time equivalence (FTE) of staff members that received funded Quality Categories required for the funding calculation.

*Staff eligibility audit of the 2012 Quality Evaluation*

31. As a result of the changes, the TEC focussed the staff eligibility audit on only those staff where an EP had been submitted. Overall, 20.3% of staff with EPs submitted were audited<sup>8</sup>, with relatively few issues being identified.<sup>9</sup>

*Table 1: Staff participation errors in the 2012 Quality Evaluation<sup>10</sup>*

<b>Error type</b>	<b>Volume</b>
Incorrect FTE	107
Employed / Contracted for less than one year	2
Overseas-based	14
New and emerging	57 <sup>11</sup>
Other staff participation errors	18

***Review decisions relating to staff eligibility***

32. Comprehensive review and evaluation of the PBRF has occurred following each of the three Quality Evaluation rounds which have identified issues to be addressed for subsequent Quality Evaluations.
33. The Ministry of Education undertook a review of the PBRF at the conclusion of the 2012 Quality Evaluation. The review sought to build on the existing performance of the PBRF to identify how it could be improved and highlighted a number of areas that could be changed to increase the fund’s efficiency and effectiveness. More information on the review can be found on the Ministry of Education’s [website](#).
34. The review looked at the reporting measures in order to determine which AQS measures should be used to report the result of the 2018 Quality Evaluation in order to simplify the publication and interpretation of these results.

<sup>8</sup> In the 2006 Quality Evaluation 7.4% of PBRF-eligible and 14.5% of non-eligible staff were audited.

<sup>9</sup> TEC, Report from the Audit workstream, 9 April 2013, pp.8-11.

<sup>10</sup> Due to a different focus and reporting for the 2006 Quality Evaluation, there are no direct comparisons available for the majority of these error types with the exception of new and emerging.

<sup>11</sup> 61 errors were identified in relation to incorrect application of the new and emerging criteria in the 2006 Quality Evaluation.

35. The proposal was to use two AQS measures:
- AQS(S) which provides information about research intensity and the quality of research undertaken by teaching and research staff in a TEO by using staffing data in the denominator; and
  - AQS(E) which provides information about the extent to which teaching at degree-level and above is underpinned by quality research by using EFTS data in the denominator.
36. Feedback was also sought from the sector and other key stakeholders regarding the benefits and risks for TEOs and staff as a result of excluding overseas-based staff from the Quality Evaluation. The goal of this change was to simplify the PBRF Quality Evaluation to reduce transaction costs by simplifying the staff eligibility criteria.
37. There was general support for streamlining the eligibility criteria for the Quality Evaluation to exclude staff based overseas. Benefits identified included reducing transaction costs and the likelihood of inconsistencies between organisations. Risks included that the proposed change does not support tertiary education organisations to build and utilise international linkages. It was noted that a clear definition for overseas staff would need to be developed.<sup>12</sup>
38. Cabinet agreed to these changes, as part of a wider package of changes, in February 2014, noting that the Ministry of Education would undertake further work with TEOs to replace the two current staffing statistical collections (the Single Data Return and the annual return submitted by tertiary education institutions as part of their financial data collection to the TEC) with a single framework for TEOs to report staffing information that is robust, credible and appropriate. This data collection will be used as the denominator for the future AQS(S).
39. Part of the proposal around changes to data collection to support the staff eligibility audit and inform the reporting of results was to remove the PBRF Census. As an operational matter, this part of the proposal did not proceed to Cabinet.
40. At the end of the 2012 Quality Evaluation, the TEC sought feedback from the peer review panels that undertook the assessments for the 2012 Quality Evaluation and from the TEC's auditors who reviewed staff eligibility decisions. A number of recommendations were made which included:
- a review of the eligibility criteria for staff and the related audit and reporting arrangements in order to minimise the potential for the inconsistent application of those criteria by TEOs;
  - a review of the definition of 'non-TEO' staff;
  - additional advice on determining what 1 FTE is comprised of in terms of time commitments; and
  - review the eligibility criteria for new and emerging researchers, provide greater guidance on eligibility for this category, and greater clarification on equivalency for PhDs, and those in professional practice (particularly in the creative arts).

