

Performance-Based Research Fund Sector Reference Group: Consultation paper #2 – Review of the Staff Eligibility Criteria Sector feedback and SRG In-principle decisions

Purpose

The Performance Based Research Fund (PBRF) Sector Reference Group undertook a review of the staff eligibility criteria and consulted the sector and other stakeholders on a range of options and recommendations for potential change.

This document provides:

- a summary of the responses received;
- any concerns raised relating to the options and recommendations; and
- the Tertiary Education Commission's (TEC's) In-principle decisions on each of the proposals.

Introduction

Consultation paper #2 – Review of the Staff Eligibility Criteria provided the sector and other stakeholders with background information on the criteria and the aspects of the Ministry of Education review that related to the criteria, discussed issues and identified options and recommendations to address these issues, and invited feedback on the options and recommendations and any other matters not raised in the paper.

Feedback on this consultation paper was invited through the TEC from 31 October to 12 December 2014. Consultation has now closed.

A total of 18 responses were received. These were from:

- Anamata Private Training Institute
- AUT University
- Callaghan Innovation
- CPIT
- EIT
- Lincoln University
- Massey University
- Ministry of Education (Tertiary Policy)
- Otago Polytechnic
- Tertiary Education Union
- Unitec Institute of Technology
- University of Auckland
- University of Canterbury
- University of Otago
- University of Waikato
- Victoria University
- Wintec
- An individual staff member

Feedback has been anonymised.

Process information

The SRG has considered the feedback from the sector and other stakeholders relating to each of the matters identified in the consultation paper and have indicated their preferred option which has been recommended to the TEC.

The TEC has approved these recommendations in principle on the understanding that the consultation process is on-going and other decisions or external factors may require these recommendations to be reconsidered as part of the development of the final guidelines.

Next steps

The SRG will use the in-principle decisions as the basis of the draft guidelines for the 2018 Quality Evaluation. These guidelines will be provided to the sector and other stakeholders for consultation before they are finalised in June 2016. The purpose of the consultation on the draft guidelines is to ensure that the guidance is clear and unambiguous, not to re-consult on matters already consulted upon and agreed.

Organisation of summary

Each of the 18 responses has been analysed. Feedback is summarised according to the following sections:

- A. Clarifying the underpinning principles of staff eligibility
- B. Contract duration (1 year continuous)
- C. Definition of FTE – 0.2 and 1
- D. Definition of substantiveness test and ‘major’ role
- E. Overseas staff
- F. Non-TEO staff
- G. New and emerging researchers
- H. Supervised exclusions
- I. Other matters.

A. Clarifying the underpinning principles of staff eligibility

The two underpinning principles of staff eligibility are currently set out as

- 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.

Two options were consulted on, these and the responses are set out below.

	Response %	Response #
<i>Option 1: Retaining the status quo</i>	31.3%	5
<i>Option 2: Clarifying the principles that underpin staff eligibility</i> <ul style="list-style-type: none"> • 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. 	68.8%	11

The majority of submissions supported clarification, and the comments provided generally reflect a desire within the sector that definitions are clear and explicit.

Concerns were raised that changes to the underpinning principles could increase ambiguity or require further defining “New Zealand”.

In-principle decision

Implement Option 2: Clarify the principles that underpin staff eligibility.

The SRG has considered all the feedback provided and revised its draft guidance. The text below will be included in the draft guidelines.

Draft text:

- *The individual is expected to make, or has made, a substantial and independent contribution to degree, or postgraduate level teaching at a New Zealand TEO; and/or*
- *The individual is expected to make, or has made, a substantial and independent contribution to research activity at a New Zealand TEO.*

Note that 'independent' in the context of PBRF should not be construed as excluding collaborative work.

These changes would align the principles and the criteria more closely for better consistency.

B. Contract duration (1 year continuous)

Staff are currently required to be employed or otherwise contracted under an agreement or concurrent agreements of paid employment or service with a duration of at least one year, or be employed or otherwise contracted under one or more agreement(s) of paid employment or service for at least one year on a continuous basis. A continuous basis implies that the staff member had no gaps in their service except for:

- Days the organisation is closed
- Days when the staff member is on leave taken within the terms of their employment agreement(s)
- A gap of up to, but not exceeding, one month between employment agreements or contracts for service.

Three options were consulted on, these and the responses are set out below.

