



Self-assessment portfolio

**for the 2009
external evaluation and review
of the**

**New Zealand Universities
Academic Audit Unit
Te Wāhanaga Tātari**

March 2009

Important notice

This file is the Portable Document Format (PDF) version of the portfolio text prepared for use by the panel established by the Board of the New Zealand Universities Academic Audit Unit to review the Unit's performance. This version is of the portfolio text only, and does not include the appendices.

The complete portfolio submission included 27 supporting documents which are referred to in the text. The text also refers to items of further information which are to be made available to the review panel upon request.

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Te Wāhanga Tātari**

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Foreword

The purpose of the Unit

The purpose of the New Zealand Universities Academic Audit Unit is to assist universities maintain and enhance the quality of their activities so that university education is of the highest quality and of international standard, thereby providing graduates with education and training that prepares and empowers them in their service to their employers and their wider communities. Thus the vision of the Unit: 'Quality New Zealand university education serving students' futures'.

The Unit contributes to quality university education by engaging as a leader and advocate in the development of quality cultures through the administration of academic audits in particular, and by applying quality assurance and quality enhancement processes that enable improvement in student engagement, experience and learning outcomes.

The purpose of this review

To assist the Unit maintain relevance in its contribution, the Unit reviews its own processes and systems as and when appropriate. It seeks feedback from its primary stakeholders – the universities – at the time of audits, asking questions about the added value of audit and about the processes involved. The Unit also seeks annual feedback and from its wider communities of interest – New Zealand government, education and quality assurance agencies.

From time to time, the Unit supplements this ongoing review with external evaluation and review. The present review is being undertaken by an independent panel comprising distinguished New Zealand and international members. The review panel is asked to provide an impartial evaluation of the performance of the Unit against its objectives, and of the Unit as the agency responsible for fulfilling the New Zealand Vice-Chancellors' Committee's legislative obligations with respect to auditing the maintenance and enhancement of university quality processes.

The purpose of this portfolio

This portfolio is addressed to the review panel, and it provides a self-assessment of the Unit against its four objectives, as well as a self-assessment against the guidelines of good practice for quality assurance agencies developed by the International Network for Quality Assurance in Higher Education. The portfolio text summarises the evidence provided in 27 supporting documents and other items of further information which can be made available to the review panel before and/or during the site visit on 17-19 June 2009.

The portfolio was prepared by the Director of the Unit; comment on the portfolio was provided by an independent reader outside of the university sector who is expert in quality assurance; and further comment and amendment was given by the Board who adopted the portfolio at its March 2009 meeting.

The Board thanks the review panel, in advance, for their willingness to give of their time and expertise to assist the Unit by reviewing its achievements and considering enhancements needed to prepare the Unit maintain its relevance in times of change and uncertainty.

Dr David Mackay
Chair of the Board

John M Jennings
Director

2 April 2009

Terms of reference for the 2009 review

- 1 The Board of the New Zealand Universities Academic Audit Unit will commission a review of the Unit during 2009, to be undertaken by a panel comprising members external to the Unit, to evaluate the performance of the Unit.
- 2 The panel will comprise a minimum of three people. The expertise sought includes that from the university sector in New Zealand, from the university sector outside of New Zealand, from business or industry with an understanding of quality assurance processes and university education, and from an education quality assurance agency from outside New Zealand. At least one of the members must have knowledge of Te Tiriti o Waitangi.
- 3 One of these members of the panel will be appointed as the Chair of the panel.
- 4 The panel will evaluate the effectiveness of the Unit in:
 - 4.1 achieving its objectives,
 - 4.2 fulfilling the New Zealand Vice-Chancellors' Committee's legislative requirements with respect to auditing the maintenance and enhancement of university quality processes associated with quality teaching and learning in a research environment,
 - 4.3 administering audit activities in accordance with the good practice guidelines of the International Network of Quality Assurance Agencies in Higher Education,
 - 4.4 providing an effective service to the university sector and being accountable to the sector,
 - 4.5 being perceived as a credible quality assurance agency by other education quality assurance agencies in New Zealand and internationally.
- 5 The panel will:
 - 5.1 consider the appropriateness of the Constitution of the Unit in enabling the Unit to act effectively to the benefit of the New Zealand university sector,
 - 5.2 consider the adequacy and appropriateness of the Unit's resources to undertake its functions,
 - 5.3 recommend any changes or improvements to the work practices and activities of the Unit.
- 6 The panel will report to the Board of the Unit, and the Board of the Unit will forward the report and the Board's comments on the report to the New Zealand Vice-Chancellors' Committee.
- 7 The final report will be made a public document and will be posted on the Unit's website.

Emeritus Professor **Les Holborow**
Chair of the Board of the Unit
November 2008

1

The New Zealand Universities Academic Audit Unit – Te Wāhanga Tātari

1.1 Historical overview

The New Zealand Universities Academic Audit Unit – Te Wāhanga Tātari [the Unit] was established by the New Zealand Vice-Chancellors' Committee (NZVCC) in 1993 to carry out academic audits of New Zealand universities and to offer the universities advice on quality assurance matters. The NZVCC appoints seven of the eight members of the Board of the Unit from various stakeholder groups, and over the last seven financial years has provided 82% of the funding for the Unit's operations. The Board operates independently of the NZVCC, and the Board appoints the Director of the Unit (who is the eighth member of the Board). Thus the Director is accountable to the Board of the Unit for what he does and for what the Unit produces by way of academic audit reports and publications. The Director is not accountable to the NZVCC.

Such a relationship requires the trust of both the NZVCC and the Unit, and the Unit works hard to maintain high professional standards so as to maintain the confidence shown in recent years by Vice-Chancellors individually, and by the NZVCC as a whole. An on-going communication link between the NZVCC and the Unit is maintained between the Executive Director of the Committee and the Director of the Unit.

The Unit began operations in 1994 by preparing an academic audit manual and completing two pilot audits in that year. Since then, there have been three completed cycles of academic audits.

- *Cycle 1 academic audits, 1995-1998:*

- whole of institution audits of all universities – that is, structure and planning; quality management systems; Te Tiriti o Waitangi; staff matters; courses and programmes; teaching, learning and assessment; research and teaching; reviews; feedback processes; joint, franchised and external programmes; support for students; facilities and resources.

- *Cycle 2 academic audits, 2000-2001:*

- for the seven universities operating at the time of the Cycle 1 academic audits – the national theme of research policy, management and performance; support for postgraduate research students; the research-teaching link; as well as institutional theme(s) nominated by the universities and agreed to by the Unit.

- for the Auckland University of Technology, created a university in 2000 – whole of institution audit,

- *Cycle 3 academic audits, 2003-2006:*

- teaching quality; programme delivery; and the achievement of learning outcomes.

Cycle 4 academic audits, 2008-2012 – begun in the second half of 2008 – are whole of institution audits, as requested by the New Zealand Vice-Chancellors' Committee in April 2007 on advice received from a meeting of university representatives in February 2007.

Since 2002, in addition to the Cycles of institutional academic audits, the Unit has administered several focused audits, including:

- an audit for the Ministry of Education (2004-05) of universities against the *Code of practice for the pastoral care of international students*,
- an audit for the Ministry of Education (2006) of universities' websites related to the *Code of practice for the pastoral care of international students*,
- a pilot and evaluation (2006) of a 'Process audit' methodology to test the suitability as a focus for Cycle 4 institutional audits (later rejected by the university sector),
- an audit for the Ministry of Education (first half of 2007) focused on the monitoring of admission and supervision of international PhD students,
- an audit for the Tertiary Education Commission (second half of 2007) of quality assurance processes associated with government-funded Adult and Community Education,
- an audit for the Ministry of Education (first half of 2008) of universities against the welfare and accommodation sections of the *Code of practice for the pastoral care of international students*.

(Appendix 2 of this portfolio contains a summary of key activities from 2002 to 2008.)