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<sup>12</sup> Ministry of Education, Review of the Performance-Based Research Fund, Summary of Submissions received on the Review of the Performance-Based Research Fund Consultation Document, March, 2014, p.38.

41. These areas are discussed in more detail in the following section.

## Discussion of issues and concerns

42. The following issues and concerns have been identified by the SRG based on feedback from the sector, previous panels, the TEC and other stakeholders.

### ***Clarifying the underpinning principles***

43. The principles that underpin the staff eligibility criteria were developed in 2002 with the implicit understanding that eligible staff would be contributing to the New Zealand teaching and research environment. It is important that the principles are an accurate reflection of what was intended as they form the basis of all staff eligibility criteria and decision-making.

44. More explicit principles that focus on the contribution to New Zealand would also provide a better basis to define New Zealand vs overseas based staff for the 2018 Quality Evaluation.

### ***Contract duration (1 year continuous)***

45. There is an increase in the number of flexible staffing arrangements within TEOs, including time-based secondments between organisations and/or non-full-year contracts for staff who do not work in the TEO during non-teaching or non-research periods. As a result, staff can meet the eligibility criteria, including the substantiveness test, with the exception of the requirement to be on continuous contracts or employment agreements of one year or more.

46. In the 2012 Quality Evaluation, one TEO chose to withdraw from the process following five of their staff not meeting this criterion due to the nature of their standard employment agreements.

47. The 0.2 FTE requirement is an important benchmark for eligibility, however there is a question as to whether this is independent of the nature of the contract, or if staff with a long-term commitment to a TEO but with more flexible or non-continuous contracting arrangements should still be considered eligible to participate in the Quality Evaluation process.

### ***Definition of full-time equivalent***

48. TEOs are required to accurately record and be able to evidence the Full-Time Equivalent (FTE) level of all staff in the PBRF Census for two main reasons:

- The FTE is one of the key aspects of PBRF eligibility criteria as staff must be employed or otherwise contracted for a minimum of one day a week on average, or 0.2 FTE, calculated over the period of the entire year; and
- The FTE of staff whose EPs received a funded Quality Category forms part of the funding calculation.

49. This was also the area where the most errors occurred in the data submitted by TEOs. The TEC's auditors identified systems issues associated with FTE calculation; other issues were raised in relation to the complexity of FTE calculation and lack of guidance. The main areas for concern included:

- No agreed definition of a standard FTE – one TEO claimed their standard FTE to be a significantly lower number of hours than the rest of the sector.
- Lack of clarity on how to calculate an FTE where staff had contractual changes.
- Lack of clarity regarding the requirement for the FTE to be “calculated over the period of the entire year” and what entire year did this relate to – calendar year or 12 months before or 12 months after the PBRF census date, or as a minimum throughout the entire year.

50. The accuracy of the FTE recorded in the PBRF Census is critical due to the dependencies between staff eligibility and more critically the potential to impact funding. For example, a TEO that identifies staff who work 25 hours per week as 1 FTE has the potential to gain a greater proportion of funding compared to one that identifies staff who work 37.5 hours per week as 1 FTE.

51. Another area that requires clarification relates to staff with multiple contracts, specifically which contracts should be included in the FTE calculation. As part of the 2012 Quality Evaluation, it was determined that if a staff member met the eligibility criteria, all their contracts counted towards calculation of the total FTE, regardless of whether the contract was for teaching and/or research or not.

**Definition of substantiveness test and ‘major’ role**

52. The substantiveness test is a key aspect of the staff eligibility criteria and one which is most directly linked to the principles discussed above. As it is so important, ensuring that the substantiveness test includes the clearest possible definitions will have a direct impact on the ability of TEOs to apply the test correctly to their staff.