	Response %	Response #
<i>Option 1: Retaining the status quo</i>	50.0%	8
<i>Option 2: Increasing the time allowed between contracts that can still be considered continuous (review the leave provisions).</i>	31.3%	5
<i>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.</i>	31.3%	5

Feedback indicated strong support for maintaining the status quo within the university sector (with the largest proportion of staff participating in the Quality Evaluation). Concerns were raised that changes could have unintended consequences on staff such as increasing the use of sessional teaching practices, which can limit the individual's ability to forge a career path as an academic or encouraging insecure employment arrangements.

The non-university organisations that responded indicated support for change (option 2 and 3) with option 3 cited as a way to encourage cross over between industry and TEOs and support those staff with both academic and professional portfolios. However, feedback has indicated that these options have the potential to increase complexity and compliance for TEOs.

In-principle decision

Implement Option 1: Retaining the status quo.

While there is support for making changes, there is no clear evidence of an issue and the potential for perverse incentives associated with making changes are clearly identifiable.

C. Definition of FTE – 0.2 and 1

In order to be eligible for the 2012 Quality Evaluation, staff were required to 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. There is no standard definition of 1 FTE or a definition of what time period the “entire year” covers when calculating 0.2 FTE.

The PBRF funding calculation has a 1 FTE cap and this will continue.

Two options for each issue were consulted on, these and the responses are set out below.

Defining 1 FTE	Response %	Response #
<i>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.</i>	52.9%	9
<i>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.</i>	47.1%	8

The feedback on this aspect of staff eligibility was mixed across sector types. Those in favour of option 1 identified that this would provide fairness and clarity to the definition, and noted that this definition of standard working hours already applies to the majority of participating staff. The feedback in support of option 2 identified that this was maintaining the status quo and that there was a need for some flexibility in the system.

A fixed FTE level is seen as preferable from a Government perspective as it removes scope for variation between providers in reporting and creates a clear line for funding calculations, and determining when people in part-time, part-year situations can be included.

As the recorded FTE of a staff member directly effects the funding received by a TEO, the SRG have developed the table below to outline the potential impact of the two options on staff FTEs.

	Option 1: 1 FTE as 37.5 hours per week	Option 2: 1 FTE as a range of hours between 35 – 40 hours per week	
		TEO with 40 standard contract hours per week	TEO with 35 standard contract hours per week
Staff member A 40 hours	1 FTE	1 FTE	1 FTE
Staff member B 37.5 hours	1 FTE	0.94 FTE	1 FTE
Staff member C 35 hours	0.93 FTE*	0.87 FTE	1 FTE

*Under option 1, TEOs would be required to pro-rata any contracts with fewer than 37.5 contract hours per week.

Option 1 provides a level of fairness across all TEOs that is not the case with option 2, as outlined in the table below. Under option 2, a TEO could potential adjust contracts so that the standard contract hours are 35 per week and resulting in a higher FTE in the funding

calculation, while TEOs with a 40 hour standard loses a greater proportion of FTE for any part-time staff.

In-principle decision

Implement 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.

Contract hours of 37.5 hour are standard for the majority of staff submitting to the Quality Evaluation process, it ensures consistency across TEOs, reduces complexity and the potential for manipulation of contracts. This definition would also align with the Ministry of Education definition of 1 FTE.

Calculating 0.2 FTE	Response %	Response #
<i>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)</i>	53.3%	8
<i>Option 2: Staff member has a minimum of 0.2 FTE throughout the census year (12 months bridging the PBRF census date)</i>	46.7%	7

The feedback on this aspect of staff eligibility was mixed across sector types. The feedback in support of option 1 identified that it would allow flexibility for those staff in specific short-term scenarios, while those who supported option 1 noted that this option better aligned to the principle of sustained and substantial contribution, and is simpler to understand and apply.

In-principle decision

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

Provides for some flexibility over the 0.2 FTE threshold however the threshold provides a greater level of certainty that the staff member is making a sustained contribution to research and teaching activities. This option also better aligns to the Government's goal of simplifying the Quality Evaluation.

D. Definition of substantiveness test and 'major' role

For the 2012 Quality Evaluation, staff were required to 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 (eg. 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.

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. 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).

Four options were consulted on, these and the responses are set out below.

	Response %	Response #
<i>Option 1: Retaining the status quo</i>	25.0%	4
<i>Option 2: Revising the substantiveness test for teaching specifically a 'major role'</i>	6.3%	1
<i>Option 3: Revising the substantiveness test for research</i>	6.3%	1
<i>Option 4: Revising both aspects of the substantiveness test</i>	62.5%	10

The main theme of the sector responses was that both aspects of the substantiveness test should be reviewed to ensure that it remains fit for purpose, but that change may not necessarily be required.