The Unit itself has not been reviewed since 2002. Earlier reviews of the Unit were undertaken in 1997 (towards the end of Cycle 1) and again during 2001 (towards the end of Cycle 2). Each of these reviews sought input from the universities and each review report contributed ideas towards the determination of the next cycle of audits. A review towards the end of Cycle 3, in 2006, was deferred until the present time (see section 2.3).

1.2 The purpose and authority of the Unit

The *Constitution* [**Supporting Document 1**]¹ summarises the purpose of the Unit in paragraph 1.2:

In order to maintain and enhance the quality of their academic activities, the universities of New Zealand have established the New Zealand Universities Academic Audit Unit and they fund and sustain its operation. The Unit acts as a fully independent body in the conduct of its audit activities.

The Unit operates under the authority of the terms of reference. Since the last review of the Unit, the terms of reference have been amended, with new terms of reference effective from the beginning of 2006. Consequently, the Unit administered the first five academic audits of cycle 3 under the existing terms of reference, and the remaining three academic audit under the revised terms. *Table 1* below sets both terms of reference; changes are indicated in bold.

¹ *Appendix 1* lists all **Supporting Documents** by short title, and provides full bibliographical information.

Table 1

Terms of reference

<i>Terms of reference as at 2002</i>	<i>Terms of reference adopted with effect 2006</i>
<i>1 To consider and review the universities' mechanisms for monitoring and enhancing the academic quality and standards which are necessary for achieving their stated aims and objectives.</i>	<i>1 To consider and review the universities' mechanisms for monitoring and enhancing the ongoing academic quality of academic programmes, their delivery and their learning outcomes, and the extent to which the universities are achieving their stated aims and objectives in these areas.</i>
<i>2 To comment on the extent to which procedures in place in individual universities are applied effectively.</i>	<i>2 To comment on the extent to which procedures in place in individual universities are applied effectively.</i>
<i>3 To comment on the extent to which procedures in place in individual universities reflect good practice in maintaining quality.</i>	<i>3 To comment on the extent to which procedures in place in individual universities reflect good practice in maintaining quality.</i>
<i>4 To identify and commend to universities good practice in regard to the maintenance and enhancement of academic standards at national level.</i>	<i>4 To identify and commend to universities national and international good practice in regard to academic quality assurance and quality enhancement.</i>
<i>5 To assist the university sector to improve its educational quality.</i>	<i>5 To assist the university sector to improve its educational quality.</i>
<i>6 To advise the New Zealand Vice-Chancellors' Committee on quality assurance matters.</i>	<i>6 To advise the New Zealand Vice-Chancellors' Committee on quality assurance matters.</i>
<i>7 To interact with other national and international agencies and organisations in relation to matters of quality assurance in education.</i>	
<i>8 To carry out such contract work as is compatible with its audit role.</i>	<i>7 To carry out such contract work as is compatible with its audit role.</i>

1.3 Vision, mission and objectives

The present vision of the Unit is the Unit's objective for university education – namely:

Quality New Zealand university education serving students' futures.

The present mission of the Unit – that is, the contribution the Unit can make to achieving the objective for university education – is:

To contribute to quality New Zealand university education by:

- *engaging as leader and advocate in the development of quality cultures,*
- *applying quality assurance and quality enhancement processes that enable improvement in student engagement, experience and learning outcomes.*

The present objectives of the Unit for its operations are:

- Quality audits** *Timely completion of academic audits producing audit reports acknowledged as authoritative, fair and perceptive, and of assistance to universities.*
- Quality networking** *Improved quality of the Unit’s activities through enhanced networking links with government, education and academic audit agencies involved in tertiary education.*
- Quality practices** *Valued contributions to the development, dissemination and implementation of new policies and practices in quality assurance and quality enhancement in education nationally and internationally.*
- Quality processes** *Effective processes to produce timely completion of tasks and a high level of satisfaction by universities and other stakeholders in the work of the Unit.*

This self-assessment portfolio uses the four objectives to structure the substantive self-assessment of the performance of the Unit since 2002 in chapters 3-6, and in so doing offers evidence of the way the Unit has achieved its objectives.

1.4 Board of the Unit

Following discussions in 2004-2005, the New Zealand Vice-Chancellors’ Committee reduced the Board membership from twelve to eight, with the timing of the change matching that of the changes to the terms of reference. The Board was reduced in stages during 2006 and part of 2007, as members whose positions were disestablished worked out their full terms. *Table 2* below sets out the 2002 composition and the composition as agreed to with effect 2006.

Table 2

Composition of the Board

<i>Composition of the Board as at 2002</i>		<i>Composition of the Board with effect 2006</i>	
1	A chairperson appointed by the New Zealand Vice-Chancellors’ Committee either in addition to or from within the members	1	An independent chairperson appointed by the New Zealand Vice-Chancellors’ Committee
2	One member of the New Zealand Vice-Chancellors Committee	2	One member of the New Zealand Vice-Chancellors’ Committee
3	One student member representative nominated by the New Zealand Universities Students’ Association	3	One university student representative nominated by the New Zealand Union of Students’ Associations
4, 5	Two senior academics, one nominated by the Australian Vice-Chancellors’ Committee, preferably being a member of the Australian Quality Committee or its equivalent, and one nominated by the Association of University Staff of new Zealand	4	One senior academic nominated by the Association of University Staff of New Zealand (since 2009 the New Zealand Tertiary Education Union)
6, 7	Two members drawn from the community, as a result of public notice	5	A person with expertise in quality assurance drawn from the wider community.
8, 9	Two members drawn from those professions for which the universities provide a specific	6, 7	Two members drawn from persons nominated by relevant professional and employer bodies.

<i>Composition of the Board as at 2002</i>	<i>Composition of the Board with effect 2006</i>
educational preparation, in respect of which nominations will be sought from the various relevant professional bodies	
10 One member nominated by the national employers body	
11 One member nominated by the national trade union body	
12 The Director of the Unit	8 The Director of the Unit

1.5 Register of auditors

In its early years, the Unit developed a register of auditors drawn from the New Zealand university sector, from New Zealand business and industry, and from university and former university personnel in Australia. Up to 2002, appointment to the register was normally for two years, renewable at the invitation of the Unit. During 2002, the new Director visited as many auditors in New Zealand and Australia as was possible, to talk with them and to seek input into the improvement of the Unit’s processes from those who had participated in audits. Those who wished to keep working for the Unit were invited to be appointed to a register of auditors for the whole period of Cycle 3 – 2003-2006.

During the Cycle 3 audits, several auditors retired and asked to be removed from the register. On some occasions, the Unit was required to go beyond the Australian auditors listed on the register because of the unavailability of auditors, or because there was a need to have a member of a panel to be from a discipline area not represented at that time on the Unit’s register. On those occasions, the Unit invited auditors on the register of the recently established Australian Universities Quality Agency (AUQA) and the Unit advised AUQA whenever one of its auditors was used. In turn, AUQA advised the Unit when one of the Unit’s auditors was used on an audit administered by them.

In 2007, the Cycle 3 audit register had lapsed, and the Unit recruited new academic auditors from among New Zealand academics who had joined middle and senior management in recent years to replace auditors who had retired from their university posts. New members undertook training in a two-day meeting in April 2008. It has always been an expressed wish of the Unit that auditors on the register will take their expertise and experience back into their own universities and contribute in appropriate ways to their universities’ programmes of continuous improvement. The recruitment of new members was a deliberate attempt to look to the future, to have new auditors work on panels alongside more experienced auditors before the more experienced auditors retired, and to build a new platform of expertise for future audits.

In 2008, the Unit wanted to strengthen its pool of non-academic auditors, and recruited non-academic members from the New Zealand Organisation for Quality who met with other auditors in a two-day meeting in February 2009.

At the time of the development of the register of auditors for the period of Cycle 4 2008-2012, it was decided by the Unit that the official register would comprise New Zealand members only, with a note to the register describing the practice of including one non-New Zealand member on each panel, and drawing on the auditors on the register of AUQA.

1.6 Secretariat, headed by a Director

For Cycle 1 audits 1995-1998, the Secretariat of the Unit comprised a Director, Dr David Woodhouse, and an Assistant to the Director, Janice Baxendale.