53. The TEC was required to update the definition of ‘major role’ in the *PBRF Quality Evaluation Guidelines 2012* in May 2011 following the sector seeking greater clarity. The original and revised versions of the definition are detailed below:<sup>13</sup>

Original definition (released June 2010)	Revised version (updated May 2011)
<p>A ‘major role’ in relation to teaching means a contribution of at least 25% to one course that potentially contributes to a degree. At a minimum this might involve 10 hours of class contact with students in a course as a primary contributor to the course. A primary contributor would normally be expected to be involved, not only in the delivery of the course, but also in the design of the course and/or the design of the assessment process. Staff below this level might be excluded from being PBRF eligible.</p>	<p>A ‘major role’ in the teaching and assessment of at least one degree-level course or equivalent means an individual contributes at least 25% of the delivery of the course and corresponding working time to the design of the course and/or the design of the assessment process.</p> <p>If the staff member’s contribution of at least 25% is for one or more streams of a multi-stream course, or is split into components of less than 25% across more than one course, the staff member will still be eligible, provided they satisfy the other eligibility criteria. Staff below this level might be excluded from being PBRF eligible.</p> <p>When assessing staff contribution to a course, TEOs must consider all aspects of teaching, design of the course and/or the design of the</p>

<sup>13</sup> TEC, PBRF: Quality Evaluation Guidelines 2012, May 2013, p.36.

	assessment process that the individual is involved in regardless of the component of the course being delivered (i.e. lectures, workshops, tutorials).
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54. While no further issues were raised in relation to this area in the subsequent audit of staff participation, it is important to ensure that the definitions are clear and understood by the sector early in the process.

**Overseas-based staff**

55. For the 2003 Quality Evaluation, staff permanently based overseas were excluded on the basis that they do not contribute significantly to New Zealand research outcomes. The expectation was that in order for staff to be making a significant contribution to the research activity or degree-level teaching within a New Zealand TEO, they would need to be based in New Zealand.
56. Following the 2003 Quality Evaluation, the SRG consulted the sector regarding the inclusion of both overseas-based and non-TEO staff subject to a 'strengthened substantiveness test'. This was based in information from the sector that some staff that were based overseas did in fact make a contribution to degree-level teaching and/or research in New Zealand.
57. There was majority support for maintaining the status quo in relation to non-TEO staff and overseas-based staff, however the SRG also wished to ensure that staff who were making a substantial contribution to research and/or degree-level teaching, should be able to be PBRF-eligible irrespective of their normal physical location (i.e. staff based overseas) or whether their employment arrangements took an unusual form (i.e. a staff member of a non-TEO sub-contracted to a TEO). As a result, the decision was made to allow those overseas-based staff that met the main eligibility criteria and a 'strengthened substantiveness test' to be included in both the 2006 and 2012 Quality Evaluations.
58. The 2014 Research Excellence Framework (REF) and the 2012 Excellence in Research for Australia (ERA) restricted the eligibility of staff based outside the UK and Australia respectively. For both exercises, institutions were required to evidence a direct connection between the research and the institution for any staff employed by the submitting institution but not permanently based there. For the REF, this evidence required the institution to demonstrate "that the primary focus of their research activity on the census date is clearly and directly connected to the submitting unit based in the UK".<sup>14</sup> The ERA requires staff considered as 'visiting', 'exchange' or 'seconded' to "have a demonstrated publication association with the eligible institution within the research outputs reference period".<sup>15</sup>
59. The original definition for overseas-based staff related to the permanent geographical residence of that individual. The experience of the 2012 Quality Evaluation indicates that the interpretation was substantially different between the TEC and the sector, and the application of "principal" place of research or degree-level teaching was also inconsistent across the sector. A number of TEOs interpreted the concept of 'principal'

<sup>14</sup> Higher Education Funding Council for England, REF 2014, Assessment framework and guidance on submissions, July 2011, p.17.

