

External and Internal Quality Assurance – Towards a Model for Integration

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Abstract:

This paper uses the example of New Zealand as a point of reference to examine the tensions and synergies between external and internal quality assurance and to suggest ways that external quality audits should be more closely integrated with a university's internal quality processes.

Keywords: external quality audit; internal quality assurance;

Introduction

As the external pressure on universities to prove their quality and worth to the wider community increases, the internal processes that are used have become divorced from externally imposed measures. This issue is examined using a New Zealand perspective which highlights how nearly 15 years of external quality assurance has highlighted the potential for external audits to become stand alone event. Having identified the benefits of external quality assurance to the university sector, this paper suggests a way in which internal self-assessment can be integrated into external academic audit, or indeed vice versa.

Background

The New Zealand Universities Academic Audit Unit began operations in 1994, and over the past fourteen years has administered three cycles of academic audit of New Zealand universities. Cycle 1 in 1995-1998 was whole of institution; Cycle 2 in 2000-2001 was on research policy and management, support for postgraduate research students, and the research-teaching nexus; and Cycle 3 in 2003-2006 was on teaching quality, programme delivery, and the achievement of learning outcomes. The Unit has just begun Cycle 4 of academic audits, which are scheduled for 2008-2012, and are similar to Cycle 1 in that they are to be whole of institution.

Over recent years, the eight New Zealand universities have shown signs of 'audit fatigue', and at times have expressed the belief that there has been diminishing value from successive cycles of audit. At times they have questioned the continuing application of significant funding, resources and time into self-assessments and other requirements associated specifically with external audit processes.

Of course this hints at a problem. Quality assurance in universities should not be about external evaluation and review, an event to be endured every four-to-five years. Universities are relatively large, diverse and complex organisations with a range of disciplinary cultures. *Internal* self-assessments and evaluations and reviews in specific areas, according to need and/or scheduled programmes, are undertaken by universities as a matter of normal business, requiring ongoing reflection and critique of the ways things are done to enhance student learning and student success. *External* academic audit provides a framework for the review of university quality systems, processes and procedures, offering support for those that work well, offering suggestions for improvement where they are not successful or where they are lacking, and offering encouragement for the university's own expressed programme of improvement arising from their internal self-assessment (Jennings 2009-1).

External demands

As with institutions across the tertiary sector in New Zealand, universities are faced with a range of external demands for data and information on performance. A recent investigation (Jennings 2009-2) indicated nineteen types of 'compliance' activities other than academic audit. Some of these activities are necessary for good management – such as the strategic business and investment plan, and the reporting of performance and achievement through the annual statement of service performance and the annual financial statements. Several of the activities are exercises in accountability to those who provide funding – such as the quarterly and annual reports to the Tertiary Advisory Monitoring Group on financial viability and risk; quarterly and annual Single Data Return of enrolment statistics to the Ministry of Education; annual reports to the Tertiary Education Commission for Performance-Based Research Fund purposes, and the Performance Measure (Student Component) [completion, retention, attrition, student satisfaction]; reports as required by Government and other funding agencies on the use of supplementary grant moneys (such as Supplementary Grants for Maori and Pacific Island students, and student with disabilities) and in the use of research grant moneys. In 2003, 2006 and five-yearly from then on is the large assessment exercise associated with the Performance-Based Research Fund.

In addition, there are a number of other compliance requirements: professional accreditation audits in discipline areas where universities wish to maintain accreditation status for their graduates in professional degrees; the Committee on University Academic Programmes peer review of new academic programmes; compliance audits such as those against the government *Code of practice for the pastoral care of international students*, and *New Zealand code of practice for an inclusive tertiary education environment for students with impairments*; and compliance with regulatory and statutory requirements such as Health and Safety. Less regular and sporadic are reports to the Education and Science Select Committee, requests for information under the Official Information Act and the Privacy Act, requests from the Ombudsman, and submissions on legislative changes that impact on universities.

With this range of compliance requirements – some necessary for good management, some imposed by external agencies – there is a risk of academic audit being seen as just another compliance activity. However, the process of academic audit is not conducted against external pre-determined criteria. The primary term of reference for the New Zealand Universities Academic Audit Unit makes that clear: the Unit is:

to consider and review the universities' mechanisms for monitoring and enhancing the ongoing academic quality of academic programmes, their delivery and their learning outcomes' (Jennings 2007).

Systems and processes to develop, deliver, monitor and enhance academic programmes must be in place within the university, and academic audit assesses the effectiveness of such systems and processes. The primary point of reference is internal to the university.

Tensions between External and Internal Quality Assurance

There are a number of tensions for universities inherent in the idea of external quality assurance.

