



# Summary of round two consultation feedback to improve Educational Performance Indicators

This document summarises and responds to the feedback we received in the second round of consultation feedback to improve two Educational Performance Indicators.

## Background

We have been working with the sector to improve the methodologies for calculating two of the educational performance indicators – the qualification completion rate and the retention rate.

In our initial consultation during late 2015/early 2016, the sector strongly supported the general direction to move to:

- › a cohort-based methodology for the qualification completion rate, and
- › a focus on first year retention as a lead indicator for the retention rate.

At the same time, the sector also raised a number of detailed issues, including how we proposed to group NZQF levels, the timeframes for measuring completions, and the NZQF levels at which we should measure first year retention. We revised our proposals in light of this feedback, and in May 2016 we went through a second round of consultation with the sector to gather feedback on the revisions we made.

## What is in this document

This document summarises and responds to the feedback we received in our second round of consultation. The body of the document provides a high-level overview of the changes we proposed and the feedback we received.

Appendix 1 provides a more detailed analysis of the feedback we received on each proposed change, including survey scores and our responses to comments on the changes.

## Summary of feedback

The response to the consultation was broadly supportive, with 69–85% agreeing or strongly agreeing with each of the changes we proposed. Based on this widespread support we have decided to go ahead with the revised proposals, with the exception of a slight change to how we are calculating full-time and part-time study. In the few areas where disagreement remains, we have provided explanations for why we are proceeding with the proposal and how we intend to address some of the concerns.

### Who provided feedback

We received feedback from a smaller number of respondents in the second round than the first. The majority of feedback came from PTEs. Not all respondents provided feedback on each of the proposed changes.

Sub-sector	Number of respondents
ITO	1
ITP	1
PTE	10
University	2
Other	2 – one from Ako Aotearoa and one private submission
<b>Total</b>	<b>16</b>

## Overview of feedback to proposed changes

While general support for all of the revised proposals was strong, a few respondents did express concerns with some of the changes. This section provides an overview of the changes we proposed following the first round of consultation and the areas of concern that were raised in the second round of consultation. We summarise and address these concerns in greater detail in Appendix 1.

### *Determining the starting cohort*

We broadened the proposed starting cohort to include all confirmed enrolments, including those that do not receive TEC funding, full-fee paying and international students.

While 71% agreed/strongly agreed, 21% (3 respondents) disagreed/strongly disagreed with this change. Disagreement stemmed from concerns that TEOs could be punished for students who withdraw from courses for reasons beyond their control, and an expectation that the TEC should limit assessment to TEC-funded provision.

**The TEC's view:** Providers are accountable for the performance of all their students, regardless of funding source. Information on the educational performance of both domestic and international students is pertinent to what we invest in.

### *Counting completions*

We revised how we captured when learners complete at a lower level, and when they progress/complete at a higher level. For both of these changes, 79% (11 respondents) agreed/strongly agreed. There was no substantial disagreement.

### *Timeframes for measuring completions*

We proposed to measure completions of qualifications at levels 1–3 using a two-year timeframe and qualifications at levels 4–7 (non-degree) using a four-year timeframe (rather than using a three-year timeframe for all qualifications below degree-level). We retained a six-year timeframe for degrees and above.

For these two proposed changes, 69 and 86% (9 and 12 respondents) agreed/strongly agreed and only 7% (1 respondent for each question) disagreed/strongly disagreed. Comments reflected concerns that the categories are too broad and that short timeframes may be unfair to TEOs with a larger proportion of longer programmes.

**Our view:** At any NZQF level, we know there are qualifications that are significantly shorter or longer than most of the other qualifications at that level. We believe that these timeframes and groupings best manage the trade-offs between simplicity, timeliness and completeness.

### *Grouping register levels*

We changed our proposed grouping of NZQF levels to separate level 7 graduate certificates/diplomas from level 7 degrees, and combine all level 4–7 certificates and diplomas into a single group.

Sixty-nine percent (9 respondents) agreed/strongly agreed with the revised groupings, while 14% (2 respondents) disagreed/strongly disagreed. Comments argued for greater granularity at lower NZQF levels.

**Our view:** In the original consultation, we received strong feedback for a smaller and simpler set of groupings. We believe these groupings best respond to the feedback that we received through both rounds of consultation.

### *The retention rate*

We extended the application of first-year retention as a lead indicator to level 4–7 (non-degree) qualifications comprising 2 or more EFTS (as well as all qualifications at degree level and above). We proposed counting completions (as well as any re-enrolments) by the end of the second year, and measuring when a learner has progressed to a higher or lower level in their second year.

For each of these changes, 77 and 79% (10 and 11 respondents) agreed/strongly agreed. There was no substantial disagreement.

### *Full-time versus part-time study*

We changed the methodology for measuring when a learner is studying part-time versus full-time to capture when a student is studying full-time for part of a calendar year.

Seventy-nine percent (11 respondents) agreed/strongly agreed with this change. Only 7% (1 respondent) disagreed/strongly disagreed. Comments identified concerns about how the details of the methodology we proposed for calculating part- vs full-time study will capture specific study patterns and how the thresholds we proposed align with others used across the sector.