<sup>15</sup> Australian Research Council, ERA 2012 Submission Guidelines, 2011, p.27.

as applying to the organisation employing the staff member to do teaching and/or research rather than where the staff member was based.

60. Although the decision has been made to exclude overseas-based staff from the 2018 Quality Evaluation, TEOs will still be required to assess staff to determine if staff are based overseas and whether they are eligible or not. A clear definition will need to be developed to support this.

### ***Non-TEO staff***

61. The SRG responsible for determining the design of the 2006 Quality Evaluation recommended the introduction of the non-TEO staff eligibility criteria. This was designed primarily to allow staff sub-contracted to TEOs by Crown Research Institutes (CRIs) where their home institution (the CRI) did not permit a second employment contract, to be eligible to participate.
62. One of the priorities for the Tertiary Education Strategy 2014 – 2019 is to strengthen research-based institutions by providing more opportunities for staff from across TEOs and industry to share research activities, and to learn from each other's experience and skills.
63. A number of universities have partnerships with Crown Research Institutes and other private research organisations and have arrangements where staff may work across the various organisations. In the 2012 Quality Evaluation, the TEC noted inconsistency across universities regarding decisions on whether or not to submit EPs for those considered as non-TEO staff.
64. TEOs' collaborative arrangements and relationships contribute directly to this Government priority and as such, TEOs should be able to apply this criterion to their staff in a consistent manner. The key to this will be a clear definition of who is considered to be 'non-TEO staff', for example staff who are sub-contracted or seconded, and what evidence is required to support this for audit purposes.
65. A secondary concern has also been identified regarding the applicability of the 'strengthened substantiveness test', particularly if collaborative arrangements and cross over between industry and TEOs are to be encouraged. It could be perceived that the requirements of the test, particularly the requirement to fulfil a major role in teaching during each of the five years preceding the PBRF Census, is overly restrictive and discourages collaboration.

### ***New and Emerging researcher criteria***

66. The second most common staff eligibility error identified as part of the 2012 Quality Evaluation was the misidentification of staff as new and emerging researchers. This included staff submitted as new and emerging who did not meet the criteria (44 of 57 errors) and those who were not classified but further investigation by the TEC's auditors determined they did meet the criteria (13 of 57 errors).
67. The issue was determined to have two significant factors:
  - what TEOs considered to be an 'equivalent PBRF-eligible position' outside of a TEO; and
  - the nature of research outputs in the creative and performing arts.

68. A number of TEOs considered staff employed in an “academic” position for the first time within the assessment period as new and emerging, regardless of whether that staff member had developed a research base, for example they had produced outputs that meet the PBRF definition of research, before the assessment period.
69. Over a third of those staff incorrectly classified as new and emerging but who did not meet the criteria were in the Creative and Performing Arts. The issue tended to relate to the nature of outputs submitted to this panel, for example writers with a long history of producing books or photographers producing and curating exhibitions. Despite being employed for the first time in an “academic” position, the works that they had created before the assessment period are still PBRF-eligible research outputs.
70. With the decision to increase the weighting for the “C(NE)” Quality Category, there is an associated need to ensure that the criteria and definition are unambiguous, consistently applied across the sector, and easily evidenced and audited. There is also a risk that the change in the weighting could potentially incentivise some TEOs to employ new and emerging staff on short-term contracts for the census year only. The TEO would then benefit from the higher funding now associated with the “C(NE)” Quality Category for the following six years without a long-term commitment to the individual. Consideration will need to be given to how this risk can be mitigated to ensure that the intent of the change, to incentivise the recruitment, development and retention of new and emerging researchers, is realised.

### ***Supervised exclusions***

71. The supervised exclusions provision has been in place for each of the three Quality Evaluation rounds and revised following the 2003 and 2006 rounds in order to provide greater clarity to the sector on its intent and application.