By its nature, external quality assurance involves the use of outsiders to make judgements on the way a university operates and the effectiveness of its processes. External quality assurance audit panels are composed of both academics and non-academics with experience of quality assurance and higher education. This use of academics and non-academics creates its own tensions, as academics are seen to be peers for other academics, so perhaps have credibility to make judgements on other academics and their work. At times, the academic world has had a habit of taking exception to judgements made by non-academics. Currently within New Zealand, audit reports contain judgements in terms of commendations, affirmations and recommendations from the panel as a whole. However, currently the New Zealand Qualifications Authority is developing a process of 'self assessment and external evaluation and review' that will require external audit to make specific judgements ('excellent' to 'poor') with regard to the

evidence that indicates performance in a number of areas, and to make an overall judgement of confidence in the institution as a whole. Such a move will increase the tensions inherent in the external quality assurance process. With the emphasis on judgements as opposed to enhancements, the external audit process, which is seen to be decreasing in added value for universities, could be severely undermined.

Originally, external audits were a real impetus to change the way universities operated (Carr et al, 2005). However, as universities developed internal quality cultures, the scale of externally driven enhancement initiatives has decreased and the approach taken by universities in preparing for audit has changed. Despite its purpose to support universities through their ownership of the process that leads to change, academic audit is often perceived as a stand alone task – an event – that the university must prepare for and undertake, and one that has little or no integration into the ongoing internal quality processes of a university..

Another factor that causes tensions is that both the audit panel and the institution are made up of individuals who have personal opinions, biases and egos. As such, there is the temptation for members of a panel to make judgements based on their own experiences and for the senior management to become defensive about judgements made about their institution. It is impossible to keep personalities out of the external quality process; this needs to be recognised and the impact that the exercise has on individuals needs to be monitored by all involved.

Synergies

Despite these tensions that impact upon the effectiveness of external quality audit, there are a considerable number of similarities between external audit and the internal processes that are both intended to make improvements within institutions. Both internal and external quality assurance attempt to achieve the same thing, although the focus for each may differ. One New Zealand university defines the primary purpose of its internal review processes as:

to review and to effect improvement in the University's teaching, research and out-reach activities. The [internal review process] will involve reviews of teaching and research programmes, as well as the University's policies and systems for assuring quality (Otago 2008).

For the Audit Unit the purpose is:

to support New Zealand Universities in their continuing achievement of standards of excellence in their academic responsibilities in research and teaching. (Jennings 2007).

The focus for the Unit is very much on partnership with the universities, for the universities to take ownership of the process, and for the process to be enhancement led.

The processes that both internal and external quality assurance follow are based upon an exercise of self-reflection, followed by peer assessment, site visit interviews, and a written report of findings, and judgements written as commendations and recommendations for improvement. Both processes focus on the goals and objectives of that which is being reviewed, whether it is an academic department or programme, or a whole institution.

If such quality assurance processes are embedded within institutions and the benefits are recognised, is it realistic to suggest that the benefits of external quality audits should be equally as valued? The literature tells us, for example, that continuous improvement from audit depends on the extent to which the linkage can be made from external audit to the aspects characteristic of internal institution-based quality improvement (Thune 1997) and how the outcomes of audit are communicated and linked with the day-to-day research and teaching activities of academic staff (Harvey 1998).

Despite these similarities, it is not always evident that the synergies are being realised. It may be necessary for a greater recognition of the benefits of external quality audit amongst universities. Such recognition may be achieved only if the processes are more closely integrated.

Benefits of external quality audit

External quality assurance should be more closely integrated with institutional processes not only in light of the similarities of purpose, but also for the benefits that it can bring to an institution. Not only are external quality audits an independent means of verifying the quality of an institution, but they also force an institution to have a high level of self knowledge and self responsibility. A good external quality audit contrasts academic navel gazing with a focus on the bigger picture in national higher education. A recognition of national and international challenges that face higher education institutions and an awareness of good practice in other institutions means that an audit can provide guidance in solving weaknesses.

It is also possible for external quality audits to affect change within institutions where internal processes and initiatives cannot. This requires universities to make the most of the self assessment and enhancement aspects of an audit.

Towards a model for integration

The New Zealand Universities Academic Audit Unit has required universities from the beginning of Cycle 3 academic audits (2003-2006) to provide details of the enhancement activities to be undertaken over the next planning period, and panels have been required to 'build out' from those enhancement initiatives, supporting those that can be supported, strengthening (through recommendations) those that require strengthening, challenging those that are seen as inappropriate, and/or offering recommendations in other areas in which the panel believes enhancements are required (Jennings 2007). The main aim is to give the University's own self assessment an enhancement-led, forward-thinking emphasis; another aim is to give greater relevance to audit preparation, to have external audit grow out of, and feed into, the university's own programme of continuous improvement, and to give the university greater ownership over enhancement activities. It should be possible to build from this requirement into a greater integration of internal and external quality assurance so as to enhance greatly the achievement of both aims.