The SRG also notes that further consideration and advice has been requested in relation to the supervision of graduate students. This activity was reclassified for the 2012 Quality Evaluation as a research activity and not a 'major role' in teaching which affected the application of the strengthened substantiveness test at some TEOs. As it is proposed to reference 'postgraduate level teaching' in the revised underpinning principles for staff eligibility, the status of postgraduate teaching and supervision as either a teaching and/or research activity will need to be reviewed. This advice could result in a change to the definition of 'major' role in the teaching and assessment aspect of the substantiveness test (see below).

In-principle decision

Implement Option 4: Revising both aspects of the substantiveness test.

There is strong sector support for review and this may or may not result in changes. Any changes can be consulted on in the draft guidelines.

E. Overseas staff

Staff whose 'principal' place of research or degree-level teaching is overseas are no longer PBRF-eligible. The meaning of 'principal' in the context of the 2012 Quality Evaluation meant the place in which the staff member spent, over a reasonable period of time (i.e. more than a year), and for more than 50% of their time, undertaking research and/or degree-level teaching.

Four options for how the 'principal' test should be applied were consulted on and these and the responses are set out below.

	Response %	Response #
<i>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.</i>	6.7%	1
<i>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.</i>	40.0%	6

<i>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.</i>	33.3%	5
<i>Option 4: Another basis which can be evidenced by the TEO, for example immigration status.</i>	20.0%	3

There was a mixed response to this area however given that the decision to exclude overseas-based staff was made as a way to reduce complexity in the Quality Evaluation, the indicator of whether someone is overseas-based or not should be simple.

Feedback indicated that existing 'normally resident' tests based on whether the person spent the majority of their time residing in New Zealand or overseas, such as the IRD definition for tax residence purposes (based on people spending 183 out of 365 days in NZ or have a permanent residence here) could be used.

A number of TEOs recommended combining various options however; this has a high likelihood of recreating the 'overseas-based staff criteria' in a different form which does not reduce complexity. Concerns were also raised about option 3, in that it would be too difficult to define and would be open to multiple interpretations.

The sector was also asked to comment on possible impacts for staff on sabbatical leave in regard to changes to the criteria and how negative impacts on TEOs with genuine international linkages could be reduced.

There was no concern regarding staff on sabbatical or negative impacts on international linkages due to the change to overseas-based staff.

In-principle decision

Implement a definition that uses both residential and overseas employment arrangements.

This would mean that staff members who:

- are resident in New Zealand for more than 50% of census year are considered to be based in New Zealand; or
- are not resident in New Zealand for more than 50% of census year but are employed at 0.5 FTE or higher by the submitting TEO are also considered to be based in New Zealand.

F. Non-TEO staff

For the 2012 Quality Evaluation, staff who were contracted to a TEO by a non-TEO must fulfil the standard staff eligibility criteria and also

- be 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; and
- meet the requirements of the 'strengthened' substantiveness test which means they must 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 (eg. as a co-author/co-producer), and thus be likely to be named as an author (or co-author) of research outputs.

Three options were consulted on, these and the responses are set out below.

	Response %	Response #
<i>Option 1: Retaining the status quo.</i>	20.0%	3
<i>Option 2: Removing the non-TEO staff criteria.</i>	13.3%	2
<i>Option 3: Retaining the non-TEO staff criteria but review the strengthened substantiveness test.</i>	66.7%	10

There was strong support for retaining the non-TEO staff criteria but reducing the length of time under the strengthened substantiveness test from five years, two to three years was identified.

The SRG noted that some responses indicated confusion in regard to non-TEO staff and their contracts with TEOs. All non-TEO staff are required to have a formal agreement between the TEO and their substantive employer in place and this advice will be included in the draft guidelines.

In-principle decision

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

The SRG has considered all the feedback provided and revised its draft guidance. The text below will be included in the draft guidelines.

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 or postgraduate-level course or equivalent during each year in New Zealand for three years bridging 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.*

These amendments maintain a high level of continuity while encouraging collaborative arrangements and cross over between industry and TEOs.

G. New and emerging researchers

TEOs are required to assess which staff are eligible to be considered for the ‘new and emerging’ researcher Quality Categories (“C(NE)” or “R(NE)”). Staff must meet the standard eligibility 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 (ie. for the first time in their career).

Four changes consulted on and the responses are set out below.