<b>2003 definition</b>	A staff member who fills one of the job categories listed above [Senior administrative staff, staff who teach both degree level and sub-degree level concurrently, tutors, laboratory assistants, technicians and other technical support staff, and research assistants] would be excluded from the Quality Evaluation process if she or he is working under strict supervision of another staff member while teaching (e.g. working only with small groups of students in tutorial sessions or marking papers to strict criteria) or is involved in activity supporting research where there is no direct contribution to the design or conduct of research activity and/or preparing research outputs (e.g. providing laboratory services).
<b>2006 definition</b>	Staff members are not PBRF-eligible if they are working under the strict supervision of another staff member while teaching (e.g. working only with small groups of students in tutorial sessions or marking papers to strict criteria), unless they meet the substantiveness test for research. Such staff may include tutors, teaching fellows, assistant lecturers, technicians, laboratory demonstrators, research assistants, and assistant research fellows.
<b>2012 definition</b>	Eligibility is determined principally by the substantiveness tests for teaching and research.  Junior researchers such as research assistants and technical staff who are working under the close guidance of a lead researcher, and who are not engaged in any independent research, and who do not meet the substantiveness test for teaching, may be designated as PBRF-ineligible.  Staff members who are working under the strict supervision of another staff

member while teaching, and who do not meet the substantiveness test for research, may be designated as PBRF-ineligible. The job descriptions and duties for such staff will be explicit about the nature of their supervised work and will be subject to audit.

Delivery of a course, or part of a course, that potentially contributes to a degree implies that the teaching is research-led or research-informed and that the person delivering the course brings to his/her teaching the appropriate level of scholarship and experience in order to work without close supervision. When testing the “strict supervision” criterion, these factors are more significant than the job title given to a supervised (or potentially supervised) staff member, such as assistant lecturer, tutor, teaching fellow, technician, laboratory demonstrator, research assistant, or assistant research fellow. Designation of a staff member under one of these or other similar job titles will not be sufficient to make them PBRF-ineligible.

Examples of non-research active staff members who meet the staff participation criteria, but are PBRF-ineligible due to being strictly supervised, may include:

Postgraduate students teaching part of a course under supervision of their Masters or PhD research supervisor or another staff member

Technical staff or non-university guest staff brought in to teach a part of a course

Staff members whose highest qualification is a non-degree qualification.

Junior staff members whose highest degree is at Bachelor level (e.g. those currently studying for a higher degree under supervision of a more senior staff member).

Staff members with position titles of lecturer or above, or position titles of research fellow or senior tutor or equivalent, or staff who undertake the responsibilities normally associated with staff who hold such job designations, are expected to be reported as eligible under the strict supervision provisions (i.e. assuming they meet the other relevant eligibility criteria, such as 0.2 FTE, etc.). This would include research inactive staff who are making a substantive contribution to teaching though their senior-level professional expertise in areas such as architecture, engineering, or medicine. Exceptions to this would be expected to be rare and would need to be justified in terms of the substantiveness tests for teaching or for research.

72. Inconsistencies in the application of this provision across the university sector were identified as part of the preparedness audits for the 2012 Quality Evaluation.
73. It appears that the provision has been difficult for the sector to understand and implement consistently, and when viewed along with the changes to the reporting of results and the reporting of the AQS (see paragraphs 24-28), raises questions regarding the relevance of this provision going forward.

### Related issues requiring consideration

74. The changes to the reporting of results mean that the SRG is working closely with the Ministry of Education to ensure the following:
  - alignment of definitions between the Ministry of Education’s proposed staffing data return and the staff eligibility criteria for the 2018 Quality Evaluation;



- that the data collected by the Ministry of Education supports the reporting of staff-based average quality scores at TEO, panel, subject area and nominated academic unit (NAU) levels (AQS(S) vs AQS(N)); and
- that any data that is not collected by the Ministry of Education is identified and any additional collection mechanism required is fit for purpose.