Cycle 2 academic audits 2000-2001 were to be completed within 18 months, and required the appointment in August 1999 of an Academic Audit Officer, Robyn Harris. This provided the Unit with a two-person team to administer the focused audits on research-related matters in the seven established universities, and the one whole of institution audit in the eighth newly-created university.

In June 2001 Dr Woodhouse resigned to take up the position of founding Executive Director of the Australian Universities Quality Agency. Robyn Harris was appointed as Acting Director, and in December 2001, she resigned to join David Woodhouse at the Australian Agency as an Academic Audit Director.

In January 2002, John M Jennings took up the position of Director, assisted by Christine Fletcher who in 2001 had been appointed Secretary/Administrator (changed in 2002 to Executive Assistant). Belinda Middleton replaced Christine as Office Administrator at the beginning of 2005, and was re-designated as Office Manager in 2006. Belinda resigned while on maternity leave in early 2007 and was replaced by Ruth Berkalitzky.

There was no overlap of professional staff at the end of 2001/beginning of 2002, although the Unit had a workable policy manual in place and Robyn Harris left a summary of ongoing activities and outstanding matters. During 2002, the Director explored the files of the Unit, wrote an overview of Cycle 2 academic audits, negotiated with the universities over the topic and timetable for Cycle 3 academic audits, developed a register of auditors for Cycle 3, considered action to be taken to address the recommendations of the 2001 review of the Unit, and revised the academic audit manual after seeking and considering feedback from the university sector.

During 2003-2008, the Director administered all Cycle 3 academic audits. During 2007-mid 2008 the Director reviewed Cycle 3 and prepared for Cycle 4 academic audits, assisted by a small reference group drawn from the university sector. The Unit also administered three narrowly-focused audits during those eighteen months. The first academic audit for Cycle 4 was undertaken during the second half of 2008. (See *Appendix 2* of this portfolio for a summary of key activities from 2002 to 2008.)

Although the Unit has had only one professional staff member since 2002, the Director has, from time-to-time, drawn on the expertise available to him in the university sector and in the tertiary sector agencies more widely for expertise and advice. At key points he has formed appropriate reference groups to offer advice on ways forward for the Unit.

2

Reviews of the Unit

2.1 Review no.1, 1997

The first review of the Unit took place in 1997. The self-assessment portfolio was submitted in May, meetings of the panel were held in June and July, and the main site visit was in September.

The *Report of the 1997 review of the Unit* [**Further Information 1**]² was convinced of the continuing value of the Unit and the audit process to the university sector, both in terms of public accountability and the impetus it was giving the universities to examine, measure and improve their performance. On-going, long-term and adequate funding for the Unit was necessary to ensure the stability and independence of the Unit, to reinforce the credibility of the Unit and the audit process, and to maintain the momentum of quality improvement within the universities. The report contained 41 recommendations. Two recommendations addressed the Board of the Unit (composition and functions); 10 recommendations concerned the terms of reference, staffing, publications of the Unit, and relationships of the Unit with the Committee on University Academic Programmes and the New Zealand Qualifications Authority; 17 recommendations paid attention to the audit process (impact, panels, audit manual, self-assessment portfolios, site visits, audit reports, follow-up to academic audit) and 12 recommendations related to the future directions (the nature of Cycle 2 audits, future activities of the Unit, and funding matters).

Follow-up to the report of the 1997 review of the Unit [**Further Information 2**], prepared by the Unit for Review no.2 in 2001, was rather minimalist. It identified 29 recommendations with which the Unit 'agreed' or for which action had been 'done' (completely or in part), or 'carried out'. Six recommendations were 'not accepted' or 'not favoured', four recommendations (on the audit process) were considered too prescriptive, and one recommendation still required action.

Of particular significance was the acceptance of recommendations that the next four cycles of audits be three *theme* audits followed by a *comprehensive* 'whole institution' audit; each audit was to take 18 months (recommendation 30). Theme audits would be taken in turn, and the comprehensive 'whole institution' audit would follow a similar pattern to Cycle 1 but with a concentration on outcomes as well as processes (recommendation 33). Every effort should be made to ensure that each *theme* audit cycle would be concluded within a 12-month period in the interests of sound management, fairness and equity, and given an ever-changing political, financial and economic environment, and to ensure that matters of national concern were effectively highlighted and sector-wide improvement strategies put in place as soon as possible (recommendation 32). *Theme* audits should have a nation-wide theme determined by the Board of the Unit taking into account any emergent themes from Cycle 1 audits and after consultation with the New Zealand Vice-Chancellors' Committee and other interested parties (recommendation 35); and each university would be invited to nominate a university-specific theme for review alongside the nationwide theme.

At its April 1998 meeting, the Board approved the themes for the next three theme cycles:

² Appendix 1 lists all **Further Information** by short title, and provides full bibliographical information.

- Cycle 2: research and the research-teaching link, and postgraduate students,
- Cycle 3: staff appraisal, development and improvement,
- Cycle 4: programme approval, development, monitoring and review.

In November 1999, the Board agreed to a timetable for audits of all (then) seven universities in one year, with one year between audits – that is:

- preparation for Cycle 2 audits in 1999 with audits in 2000.
- preparation for Cycle 3 audits in 2001 with audits in 2002,
- preparation for Cycle 4 audits in 2003 with audits in 2004.

2.2 Review no.2, 2001

The second review of the Unit took place in 2001. The Unit's self-assessment portfolio was submitted in May, with meetings of the panel in June and the main site visit in August.

This review was towards the end of Cycle 2 academic audits, with the audit for Massey University being delayed into 2001, and the creation of the Auckland University of Technology (out of the Auckland Institute of Technology) adding an eighth university on to the end of the Cycle. (The Auckland University of Technology received a whole of institution audit similar to Cycle 1 audits, and the report of that university was not completed until the Unit review panel had completed its deliberations.)

The *Report of the 2001 review of the Unit* [**Supporting Document 2**] noted the main achievements (cycles of academic audit, dissemination of good practice, association with quality assurance and educational bodies in New Zealand, a notable contribution to the instilling of a quality culture in universities, the Unit's independence in practice and perception) and considered that the universities and Unit were ready to move to the next stage of continuous improvement. The emphasis should be on more self-review by the individual universities with the Unit validating the universities' systems and having an extended developmental role.

The report contained 18 recommendations in areas including the need for the Unit to continue to work co-operatively and share good practice with other quality assurance agencies (1); the relationship of the Unit with other university-monitoring agencies (2-4); links between the Australian and New Zealand university quality agencies (5); the types of future audit (6-7); the Unit's developmental role (8); the expansion of focus of audit to include some attention to outcomes as well as systems (9); the support of the New Zealand Vice-Chancellors' Committee where a university might be unable or unwilling to correct deficiencies identified by the Unit's audits (10); the raising of public awareness of the work of the Unit (11); the Board composition (12-13); the audit manual (14); the audit recommendations (15); concerns expressed about the panels and panel visits (16); feedback on university portfolios (17); and additional audit topics in transnational education and electronic learning (18).

Release of the *Report of the 2001 review of the Unit* was made two months after the departure of the previous Director, Dr David Woodhouse, and two months before the departure of the one remaining professional member of staff, Robyn Harris; release of the report was just three months before the arrival of the present Director. While a preliminary comment on the report and its recommendations was approved by the Board at its October 2001 meeting, the development of the formal response to the report was undertaken by the new Director and, after consideration by the Board, was adopted and the final amended response was dated July 2002.