Perhaps one of the reasons why external quality assurance has become perceived by some as compliance and as possibly difficult to add high value in the New Zealand context stems from the universities' apparent reluctance to engage in ongoing dialogue for enhancement with the New Zealand Universities Academic Audit Unit. The audit exercises seem to stop with the release of the audit reports, and despite the follow up from the universities to the Unit to report on progress, there is little perceived interest by universities to see the audit visits and reports as just one part of ongoing enhancement exercises.

Universities may consider taking ownership of the external audit process so long as it occurs on their terms. Universities should be careful not to overlook the potential enhancement benefits available through an ongoing dialogue with the Unit between the cycle visits, from the independent viewpoint the Unit can provide, and from the advantage of the privileged position of the Unit as an independent agency that can observe a range of practices across the university sector. Arising from the tensions that are inherent in external audit, a defensive mechanism can develop, and instead of a partner in enhancing the core activities of New Zealand universities, the Unit is perceived as the body that makes judgements and exposes weaknesses.

If universities were to use the audit process as a means to implement changes that would be to the benefit of the institution, closer integration could be achieved. All universities have their own internal processes; however, the level at which those processes are used to make improvements varies.

There must be a way of having the ongoing 'internal reviews' better inform the enhancement initiatives required by the Unit's present process. It should be possible for a more strategic use of internal reviews to identify areas for improvement that could form initiatives for audit. For example, if a university were to undertake a strategic analysis of review reports across a number of programmes and find that there was a weakness across the university in the assessment of learning outcomes, this could inform the planning for an external audit. The university could use the external academic audit to pick up on what was being trialled within the university to compare the reality of practice in the university against accepted international good practice.

By integrating internal and external processes in this way and through keeping the Unit informed of initiatives and challenges, the universities could gain much more from the external quality process. Initially two enhancements to present audit practice can be identified: one would be increased knowledge by the Unit about the quality programme in university, assisting the Unit to do more to assist the university in the promulgation of good practice; the other would be an improvement in the Unit's briefing of the audit panel about the 'quality culture' of the university.

Another option is dispensing with a single focus for an entire audit cycle and developing distinctive 'terms of reference' for each university's audit. This might strengthen the Unit's desire for the audit process to serve better each university and be better able to add value, focusing on the university's own challenges, on areas being ignored by the institution and leaving alone areas of demonstrated success, unless the university wanted confirmation of good practice.

Ideally, the academic audit *process* must look forward as much as it looks back, support the creation and maintenance of reflective and self-critical spaces, and grow out of and feed into a shared commitment to the values and characteristics of the university. The *outcome* of the audit process must be an enhanced student learning experience, enhanced student engagement with learning, and a strengthened alignment of core activities with the values and characteristics of the university. (Jennings 2004) A greater integration between internal and external audit should assist a more effective realisation of this philosophy.

Is it time for a revolution in external quality assurance?

Has the external academic audit process become institutionalised? Has this produced unexpected and undesirable side effects of predictability of behaviour by auditors and auditees? (Leeuw 2003) Perhaps a more effective and enhancing model of audit could be developed by dispensing with the concept of a five-yearly formally-devised visit by a panel. Would not an audit be more able to ascertain the effectiveness of a university's processes if it were to see the university at work? If an academic auditor were to visit a university for say two weeks perhaps three times in one year, visiting laboratories, observing teaching, sitting in on committee meetings, chatting informally to staff and students, getting to understand a university's culture, would the auditor not have a better understanding of a university's goals and objectives, and whether it could achieve them, than a panel which sits in a formal room for four days speaking to a select few? This might remove the compliance driven exercise that unwittingly accompanies the setting up of special task forces at the time of university self-assessments to examine quality issues associated specifically with academic audit that so many universities go through at present. The focus could be on the university's internal quality enhancement processes, driven by its own goals. Enhancement could be a two way dialogue between the university and the Unit that does not depend on a judgemental report and list of recommendations. With the Unit and university engaged actively in continuous enhancement, the focus on an audit visit and report could be replaced by strategic exercises driven by the needs of the university to identify weaknesses, find possible solutions through good practice models found elsewhere, and facilitate of the implementation of the solution.

Unfortunately, such an ideal would be difficult to 'sell' in the present context of the government's tertiary education reforms which seek judgements as to the confidence to be placed in institutional performance and capability, and which desire comparisons across tertiary education sectors and sub-sectors.

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