75. The SRG expects to confirm early in the process any PBRF census requirements and will produce a separate paper on this as required. However, the interdependencies between the work of the SRG and the Ministry of Education's work programme will determine the timeframes and need for this paper.

### Options for consideration

76. The changes already agreed by Cabinet provide an opportunity to review the staff eligibility criteria based on the assumption that TEOs will be focussed on ensuring that staff have been correctly identified as eligible to participate, rather than that they have been appropriately excluded.

77. The following options are proposed by the SRG for the sector and other stakeholders consideration and feedback:

#### A. Clarifying the underpinning principles of staff eligibility

On the principle of continuity within the PBRF, there is an argument for retaining the underpinning principles of the staff eligibility criteria as they currently stand:

- The individual is expected to contribute to the learning environment at the degree level; and/or
- The individual is expected to make a sufficiently substantive contribution to research activity.

No significant issues have been identified in relation to these principles by the sector or other stakeholders.

##### *Option 1: Retaining the status quo*

Revising the principles reiterates the expectations of the sector and also underpins and supports other recommended changes to the staff eligibility criteria, specifically the exclusion of overseas-based staff.

##### *Option 2: Clarifying the principles that underpin staff eligibility*

Revising the current wording of the underpinning principles would ensure that they reflect the need for staff involved in the 2018 Quality Evaluation to be making a direct and substantive contribution to the New Zealand tertiary education research environment. For example:

- The individual is expected to contribute to New Zealand's learning environment at the degree level; and/or
- The individual is expected to make a sufficiently substantive contribution to research activity within New Zealand.

## **B. Contract duration (1 year continuous)**

There do not appear to be system-wide issues relating to this aspect of the staff eligibility criteria, therefore there is rationale for maintaining the status quo. However, it may be considered unfair to those staff who have a long-term commitment to a TEO, and are substantively contributing to research and teaching but require or prefer more flexible contracting arrangements to be excluded from the process on this basis.

*Option 1: Retaining the status quo*

*Option 2: Increasing the time allowed between contracts that can still be considered continuous (review the leave provisions).*

*Option 3: Allowing staff on non-continuous contracts (as currently defined) to be considered eligible if the TEO can evidence a long-term commitment to the organisation for example, five years including the census year.*

## **C. Definition of FTE – 0.2 and 1**

While it is possible to maintain the status quo and not define an FTE, establishing an agreed definition of 1 FTE across the sector ensures that all participating TEOs are treated fairly. It would also assist TEOs with the calculation of FTE for non-standard employment and contracting arrangements, and support the auditing process.

*Option 1: Define 1 FTE as 37.5 hours per week which includes any non-research and/or teaching activities but excludes non-paid hours.*

*Option 2: Define 1 FTE as a range of hours between 35 – 40 hours per week which includes any non-research and/or teaching activities but excludes non-paid hours.*

As staff are required to meet the eligibility criterion of being employed or otherwise contracted at 0.2 FTE over the entire year, having an agreed definition for 1 FTE would also support the application of this criterion. How and over which time period TEOs are required to calculate 0.2 FTE is a critical matter for the guidelines.

Clarification will assist both TEOs and the TEC's audit team determine eligibility and provide greater assurance that the appropriate staff are participating in the Quality Evaluation process, and that funding will be calculated using accurate and robust data.

*Option 1: Staff member's FTE equates to at least 0.2 when calculated over the census year (12 months bridging the PBRF census date)*

*Option 2: Staff member has a minimum of 0.2 FTE throughout the census year (12 months bridging the PBRF census date)*

## **D. Definition of substantiveness test and 'major' role**

The substantiveness test is one of the core aspects of the staff eligibility criteria and ensuring that it is applied consistently across TEOs is critical.