In December 2005, the Board considered a report on progress with the recommendations since 2002 and adopted a *Follow-up to the report of the 2001 review of the Unit* [**Supporting Document 3**]. That report confirmed:

- the ongoing co-operation and interaction between the Unit and relevant quality assurance agencies,
- the distinctiveness of the academic audits administered by the Unit when compared to other external monitoring requirements faced by the universities,
- the unsuccessful attempt to develop a protocol between the Unit and the Committee on University Academic Programmes of the New Zealand Vice-Chancellors' Committee,
- the difficulties in developing close working relationships with the Australian Universities Quality Agency when the different cultures and stages of academic audit in the two countries are considered,
- the acceptance by the universities and the Unit of five-year cycles of institutional academic audit compared to the 18-month cycles recommended by the *Report of the 2001 review of the Unit*,
- the Unit encouragement of universities undertaking on-going continuous improvement and self-reviews on selected themes between institutional audits,
- the difficulty for the Unit in attempting to enhance its development role and the universities' reactions to a proposal to hold an annual meeting with each university which, if implemented, had to lead to the enhancement if added value were to be gained from academic audit,
- the acceptance of more attention to outcomes (as well as systems) in academic audits, and the reason for not progressing with the development of key performance indicators,
- the actions taken to simplify and clarify the Unit's academic audit manual for Cycle 3 academic audits,
- the Unit's attempts to ensure its academic audit reports omit second-order detail, and ensure that recommendations are not unduly prescriptive,
- the Unit's requirement of all panels to work as teams and in partnership with the universities, and to be careful to test strongly-expressed views of interviewees and to discount their comments if no supporting evidence can be found,
- the provision of informal feedback on self-assessment portfolios, and
- the extent to which the Unit has added to the topics subject to audit those of electronic learning (a specific question was asked in Cycle 3) and transnational education (no specific focus during Cycle 3 audits because there was next to no offshore delivery at that time).

The update report also notes those recommendations where no action had been necessary (10) or hard to progress (11), and those recommendations not supported by the Board (3, 12) and not supported by the New Zealand Vice-Chancellors' Committee (13).

(Progress on addressing the recommendations are referred to further in appropriate sections of this self-assessment portfolio.)

Consideration of the report recommendations, and negotiations between the Director and the universities individually, led to the decision by the Board that:

- the Cycle 3 academic audits would be a four-year cycle (with the intention there be two audits per year with a year between cycles),
- that Cycle 3 would be a theme audit,
- that the Cycle 3 theme would not be staff appraisal, development and improvement (as agreed to after the 2001 review of the Unit), but would be teaching and learning which was considered to be a core activity of universities, thus complementing the Cycle 2 theme of research and the research-teaching link, and postgraduate students research.

2.3 Postponement of the 2006 review of the Unit

The *Academic audit manual 2002* [**Further Information 3**] noted that the Unit would be reviewed towards the end of Cycle 3. In August 2004, the New Zealand Vice-Chancellors' Committee (NZVCC) and the Board of the Unit were in discussion about the conduct of academic audit. Members of the NZVCC were necessarily basing their comments about the audit process on their experience of Cycle 2 given that only one Cycle 3 audit had been completed and the second Cycle 3 audit was still in progress. Discussions into 2005 also questioned the nature of academic audit post Cycle 3. The discussions placed the Unit under close scrutiny, and by December 2005, the discussion had addressed all aspects of the terms of reference that had been used for earlier reviews of the Unit in 1997 and 2001. By December 2005, the NZVCC and the Board had agreed to changes to the terms of reference and Constitution of the Unit, including the downsizing of the Board and minor updating. At its December 2005 meeting, the Board reviewed the discussions of the previous seventeen months and considered a review of the Unit in 2006 to be premature [*Postponement of 2006 review of the Unit, Supporting Document 4*] given the wide range of discussions and agreed changes, and the initiative being taken by the Board (and supported by the NZVCC) to develop and trial a new 'Process audit' methodology. The Board was of the view that a review of the Unit would be better value if administered towards the end of 2008 especially if a new methodology were to be applied to Cycle 4. As well, by the end of 2008, the new Board structure would have been in operation for two years.

In 2008, the Board approved a terms of reference for a review in 2008 and submitted it to the NZVCC for its concurrence. The NZVCC commented on the terms, and requested a further delay of the review until 2009 for two reasons:

- it would be advantageous to have the discussions with the Tertiary Education Commission over the quality assurance component of the tertiary reforms significantly further advanced if not concluded before the review; and
- it would be appropriate for the incoming Chair (with effect 1 February 2009) to have the opportunity to lead the Board in the review.

The final terms of reference for this 2009 review of the Unit [see p.vi] and the date for this present review of the Unit were determined by the Board at its November 2008 meeting.

3

Quality audits

3.1 Objective no.1

The Unit's objective for quality audits is:

Timely completion of academic audits producing audit reports acknowledged as authoritative, fair and perceptive, and of assistance to universities.

▪ Relevant terms of reference for the Unit

Term of reference 1

Consider and review the universities' mechanisms for monitoring and enhancing the ongoing academic quality of academic programmes, their delivery and their learning outcomes, and the extent to which the universities are achieving their stated aims and objectives in these areas,

Term of reference 2

Comment on the extent to which procedures in place in individual institutions are applied effectively,

Term of reference 3

Comment on the extent to which procedures in place in individual institutions reflect good practice in maintaining quality.

Term of reference 7

Carry out such contract work as is compatible with its audit role

3.2 Institutional academic audits

The primary activity of the Unit is the administration of institutional academic audits on a four-to five-year cycle. *Appendix 2* to this portfolio – 'Summary of key activities from 2002 to 2008' – identifies **eight full Cycle 3 institutional academic audits in the area of teaching and learning, programme delivery, and the achievement of learning outcomes, and the first Cycle 4 institutional academic audit in all aspects of university activities.** The latest report – that of *Massey University Cycle 4 academic audit report* [**Supporting Document 5**] – is provided with this portfolio; all other audit reports are available to the panel as further information.

3.2.1 Input to Cycle 3 academic audits from experience of Cycle 2

The *Report on the 2001 review of the Unit* [**Supporting Document 2**] contained a number of recommendations relating to the academic audits as experienced during Cycle 2. These recommendations were considered as part of the preparations made during 2002 for the administration of Cycle 3 academic audits 2003-2006, and progress made was reviewed in 2005.

Further update on the Unit's responses to the recommendations relating to the audit process are detailed in the following sub-sections.

- **Timeframe for audits**

As noted in section 2.1 of this self-assessment portfolio in 1998, the Board of the Unit accepted the recommendations of the *Report of the 1997 review of the Unit* [**Further Information 1**] by determining there be three theme audits, each of 12 months' duration, and each audit separated by one year for action on recommendations and preparation for the next theme. In reality, the Cycle 2 audits – which were on one of the main core activities of universities – were substantial audits requiring extensive preparation. There were substantial numbers of recommendations for the universities to consider, and if proper actions were to be taken to address the recommendations, more than one year would be required. As well, with audits on alternative years, universities became concerned that they would find themselves constantly in audit mode, with the domination of quality assurance over quality enhancement. After listening to universities and other stakeholders, the *Report on the 2001 review of the Unit* [**Supporting Document 2**] recommended:

Recommendation 6 That each university should undertake a comprehensive whole-of-institution audit once every 4 or 5 years.

This was accepted by the Unit which had become well aware of the pressure faced by universities during Cycle 2, in part because the new Director had come from a 'quality position' in a New Zealand university and had experienced the pressure in meeting his responsibilities for the Cycle 2 self-assessment process, the compilation of the self-assessment portfolio, and for the initial steps in the follow-up to audit by the university.

Recommendation 7 That between the comprehensive audits each university should undertake continuous improvement and self-reviews on selected themes and send the resulting reports to the NZUAAU for information, comment, advice and monitoring.

This was also accepted by the Unit as it was consistent with the principle that academic audit should support the universities' own programmes of continuous improvement. Internal review activities had been a part of universities' 'quality' activities for many years. The additional dimension in this recommendation was the requirement that reports be sent to the Unit 'for information, comment, advice and monitoring', and the Unit was keen to carry this out. In practice, there was discomfort among many of the universities over this recommendation, and the Unit's further idea of annual meetings to discuss the universities' own quality programmes, as it was not clear that this would add value to the academic audit process. Therefore neither of these have happened. However, the documentation of universities' programmes of internal reviews were reviewed in each Cycle 3 academic audit with an examination of a sample of review documents and follow-up actions to assess the effectiveness of review processes in achieving change.