	Yes	No	Possibly
<i>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'.</i>	10	0	0
<i>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.</i>	11	0	0
<i>3: Provide better guidance regarding PBRF-eligible research outputs and creative outputs completed as part of standard professional practice.</i>	9	0	0
<i>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.</i>	9	0	1

There was strong support for all four changes proposed.

Concerns were raised that the example given would exclude legitimate new and emerging staff. These concerns centred on the sentence in the example given which states "*Staff who have produced outputs that meet the PBRF definition of research before the assessment period cannot be considered as 'new and emerging'.*" A number of the comments reflected concerns that recent post-graduate students would be excluded from the NE category. A number of responses also identified concerns about the exclusion of staff from non-academic backgrounds.

Feedback also noted that the aspects of an equivalent position outside of a TEO that make it PBRF-eligible should be as similar as possible to the aspects that make a TEO position PBRF-eligible; namely, teaching at the equivalent of tertiary level and/or PBRF-eligible research. Placing a publication threshold (no or very few publications) was also suggested.

While there was support for the development of 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, there are concerns that by trying to reinforce the policy intent of weighting funding for new and emerging researchers would result in pre-emptively setting up a compliance framework for TEOs. The risk of TEOs employing people for short periods, but not developing or retaining them, was considered during the Ministry of Education review. Changes to the tertiary education workforce will continue to be monitored by the Ministry of Education, including any impact of this change.

In-principle decision

Implement Change 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.

The SRG support a definition that aligns the purpose of the 'new and emerging' researcher criteria to its original intent of building the research workforce.

The SRG has considered all the feedback provided and revised its draft guidance. The text

below will be included in the draft guidelines.

Draft text:

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 substantive and independent research for the first time in their career. Staff who have produced outputs that meet the PBRF definition of research before the assessment period, except when in a supervised or support role, cannot be considered as ‘new and emerging’.

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

The SRG proposes that this be implemented by panels in the panel-specific guidelines due to the specific nature of what is considered an ‘equivalent PBRF-eligible position’ in different disciplines.

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

The SRG proposes that this be implemented by panels in the panel-specific guidelines due to different disciplines interpretation of standard professional practice.

Not implement Change 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

Staff members working under the strict supervision of another staff member while teaching or the close guidance of a lead researcher, who are not engaged in any independent research, and who do not meet the substantiveness test for teaching could be designated as PBRF-ineligible under the strict supervision provision.

Two options were consulted on, these and the responses are set out below.

	Response %	Response #
<i>Option 1: Retaining the status quo.</i>	40.0%	6
<i>Option 2: Removing the supervised exclusions provisions from the staff eligibility criteria.</i>	60.0%	9

The responses to this proposal were mixed and reflect a level of uncertainty about how this proposal will relate to the new AQS and how it will be calculated.

Under the AQS measure used to report on the results of the 2006 Quality Evaluation, the “R” and “R(NE)” Quality Category results for staff were included in the AQS denominator. This data was collected by the TEC through the PBRF staff census. A TEO could potentially receive a lower AQS score if the results included staff who were technically eligible but who were not independent researchers and likely to be assessed as an “R” or “R(NE)” (for example, some junior researchers such as research assistants and technical staff). The Quality Evaluation process allowed for such staff to be excluded from the Quality Evaluation assessment under the strict supervision provision. As there were no results for these staff, a TEO would not be unfairly disadvantaged.

In 2012, all “R” and “R(NE)” Quality Category results were excluded from the denominator of the new AQS measure (referred to as the AQS(N)). No data on “R” and “R(NE)” Quality Category results was provided by the TEC. This negated the need for the provision.

The 2018 Quality Evaluation results will use an AQS measure that uses staff data collected by the Ministry of Education as the denominator. The Ministry of Education are currently consulting on the staff data collection which does not include collecting or using PBRF Quality Category ratings. This means that the “R” and “R(NE)” Quality Category results cannot be used to calculate the AQS which negates the need for the provision.

Feedback also indicates that some stakeholders are particularly supportive of removing the provision as it led to some institutions changing the status and nature of specific roles, which was personally distressing for individual staff, and a deviation from the intent of the provision.

In-principle decision

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

The change simplifies the eligibility criteria and avoids inconsistent application across the sector.

I. Other matters.

The one area identified as requiring attention was the relationship between the staff eligibility criteria and the AQS measure. The SRG and the TEC are working closely with the Ministry of Education to ensure that the two work streams are closely aligned. Once the Ministry of Education’s consultation on the staff data collection is complete, the SRG will consider if any further consultation on the staff eligibility criteria is required.