**Our view:** We have aligned our methodology with the methodology used by StudyLink and the Ministry of Education to be consistent across government and we believe that the differences in methodologies are not material.

### **Next steps**

Over June and July, we will produce 2015 qualification completion and retention rates based on the finalised methodology and work with the sector to confirm they are accurate. We will be providing TEOs with a detailed methodology at that time.

Our plan is to publish 2015 rates presenting both the old and new methodologies alongside each other in August 2016.

# Appendix 1: Detailed consultation feedback and our responses

This section details the results of the consultation survey. For each of the six areas we consulted on, we have provided a table summarising the scores for each proposed change, and our response to the comments we received.

## Determining the starting cohort

We are proposing that the starting cohort should include all confirmed enrolments, which includes:

- › when a domestic student is enrolled beyond the date for a full refund of fees, but which can be before the date when the enrolment is eligible for government funding
- › full-fee paying students, and
- › international students.

Second round changes							
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
<b>The starting cohort to include all confirmed enrolments, which includes domestic students, full-fee paying students, and international students</b>	14.29% 2	57.14% 8	7.14% 1	7.14% 1	14.29% 2	14	3.50
Summary of comments received	TEC response						
Students can withdraw from courses for a wide range of reasons beyond a TEO's control.	Students often do withdraw for external reasons at any point during their enrolment. Once a student has gone beyond the point of a full refund and there is student and/or government investment in the educational provision, this should be included in how performance is calculated.						
The TEC's assessment should only focus on provision that the TEC funds. Counting non-SAC enrolments would lead to confusion down the track, given that the other two EPIs only refer to SAC enrolments.	There is no such thing as a "TEC funded enrolment". We fund a volume of EFTS, which do not attach to specific individuals within the group of eligible students. Including all confirmed enrolments will provide the best indication of TEO performance. Providers' performance for all their students, regardless of funding source, is of interest to students and relevant to our investment decisions.						
We don't understand the comment "when a domestic student is enrolled beyond the date for a full refund of fees, but which can be prior to the date when the enrolment is eligible for government funding". This does not appear to align with existing practice and the SDR manual.	We know that, in some cases, students have enrolled and then withdraw without a full refund and access student loans before they are eligible for Student Achievement Component funding. These enrolments have not been reported through the SDR even though the student has continued to receive Student Loans and Allowances.						

## Counting completions

We are proposing to:

- > count a completion when the learner completes a qualification at the same level that the learner initially enrolled in, and
- > show supplementary progression/completion rates at a different level.

Second round changes							
<b>Showing supplementary progression/completion rates at a different level</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	7.14% 1	71.43% 10	21.43% 3	0.00% 0	0.00% 0	14	3.86
<b>Counting completions to capture when learners complete at a lower-level</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	15.38% 2	69.23% 9	15.38% 2	0.00% 0	0.00% 0	13	4.00
Summary of comments		TEC responses					
Apart from maintaining the integrity of the measure, the value of these proposals will lie in how the data are presented.		We are working on the design of how we will show qualification completion rates with progression/completions at lower and higher levels.					
The original proposals seemed cleaner.		In the first round of consultation, several TEOs noted that the original proposal was too complex and led to fluctuating rates over time.					
There should be a way to include those who have gained employment in progression/completion rates, especially within levels 1 and 2.		As employment outcomes information becomes available, we will look at this possibility.					
How will this information be used in various mechanisms such as PLF and information for learners?		We are working on the implications of these changes on PLF and information for learners.					

## Timeframes for measuring completions

We are proposing to use a:

- › two-year timeframe for qualifications at levels 1–3
- › four-year timeframe for qualifications at levels 4–7 and
- › six-year timeframe to measure qualifications at degree-level and above.

Second round changes							
<b>Measuring completions of qualifications at levels 1–3 using a two-year timeframe</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	23.08% 3	46.15% 6	23.08% 3	0.00% 0	7.69% 1	13	3.77
<b>Measuring completions of qualifications at levels 4–7 using a four-year timeframe</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	28.57% 4	57.14% 8	7.14% 1	0.00% 0	7.14% 1	14	4.00
Summary of comments		TEC responses					
Level groupings lump together vastly different qualifications (eg, 60 credit bridging cert vs 480 credit degree).		At any NZQF level, we know there are qualifications that are significantly shorter or longer than most of the other qualifications at that level. We believe these timeframes and groupings best manage the trade-offs between simplicity, timeliness and completeness.					
The six-year timeframe for degree level and above unfairly penalises institutions with a high proportion of long programmes.		We are aware that in isolated cases, TEOs have a more significant proportion of qualifications and students who complete after six years. Introducing a longer timeframe would introduce time-lag issues, which many other TEOs raised during our first consultation round. We believe that six years is the best timeframe to manage the trade-off between timeliness and completeness. In the information we plan to produce around the new EPIs, we will be providing historical, contextual information showing rates may increase after six years for particular TEOs.					