- **Focus of audits**

The *Report of the 2001 review of the Unit* recommended:

Recommendation 9 That the focus of audit be expanded to include some attention to outcomes as well as systems; and that to this end the NZUAAU, after consultation with stakeholders, negotiate with the NZVCC some key performance indicators.

Recommendation 18 *That transnational education and electronic learning be added to the topics subject to audit.*

The move towards outcomes was apparent in the Cycle 3 framework section ‘Achievement of learning outcomes’ with questions around the alignment of learning objectives and the institution’s goals and objectives for teaching and learning, the application of appropriate and effective assessment practices in testing the achieving of learning outcomes, the excellence of scholarly standards of achievement, and the effective benchmarking of standards nationally and internationally. Cycle 4 academic audits will continue this trend. It is relevant to note that the relevance and quality of student learning outcomes is an important part of the present Government tertiary education reforms (see section 7.1 of this portfolio).

Electronic learning was specifically included in Cycle 3 academic audits, especially the development of teaching competence of academic staff in e-learning technologies. Although transnational education was not specifically included, because of the almost non-existence of offshore delivery of university programmes, panels did enquire as to whether twinning programmes with offshore partners or offshore delivery was happening or planned, and discussed with universities the nature of quality assurance arrangements for such current or planned activity.

▪ **Self-assessment portfolio**

The *Report of the 2001 review of the Unit* recommended:

Recommendation 17 *That the NZUAAU devise ways in which it can convey feedback to a university on its portfolio and to the staff of the university on the audit generally.*

With respect to the audit generally, the Unit has tended to seek feedback from the universities on their perception of the audit process, and not provide feedback to the universities. The Unit has taken the view that it wishes the audit process to add value, and for the universities to undertake self-assessment and to conduct the academic audit follow-up process as best suits the universities themselves. For the Unit to convey feedback might be perceived as the Unit indicating that it wishes for the universities’ quality enhancement processes to grow out of the audit process.

With respect to the portfolio, all but one university used the self-assessments as opportunities for self-discovery and included in their portfolios fairly frank and honest opinion on the effectiveness of their quality processes and the impact of processes on the quality of outputs and outcomes. One university produced a portfolio that described what happened, but offered little or no evaluation of effectiveness, and the portfolio was placed on the university’s website. When the Unit sought to discuss the quality of the portfolio and suggest that a public document was not necessarily the best vehicle for honest reflection and evaluation, the Unit was told that the university wished to make the portfolio a public document so as to be transparent in its process. That same university was the first university audited in Cycle 4, and again the portfolio was not a self-assessment evaluation and offered no evidence base for the claims it made. The panel believed it was necessary to bring this into the public domain, and in the audit report, the panel included a ‘Preamble’ in which the nature of the portfolio was described and the shortcomings (in the view of the panel) were detailed. It is to the university’s credit that it did not question this approach.

- **Audit panels**

The *Report of the 2001 review of the Unit* recommended:

Recommendation 16 *That the NZUAAU note the concerns expressed in D3 and 4 of this report*

[D3 The panels, in particular the issue of strong panel members with fixed views, and panel members who did not make the audit their sole priority;

D4 The panel visit, in particular the persuasive individual appearing before the panel.]

Although it was not possible for the new Director to know to what extent these points were valid in Cycle 2, the recommendation was accepted as it was consistent with the responsibilities placed on its auditors by the Unit. Auditor training and follow-up auditor meetings are held from time to time.

Two meetings were held in 2003 so that all auditors on the register for Cycle 3 could attend. Those meetings alerted auditors to changes of emphasis in the audit process between Cycle 2 and Cycle 3 and discussed the implications for operational practice, with group exercises around the implications of the focus framework and on the development of a process for the appraisal of the performance of auditors. Personnel from the Office of the Controller and Auditor General and from the Education Review Office participated to provide an appreciation of the wider context in which the Unit operates.

In 2004, one meeting was held, with involvement of members of the Board of the Unit. It included discussions on universities and their communities, and the relationship between the Unit and the universities.

Meetings were not held in 2005 or 2006, in part because of the workload of the one professional member of the Unit staff administering three academic audits each year, and in part because it was not clear as to the nature of academic audit following Cycle 3. Once the nature of Cycle 4 was known in early 2007, recruitment took place, with a meeting of mainly new auditors in April 2008, and a meeting for all other auditors in February 2009. The 2008 meeting included generic training with the assistance of the New Zealand Quality College, and discussions on the implications for audit the Cycle 4 indicative framework. The 2009 meeting included a comparison of ISO-based industrial audit with the Unit's academic audit, a consideration of the possible implications in the future of the tertiary education reforms, and discussions on the implications for university academic audit of the Cycle 4 indicative framework and the development of evaluation questions (see section 7.2 of this portfolio).

Participants in these meetings are sent evaluation questionnaires which ask about the value of the meetings and ask for topics for later audits. Auditors report high value from the meetings and have appreciated the opportunities provided for participation, particularly in small group discussion in some of the meetings, and for ideas coming from the sharing of audit experience by senior auditors.

The *Report of the 2001 review of the Unit* also recommended:

Recommendation 3 *That the NZUAAU consult with the NZVCC as to the possibility of a representative of the Ministry of Education or TEC being invited to attend audits of universities as either a panel member or an observer.*

This was not supported by either the Unit or the New Zealand Vice-Chancellors' Committee as it was considered that government and funding agencies should not be involved in audit in any way.

One of the changes introduced by the present Director has been the appointment of the Chair of the panel as the first step in forming the panel, and the involvement of the Chair of the panel, along with the Chair and Director of the Unit, in the development of the audit team. The nomination for Chair of the panel, along with a brief biography, is sent to the university for comment (such as perceived conflict of interest) prior to the Chair's appointment. The nominations for the panel, again with brief biographies, are also sent to the university for comment prior to their appointment. The Chair appoints the panel on behalf of the Board, and the appointment of the panel is confirmed by the Board of the Unit at its next meeting.

▪ **Audit reports**

The *Report of the 2001 review of the Unit* recommended

Recommendation 15 That the audit reports omit second-order detail, and ensure that recommendations are not unduly prescriptive.

In examining the audit reports of Cycles 1 and 2, the Unit conceded that there was a variability in the usefulness and relevance of too many of the recommendations. The Unit reviewed its approach and determined that careful attention would be paid during Cycle 3 academic audits to ensure recommendations would be kept to a minimum and would address issues and not provide details of processes. The Unit would leave the universities to consider a variety of process 'solutions' to the issues identified by audit panels. The Unit has attempted to keep to this prescription as faithfully as possible.

▪ **Follow-up to audit**

The *Report of the 2001 review of the Unit* recommended:

Recommendation 10 That in exceptional cases where a university is, without good reason, unable or unwilling to correct deficiencies identified by the NZUAAU, the Chair of the NZUAAU Board should raise the matter with the NZVCC.

The principle was accepted, although it is pleasing to report that this has never had to be implemented. Follow-up reports from the universities indicate the extent to which progress has been made on recommendations – and, in most cases, on the universities' own enhancement initiatives as identified in their self-assessment portfolios. Only in one case, where the Board was concerned on the lack of progress on recommendations around the development of a quality assurance infrastructure, did the follow-up report require follow-up from the Unit. This resulted in more details about the conversations around quality assurance, and an indication that those recommendations would be addressed satisfactorily by the time of the Cycle 4 academic audit of that university.

3.2.2 Academic audit manual

The process followed by the Unit in the administration of institutional academic audits is detailed in the current academic audit manual.

The first audit manual was written for the conduct of two pilot audits in 1994, after which it was revised (second edition) for use in Cycle 1 academic audits (1995-1998). Before each successive cycle of academic audits, the manual has been further revised – third edition in 1998 for Cycle 2 (2000-2001); *Academic audit manual 2002* edition for Cycle 3; and *Academic audit manual 2007* edition for Cycle 4 academic audits.