*Option 1: Retaining the status quo*

No specific issues have been identified in relation to these principles by the sector or other

stakeholders, but there is support for greater clarification based on sector feedback.

*Option 2: Revising the substantiveness test for teaching specifically a 'major role'*

The definition of 'major role' was revised in 2011 to provide clarity to the sector. Feedback indicates that this should be reviewed to ensure that it remains fit for purpose.

*Option 3: Revising the substantiveness test for research*

Feedback from the sector indicates that the substantiveness test for research requires clarification.

*Option 4: Revising both aspects of the substantiveness test*

## **E. Overseas staff**

While the decision has been made to exclude overseas-based staff from the 2018 Quality Evaluation, the term 'overseas-based' needs to be clearly defined.

There is no principle that underpins the consideration of whether a staff member is overseas or New Zealand-based. The 2012 Quality Evaluation audit identified a range of different circumstances for staff who were employed by a New Zealand TEO but who were living and working overseas (sometimes on sabbatical or long-term leave) including a number who also had substantive employment agreements with overseas-based institutions.

The underlying principle for determining that a staff member is overseas-based must be clearly articulated. Feedback is requested on the following options:

*Option 1: Residential requirements e.g. a staff member who lives in New Zealand for less than 50% of the census year (12 months bridging the PBRF census date) is considered to be based overseas.*

*Option 2: Employment arrangements e.g. a staff member who has a substantive employment agreement of more than 0.5 FTE with an overseas institution is considered to be based overseas.*

*Option 3: Research contribution in New Zealand e.g. a staff member can show a direct connection between the completed research and the TEO during the assessment period is considered to be based in New Zealand.*

*Option 4: Another basis which can be evidenced by the TEO, for example immigration status.*

The SRG also seeks feedback on the following questions:

*What are possible impacts for staff on sabbatical leave?*

*How can negative impacts on TEOs with genuine international linkages be reduced?*

## **F. Non-TEO staff**

The non-TEO staff criteria were introduced to allow staff who were seconded to a TEO but not engaged on a separate employment contract to participate. The 2012 Quality Evaluation audit identified a number of staff who were conjunctly employed, for example by both a CRI

and a TEO. Greater flexibility of employment arrangements could indicate that the original concerns regarding these staff may no longer be relevant.

*Option 1: Retaining the status quo.*

*Option 2: Removing the non-TEO staff criteria.*

*Option 3: Retaining the non-TEO staff criteria but review the strengthened substantiveness test.*

## **G. New and emerging researchers**

The errors relating to the application of the new and emerging researcher criteria in the 2012 Quality Evaluation, along with the increased focus on TEOs recruiting and developing new and emerging researchers, means that a review of the criteria as they currently stand is required. The potential for TEOs to benefit financially from short-term employment of staff likely to receive a “C(NE)” Quality Category also means that additional criteria may need to be considered.

The SRG seeks feedback on whether there is support for each of the proposed changes:

*1: Clarify the intent and purpose of the criteria to ensure that it is explicit which staff are and are not considered to be new and emerging. For example:*

*In order for a staff member to be considered for the ‘new and emerging’ researcher Quality Categories (“C(NE)” or “R(NE)”), the key principle is that the staff member is undertaking either research or degree-level teaching for the first time in their career. Staff who have produced outputs that meet the PBRF definition of research before the assessment period cannot be considered as ‘new and emerging’.*

*2: Revise the definition of an ‘equivalent PBRF-eligible position’ outside of a TEO to ensure that this definition is unambiguous and applied consistently across the sector.*

*3: Provide better guidance regarding PBRF-eligible research outputs and creative outputs completed as part of standard professional practice.*

*4: Develop additional criteria to ensure that TEOs receiving the new weighting for “C(NE)” are meeting the policy intention of recruiting, developing and retaining new and emerging researchers. For example, evidence of long-term employment of new researchers.*

## **H. Supervised exclusions**

With the changes to reporting of results and the exclusion of EPs that receive “R” or “R(NE)” the relevance of this provision needs to be considered.