## Grouping register levels

We are proposing to change how we group the NZQF levels to the following:

- › Level 1–3 certificates
- › Level 4–7 certificate/diplomas (non-degree)
- › Level 7 degrees, including graduate diplomas and certificates
- › Honours and postgraduate certificates/diplomas
- › masters
- › doctorates.

Second round changes							
Changes to NZQF level groupings	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
		21.43%	57.14%	7.14%	7.14%	7.14%	14
	3	8	1	1	1		
Summary of comments				TEC responses			
Level 1–2 should be distinct from level 3. Level 1 and 2 programmes are foundation / bridging programmes – Level 3 programmes are normally for initial career progression.	<p>We believe there are stronger reasons for grouping level 3 with 1–2 rather than 4–7 (non-degree) because:</p> <ul style="list-style-type: none"> <li>• level 3 only provides individuals with the first stages of being fully qualified and there are more positive outcomes/returns at levels 4 and above compared to level 3, and</li> <li>• grouping level 3 with levels 1 and 2 better aligns with how register levels are grouped internationally.</li> </ul> <p>Note also that we expect to calculate rates for levels 3 separately from levels 1–2 for the purposes of Plan engagement.</p>						
<p>The rationale for grouping levels is unclear.</p> <p>[If completions are to be counted by at the same level with completions at other levels being supplementary information only then the breakdown proposed is too granular with respect to producing useful qualification completion rates. This is because of both learner choice and the structure of qualifications (eg, students choose to exit or progress).]</p>	<p>The levels have been grouped based on the feedback that we received during the first round of consultation and the similarities between the different register levels. We know that for some register levels (eg, level 3 and level 7 graduate diplomas) there are reasons for including them with different groupings. We believe the differences that level 3 certificates have with foundation level 1 and 2 certificates are outweighed by their preparatory nature, and the fact they are not generally an end point. Level 7 graduate diplomas have been grouped with level 7 degrees because there are not a significant number of enrolments in these and their similarities in content to level 7 degrees.</p>						
Level 4 should remain separate from levels 5–7 to avoid conflating pre-university study (foundation year) with undergraduate diplomas.	<p>As indicated in the first consultation document, we are not including enrolments in certificates of proficiency (foundation-year, pre-university study) in the calculation of the qualification completion and retention rates.</p>						

## The retention rate

We are proposing to:

- › change the focus of the retention rate to measure first year retention, with a focus on Level 7 degree level provision and levels 4–7 programmes comprising 2 or more EFTS
- › in addition to any re-enrolments in the second year, count completions by the end of the second year, and
- › measuring when a learner has progressed to a higher or lower level in their second year to align with the methodology for the completion rate.

Second round changes							
<b>Measuring first year retention for qualifications that comprise 2 or more EFTS at levels 4 and above</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	14.29%	64.29%	21.43%	0.00%	0.00%		3.93
	2	9	3	0	0	14	
<b>Counting any completions by the end of the second year, in addition to any re-enrolments</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	15.38%	61.54%	23.08%	0.00%	0.00%		3.92
	2	8	3	0	0	13	
<b>Providing information on completions and progressions to higher and lower-levels in the student's second year</b>	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average
	15.38%	61.54%	15.38%	7.69%	0.00%		3.85
	2	8	2	1	0	13	
Summary of comments		TEC responses					
Many students study with more than one provider towards a qualification.		Later this year, we are planning to produce information on when students transfer across TEOs without completing a qualification.					
Students may take more than 2 years to progress to higher level.		This should be captured via the methodology for the completion rate.					

## Full-time versus part-time study

We are proposing rules to determine when a learner should be counted as part time or full time over the entire course of their study:

**RULE 1:** For a calendar year, a learner is studying full time if the average EFTS per month is greater than or equal to 0.08 EFTS. This is calculated by summing the EFTS delivered in the year for the learner and dividing it by the number of distinct months enrolled.

**RULE 2:** A learner is in full-time study over the entire course of their study if, and only if, the learner is in full-time study for all or most of the years of their study. Otherwise, the learner is in part-time study.

Second round changes								
Rule to measure part-time versus full-time study using an EFTS consumption by month to capture when a student is studying full-time for part of the year	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Total	Weighted Average	
		7.14%	71.43%	14.29%	0.00%	7.14%	14	3.71
	1	10	2	0	1			
Summary of comments		TEC responses						
The average EFTS per month should be greater than or equal to 0.06 EFTS to align with the accepted understanding that .8 or above in a calendar year is full time study (e.g. the StudyLink LET table).	We have aligned our methodology with that used by StudyLink and the Ministry of Education in order to be consistent across government and we believe that the differences in methodologies are not material.							
Given the structure of the academic year (in terms of 2 semesters), there is no meaningful monthly pattern by which students turn their study off or on.	With the change in methodology to align with StudyLink we are now looking at a student's study across the year.							
If a student was part time for <i>any</i> period of their study then they should be considered part time.	We know that there are significant differences in the completion rates between those who study mostly full-time versus those who study part-time most of the time which would not be captured if we were to adopt this proposal.							



We ensure New Zealand's future success.