Early editions (1994, 1995) discussed the nature of quality and quality review before presenting an overview of the audit process and details around the self-review [now self-assessment] and the portfolio. At this point, a section on ‘factors for audit’ presented descriptors of relevant structures, processes or activities that might be expected to exist in large educational institutions. This chapter was further amplified by an appendix to the manual which presented a commentary on ‘factors for audit’. The last sections of the manual covered the time from the submission of the portfolio to the site visit, the expectations of auditors, the nature of the audit report, and details on administrative arrangements associated with audit.

In the 1998 edition, a similar format was followed with the exception that discussion of ‘quality’ terminology, institutional self-review, Te Tiriti o Waitangi, and stages in an audit were relegated to the appendices; and the chapter on ‘factors for audit’ was combined with the commentary on factors as an enlarged appendix.

Universities using the manuals expressed concern from time to time about the detail and apparent complexity of the manual. In preparing *Academic audit manual 2002* [**Further Information 3**] for Cycle 3, the Unit paid attention to such comments, and to the *Report of the 2001 review of the Unit* which recommended:

***Recommendation 14** That the audit manual be revised with a view to attaining greater readability, simplicity, and elimination of unnecessary detail, and to providing clearer guidance on the preparation of a university's audit portfolio.*

After two completed cycles of audit, the Unit considered it was unnecessary to continue to include a lot of information about the nature of quality and quality review audit other than some brief introductory material; and ‘factors for audit’ were omitted completely, as was some of the administrative detail associated with academic audit. It was also decided that, instead of one story of the process which was required to be read by all key players (the institution, the auditors, the Unit), the manual should be written as three-in-one with the three main sections addressed to each key player in turn.

The new Director (who had managed the academic audit of a university in Cycle 2) considered it necessary to provide a framework for self-assessment which was lacking from the manuals of 1994, 1995 and 1998. A framework was intended to place boundaries around the self-assessment process and thereby give the academic audit some focus. To this end, the December 2002 edition for Cycle 3 offered a series of open-ended questions – such as ‘How does the institution ensure the effective involvement of . . .’, ‘development of . . .’, ‘design of . . .’, ‘implementation of . . .’, ‘application of . . .’, ‘evaluation of . . .’, ‘feedback to . . .’ – within a framework of four headings. The headings were:

- General,
- Teaching quality – sub-headings ‘Assignment of staff’, ‘Development of teaching competence’, ‘Evaluation of teaching’, ‘Feedback’,
- ‘Programme delivery’ – sub-headings ‘Context’, ‘Design’, ‘Evaluation’, ‘Feedback’,
- ‘Achievement of learning outcomes’.

Cycle 4 audits are to be whole-of-institution audits, and *Academic audit manual 2007* [Supporting Document 6] follows the general layout of the December 2002 manual (introductory, the responsibilities of the university, of the auditors and of the Unit). It also includes an 'Indicative framework for the self-assessment portfolio' which identifies the following topics:

- Teaching and learning,
- Research environment,
- Te Tiriti o Waitangi,
- Academic and support staff,
- Institutional quality assurance,
- Management and administrative support,
- Community engagement,
- External academic collaborations and partnerships.

Within each topic there is a selection of activities, and each topic carries a bank of key 'quality' questions around commitment statements, strengths and progress, challenges, monitoring of quality, and enhancement of quality. These questions are to be applied to each activity during the process of the self-assessment process. It is expected that the 'answers' to those questions will provide the evidence in support of university claims of quality. (But refer to section 7.2 for a discussion of the change to using 'evaluation questions' in academic audits to be administered from 2010.)

3.2.3 Academic audit principles and process

The opening of the *Academic audit manual 2007* parallels the Unit's vision and mission statements by identifying the chief function of the Unit as being:

To support New Zealand universities in their continuing achievement of standards of excellence in their academic responsibilities in research and teaching. In fulfilling this function, the Unit concentrates its effort on the enhancement of the universities' own programmes of continuous improvement. . . . In each audit, the process begins and ends with the university's own programme of continuous improvement. . . . The Unit and its work – both external audit and ongoing professional interaction – must add value to the university's own programme of quality improvement. Audit must be owned as part of the university's programme of quality improvement and not experienced as an intrusion into its internal life; audit must not ignore the university's own initiatives or destroy the university's own creativity.

The principles which underpinned Cycle 3 academic audits are made explicit in *Academic audit manual 2007* – Partnership (audit is a partnership between the Unit and the university), Ownership (the ownership by the university of the processes of audit that lead to change) and Enhancement (improving on what already exists).

3.2.4 Evidence of effectiveness

It is an essential purpose of the Unit to add value to the universities – the Unit's primary stakeholders – through the audit process it administers. The Unit has sought feedback from

universities and audit panels to learn if and how the audit process, in particular the audit report, has added value. Feedback is sought also to refine continually the process and operations of the Unit.

The universities have indicated in all cases that value has been gained from addressing the issues identified in recommendations. This has been indicated by letter, by oral report during the follow-up visit by the Chair of the panel and the Director, by comment at auditor meetings, or by comment during presentations on quality enhancement activities at Quality Enhancement Meetings [see section 5.2] Of particular significance are the *Follow-up reports to audit* [**Further Information 4**] from universities to the Unit. These are presented normally about eighteen months to two years after the release of the audit report and they provide the evidence of value added from the changes made arising from activities involved in both addressing the recommendations, and in advancing the enhancement initiatives arising from the universities' self-assessment conducted as part of the audit process.

At the completion of each audit, universities are sent questionnaires, as are all members of the audit panels.

Universities are asked questions around:

- communication between the Unit and the University – regarding audit scope and framework, requests for information, organisational details,
- the performance of the audit panel – professional behaviour, 'user-friendliness' at interviews, willingness to listen,
- audit methodology and process – timetable of events during the process, and the extent to which academic audit achieves the Unit's objective to have produced audit reports that are authoritative, rigorous, fair, perceptive and (most importantly) of assistance to universities in improving their own programmes of continuous improvement.

Members of audit panels are asked questions around:

- the performance of the panel,
- Unit support to the panel,
- the audit process,
- the performance of the Chair.

As well, a workshop of university personnel was held in February 2007, to review the pilot of a 'process audit' (see section 3.6) as a possible focus for Cycle 4 academic audits (which was rejected by this meeting, and the rejection conveyed to the New Zealand Vice-Chancellors' Committee) and to comment on the audit process as experienced in Cycle 3.

The Unit summarized all responses and prepared a summary document on *Feedback from universities, panels and workshop* [**Supporting Document 7**] for consideration (along with other documents) by a small reference group drawn from the university sector. The aim was to seek advice to assist the Unit in preparation for Cycle 4 academic audits.

The **feedback from the universities** has reinforced the value of a framework for the self-assessment and portfolio and the audit report and the value of self-assessment. The audit methodology and process was 'OK' and communication with the Unit was effective and timely and the Unit staff were accessible and responsive. Universities had a range of views on the amount and nature of further information requested by the panel – from reasonable to

unreasonable. Useful suggestions for enhancements to details of the audit process were provided in university feedback.

The final audit reports were considered to be useful and constructive, with relevant recommendations and recognition of university initiatives already underway. The panels were considered to be responsive to feedback on the draft reports.

The greatest range of views related to the performance of the audit panel. While the majority regarded the panel as professional, courteous, constructive, friendly, business-like and user-friendly, one university in particular did not enjoy the site visit experience. In the case of that university, the panel was perceived as having made up their minds on many issues, as being aggressive and asking inappropriate questions, as behaving more like an examining body than a group of peers and the interview process was adversarial in nature. One other university also wondered if the panel members had come to the task with a pre-determined agenda.

This perception of the panel performance in such cases was very disappointing to the Unit, and the Board considered the university's response in some detail. For the Unit, it was a concern that the time and effort expended in developing a professional relationship based on partnership, ownership and enhancement over many years should be potentially destroyed in four days. This experience is a blight on Cycle 3, and lessons must be learned from this. Only one academic audit in Cycle 4 has been conducted at the time of the preparation of this portfolio, and this one negative experience was referred to in briefings to the audit panel at the preliminary meeting to the Cycle 4 academic audit. In simple terms, this must not happen again, and the Unit staff member with the panel (at the moment, the Director) must be much more sensitive to possible negative perceptions during the conduct of interviews.