*Option 1: Retaining the status quo.*

*Option 2: Removing the supervised exclusions provisions from the staff eligibility criteria.*

## Submitting feedback

78. Feedback is sought from the sector and other key stakeholders on the issues and concerns outlined in this paper, as well as the options for consideration.
79. The SRG also welcomes feedback on any other matters not included in this paper that relate to the staff eligibility criteria.
80. Feedback can be completed:
  - online: <https://www.surveymonkey.com/s/WL3VX8H>
  - or via email using the template provided on the TEC website, with completed templates being emailed to [PBRFSRG@tec.govt.nz](mailto:PBRFSRG@tec.govt.nz).
81. All feedback would be appreciated as soon as possible, but no later than 12pm Friday 12 December 2014.

## Appendix 1: Objectives and principles of the PBRF

### *Objectives of the PBRF*

The primary objectives of the PBRF are to:

- increase the quality of basic and applied research at New Zealand's degree granting TEOs;
- support world-leading research-led teaching and learning at degree and postgraduate levels;
- assist New Zealand's TEOs to maintain and lift their competitive rankings relative to their international peers; and
- provide robust public information to stakeholders about research performance within and across TEOs.

In doing so the PBRF will also:

- support the development of postgraduate student researchers and new and emerging researchers;
- support research activities that provide economic, social, cultural and environmental benefits to New Zealand, including the advancement of mātauranga Māori; and
- support technology and knowledge transfer to New Zealand businesses, iwi and communities.<sup>16</sup>

### *Principles of the PBRF*

The PBRF is governed by the following principles:

- *Comprehensiveness*: the PBRF should appropriately measure the quality of the full range of original investigative activity that occurs within the sector, regardless of its type, form, or place of output;
- *Respect for academic traditions*: the PBRF should operate in a manner that is consistent with academic freedom and institutional autonomy;
- *Consistency*: evaluations of quality made through the PBRF should be consistent across the different subject areas and in the calibration of quality ratings against international standards of excellence;
- *Continuity*: changes to the PBRF process should only be made where they can bring demonstrable improvements that outweigh the cost of implementing them;
- *Differentiation*: the PBRF should allow stakeholders and the government to differentiate between providers and their units on the basis of their relative quality;
- *Credibility*: the methodology, format and processes employed in the PBRF must be credible to those being assessed;

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<sup>16</sup> The objectives were revised as a part of the Ministry of Education's review of the PBRF and agreed by Cabinet in February 2014.

- *Efficiency*: administrative and compliance costs should be kept to the minimum consistent with a robust and credible process;
- *Transparency*: decisions and decision-making processes must be explained openly, except where there is a need to preserve confidentiality and privacy;
- *Complementarity*: the PBRF should be integrated with new and existing policies, such as charters and profiles, and quality assurance systems for degrees and degree providers; and
- *Cultural inclusiveness*: the PBRF should reflect the bicultural nature of New Zealand and the special role and status of the Treaty of Waitangi, and should appropriately reflect and include the full diversity of New Zealand's population.<sup>17</sup>

## Appendix 2: Links to relevant papers

[PBRF: Quality Evaluation Guidelines 2012](#), May 2013

[PBRF: Report on the overall preparedness of Tertiary Education Organisations for the Quality Evaluation](#), 22 March 2012

[Report from the Audit workstream](#), 9 April 2013

[Review of the Performance-Based Research Fund, Summary of Submissions received on the Review of the Performance-Based Research Fund Consultation Document](#), March, 2014

[REF 2014, Assessment framework and guidance on submissions](#), July 2011

[ERA 2012 Submission Guidelines](#), 2011

[Investing in Excellence](#), 2002

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<sup>17</sup> These principles were first enunciated by the Working Group on the PBRF. See [Investing in Excellence](#), pp.8-9.