Feedback from panel members was generally positive. Lessons to be learned – and being applied to the process for Cycle 4 – included:

- the need for a balance of senior and less-experienced auditors to ensure renewal and the development of a wider pool of auditor talent – this is being implemented in Cycle 4 with the recruitment of new auditors to work alongside experienced auditors on panels wherever possible,
- the challenge faced by auditors when given such huge amounts of portfolio reading – this is being addressed in Cycle 4, with discussions between universities and Unit on ways to limit hardcopy materials and to access materials in electronic form,
- the need for more panel-only time during the daytime for thoughtful consideration of issues arising from the portfolio and the interviews during the site visit and in preparation for the oral presentation to senior management at the end of the visit, and thereby to avoid working too deeply into the night – this is being built into site visit programmes in Cycle 4 to a greater extent than in Cycle 3,
- better preparation for the powhiri if one is to be held – the advice of Māori leaders is being sought in Cycle 4,
- the need to give interviewees an indication of topics to be discussed in each interview session so as to avoid the confusion that existed in the minds of some interviewees – this was applied to the two focussed audits in late 2007/early 2008 (see sections 3.4, 3.5) and is being applied to Cycle 4.

Several of the issues identified above are repeated in **feedback from the February 2007 workshop** of university representatives along with other issues. The Unit was not represented at

the workshop, but the Director of the Unit was invited to attend one session only, to make a presentation on the Process Audit methodology which the Unit had proposed for Cycle 4 academic audits (see section 3.6), and to answer questions about audit processes more generally. It would appear that a number of the issues that arose at the February workshop – and that were reported in the documentation sent to the Unit by the New Zealand Vice-Chancellors' Committee – arose from the experience of one (or maybe two) universities only. This created a problem for the Unit who had thought that earlier evidence received individually from universities suggested a generally positive response to the process. Nevertheless, there were issues of a more general nature raised by the university sector at the workshop which had to be addressed, and the Unit was determined to learn from the workshop feedback so that it could further enhance its audit processes.

3.2.5 Input of feedback into the Cycle 4 academic audit process

The reference group set up to advise the Unit discussed the whole report from the February 2007 workshop, along with other documents including a 53-page 2005 *Response to the New Zealand Vice-Chancellors' Committee 2004 discussion paper* [**Further Information 5**] prepared for discussions with the New Zealand Vice-Chancellors' Committee which led in late 2005 to changes to the terms of reference and to the composition of the Board (as reported in chapter 1 of this portfolio). The advice to the Unit offered by the reference group was carefully considered and was incorporated into *A statement on Cycle 4 academic audits* [**Supporting Documents 8**], approved by the Board of the Unit, which identified changes to be made to the process and approach as used in Cycle 3. These included the following.

- There would be a greater focus on the way internal processes monitor and enhance the achievement of outputs and outcomes, building on the trend in the last section of the Cycle 3 framework ('The achievement of learning outcomes').
- The panel would be reduced to a four-person panel, with specified contexts from which they came (two New Zealand academics, one of which would be the Chair; a New Zealand non-academic; an Australian academic), although as Cycle 4 began it was realized that it was necessary to have a person with expertise in Te Tiriti o Waitangi which might mean a fifth member of the panel.
- There was to be a more carefully prescribed self-assessment framework (an 'indicative framework'), but with the possibility of a university negotiating a particular emphasis so as to add better value for the university.
- The portfolio would be limited in size (although this is now seen to be too limiting) with just one A4 storage box of supporting materials. This involves much more negotiation between the Unit and the university over the amount of material sent to panels so as to reduce the load on universities, provide greater focus for panels, and relegate policies and procedures to materials to be accessed through the internet instead of through printed hardcopies.
- Any further information required by the panel after the panel's preliminary meeting would be much more stringently assessed, and would be required at the site visit and not required to be sent out in hardcopy to the panel prior to the site visit.
- The site visit would spend less time on interviews, and provide more time for the panel to read new evidence and to design the framework of the report and write some of the content.

- The main topics/issues to be discussed at interviews were to be made clear to interviewees prior to the site visit. This was trialed during two of the focused audits administered between Cycle 3 and Cycle 4, and proved to be successful.
- The university would be invited specifically to make responses to the recommendations.
- The academic audit process must continue to support self-assessment and self-improvement.

These changes were further considered and refined and set down ‘officially’ within the new the *Academic audit manual 2007*.

3.3 PhD monitoring

Appendix 2 to this portfolio contains a summary of key activities from 2002 to 2008, and identifies **eight audits of the application, enrolment and supervision processes for international PhD students**.

The policy statement signed in 2005 by the then Minister of Education and Chair of the New Zealand Vice-Chancellors’ Committee required the Unit to provide both parties with a periodic monitoring report on the implementation of the scheme at each participating university, whereby international PhD students would pay domestic fees instead of the higher international fees previously charged to international PhD students. Subsequent to the signing of the statement, it was agreed that the cost of these monitoring exercises would to be covered by the Ministry of Education.

At the beginning of 2007, the Unit developed a *Process for monitoring PhD admission and supervision* [**Supporting Document 9**], which was accepted by the universities, that included a desk audit of materials (prospecti, handbooks, forms, policies and procedures) relevant to the assessment of the status of supervisors, the admission of students, the screening of the literacy abilities of applicants, and supervision and support. Some universities took this as an opportunity to supplement the materials with a report on a self-assessment on the effectiveness of their processes. A one-day site visit to each university – undertaken by the Director only, given his administrative and supervisory experience relating to postgraduate and PhD matters prior to his appointment to the Unit – included interviews with key personnel with institutional responsibilities in these areas, and an examination of a sample of files. The aim was to test that what was actually happening was consistent with university policies and procedures. A draft report was sent to each university, and the final report was presented to the university and to the Ministry after considering university comment on the draft. A summary report comparing universities was prepared for the Ministry, and an overview report on *The monitoring of admission and supervision of PhD students* [**Supporting Document 10**] was published in August 2007 and distributed to all universities.

The overview report identified good practice models which drew on good practice to be found across the university sector. Although a public document, it was addressed to Deans of Postgraduate Students (or equivalent) and Quality Managers (or equivalent) in all universities, as well as to the New Zealand Vice-Chancellors’ Committee. A copy was also sent to the Ministry.

No formal feedback was sought by the Unit, but the Ministry considered that:

The information stated in each report meets the requirements of the Ministry of Education and is admirably clear. [e-mail]

Some universities expressed appreciation in e-mails for the supportive approach taken and the minimal comment made on draft reports indicated a high degree of satisfaction with their contents. On the release of the overview report, at least two universities contacted the Unit for details of where certain good practices might be, so that they could get in touch with the universities to learn more about them.

3.4 Adult and Community Education

Appendix 2 to this portfolio **identifies six ‘full’ audits of processes associated with Adult and Community Education courses funded by the Governments, and two ‘paper-only’ audits of universities not drawing Government funding** in this area.

In 2004, the New Zealand Government set out principles to underpin a new funding system for Adult and Community Education, with new quality assurance arrangements aimed at raising the quality of education and assuring learners that quality systems are in place. The Government indicated that, by the end of 2007, it would require a guarantee of the effectiveness of the quality assurance arrangements employed in the approval and maintenance of quality in Adult and Community Education courses offered by providers.

At the beginning of 2007, the Unit developed a *Process for the audit of Adult and Community Education* [**Supporting Document 11**] which was accepted by the universities. The process used the Committee on University Academic Programmes (CUAP) requirements as promulgated in Appendix G of the Committee’s *Functions and procedures* as its main reference, and included a framework for university self-review which amplified CUAP’s requirements with questions taken from a more extensive process for the audit of Adult and Community Education developed by the New Zealand Qualifications Authority. Given that Adult and Community Education is outside of the Director’s experience (except as a former tutor), the Director was accompanied on each audit by a former director of a university centre for continuing education in which the responsibility for the development and delivery of that university’s Adult and Community Education resided.

The audit included a desk audit of materials provided by the universities. Typically these included a report on a self-review by the university and description (and sometimes evaluation of effectiveness) of the processes the university followed, together with publications, forms, minutes of committees, policies and procedures, brochures, course materials, handbooks and guidebooks. The expert evaluated the materials, and the Director and expert identified topics for interviews. The topics were sent to the university, with those topics relevant to each interview session being identified. The one-day site visits to each university, undertaken by both the Director and expert, included an examination of files that demonstrated the way in which processes and procedures were being implemented. The panel also talked with relevant staff to verify what had been written, to ensure compliance with the university’s own policies and to evaluate staff views on the effectiveness of the principles and processes in assisting the university to achieve its goals and objectives with respect to Adult and Community Education. A draft report, addressed to the Vice-Chancellor, was sent to each university prior to the presentation to the university after consideration of comment on the draft document. A copy of the final report was also sent to the Tertiary Education Commission.

For the two universities not drawing down government funding in this area, paper-only audits were conducted, a report prepared (and draft referred to the university for comment), and the final reports sent to the University and the Tertiary Education Commission. In both cases, it was

suggested that another audit, with site visit, should be conducted at an appropriate time if those universities were to draw down Government funding in the future.

In January 2008, the Unit made public an overview report on *The audit of Adult and Community Education* [**Supporting Document 12**] which acknowledged the work of people in the universities who are passionate about Adult and Community Education, and noted the diversity and quality of good practice in a number of areas. The report made suggestions reflecting good practices which, in most cases, were already happening in some universities. It also identified some ongoing issues which required consideration by universities as they work to provide learners in their communities with high quality, accessible and relevant course consistent with the agreed national university priorities in this area of education.

At the conclusion of all audits, the Director met with relevant personnel in the Tertiary Education Commission who, at that meeting, reported their satisfaction over the detail and comprehensiveness of the reports, and who noted the range and variety of courses and ways of ensuring quality and compliance with national university priorities. As with the PhD monitoring exercise, no formal feedback was sought by the Unit, but e-mail responses by universities to draft reports were all positive, with comments indicating that the whole exercise, including the self-assessments where that took place, was supportive and reassuring.

3.5 *Code of practice for the pastoral care of international students*

Appendix 2 to this portfolio **identifies three audit exercises for the Ministry of Education against *Code of practice for the pastoral care of international students*.**

During 2003 and 2004, the Director carried out an exercise to monitor compliance against the whole *Code of practice*. A request was made for all publications available to international students both prior to enrolment and on arrival at the university. An evaluation of that material preceded a site visit at which interviews of International Office and student support staff were interviewed. Although a clear process was developed and promulgated to universities, the approach to site visits was rather informal (to gain the confidence of the International Offices) and confidential reports were sent to each Vice-Chancellor. A report on the *First round of compliance audits* [**Supporting Document 13**] was sent to the New Zealand Vice-Chancellors' Committee's International Policy Committee. The report was acknowledged.

In 2006, the Unit carried out a web-based audit, examining the websites of all universities for certain items of information required by the *Code of practice* as identified by the Ministry of Education. The audit was intended to provide an independent assessment of the accessibility of information on websites and to provide feedback that was hoped would be helpful to universities. Each university received a spreadsheet which detailed aspects of accessibility and compliance. *A Summary of findings of a website audit* [**Supporting Document 14**] demonstrated in particular the diversity of approaches to website design and navigation, and the need to take care to ensure all parts of each website contain up-to-date information in every respect. This summary was sent to all universities; no feedback on that overview was received by the Unit.

In 2008, the Unit carried out an audit against the welfare and accommodation sections of the *Code of practice*. On this occasion, the Director was accompanied by a person who had worked for the New Zealand Qualifications Authority and who had been involved in the design and early implementation of the *Code of practice* in the non-university sector. No formal written process was prepared for this audit, but letters to each of the universities indicated that the panel would evaluate printed materials and would then make a site visit to check practice. A call was made

for printed materials sent to students prior to enrolment and on arrival, and the expert member of the panel evaluated the materials. Together the panel devised questions that were forwarded to the universities. At the site visits, the questions were put to the interviewees – relevant staff and a sample of students – and from the printed and oral evidence, a draft report addressed to each Vice-Chancellor was prepared, and sent to the university for comments. The comments (which, again often included appreciation of the identification of good practice and of issues outstanding) were considered before a final report was presented to the university and copy sent to the Ministry of Education.

At the end of the process, an overview report on the *Audit of welfare and accommodation for international students* [**Supporting Documents 15**] was published, designed to provide an overview of findings, to report on the range of approaches to the pastoral care and welfare of international students, and to offer comment and suggestions and report good practice which might be helpful to the university sector in its ongoing commitment to the enhancement of the pastoral care of international students.

A draft of the overview report was sent to an independent reader from the university sector who was knowledgeable about the needs of international students. The reader offered useful and important comment and regarded the draft as:

a very good overview of the current state of pastoral care services provided for international students by New Zealand universities. . . . Individual universities can benefit from information in this overview report while learning more about actions needed specific to their own institution through their institution-specific report. [e-mail attachment]

3.6 Process audit for possible use in Cycle 4

Towards the end of Cycle 3, the Board of the Unit discussed the possibility of moving to a different approach to academic audit, and suggested that the Unit develop a Process Audit methodology that is in line with a modern and internationally accepted audit approach. Such a Process Audit would require auditors to work with a university's current existing documentation of processes and procedures, and to have the university create documents only when the auditors can convince a university that such documentation should be in existence.

In outline, the Process Audit would:

- identify the major processes contributing positively to the quality of academic programmes,
- review the documentation of, or create audit documentation for, the major processes using conventional methods for the review of process documentation,
- identify and document what works and identify the significant risks – ‘What can go wrong?’ – within these processes,
- identify and document the key controls embedded within, or external to, the processes that prevent or detect ‘What can go wrong?’,
- test the key controls and ensure they operate appropriately,
- examine the capability of the university to embed improvement into its processes,
- report findings including areas of good practice and specific recommendations for improvement.

The process methodology must be robust and easily implemented by a small team comprising audit and process expertise, as well as a person with academic experience. Areas of good practice can be communicated, and the audit should enable the university to identify and map its own processes.

During 2005, a sub-committee of the Board developed a methodology which was submitted to the New Zealand Vice-Chancellors' Committee (NZVCC) who invited the University of Canterbury to pilot the model during 2006. A three-person panel comprising a member of the Board of the Unit (who was a partner in an international accounting firm), a consultant (who was Chair of the Education Committee of the New Zealand Organisation for Quality), and the Director of the Unit, conducted the pilot, which involved evaluation of written documentation, a site visit, and the presentation of a report to the University. At the end of the process, the panel prepared a report on the *Process audit evaluation and pilot* [**Further information 6**] which described the Process Audit, described the evaluation and pilot audit at the University of Canterbury, and included the report presented to the University as well as comments from the University team involved in the pilot.

The University team observed that they were convinced the Process Audit methodology can provide universities with valuable insights into their systems and processes in the prevailing 'risk avoidance' model of corporate management, and that such audits would be of considerable value to universities. The process was relatively modest in its demands on staff time; only one new document was produced. In comparison, it had been estimated that the Cycle 3 institutional academic audit had involved more than ten times the working days required for the pilot, spread among 150 staff.

At the end of their comments, the University discussed the relationship with the future Tertiary Education Commission requirements arising from the tertiary education reforms, and offered the opinion that it may be necessary to create an audit system which combines the formal risk avoidance elements of the Process Audit with an approach that looks at the quality of academic outcomes. The Government is risk adverse and would be reassured by the Process Audit approach. However, the Government is also concerned with academic excellence, value for money in terms of the quality of graduates, and student satisfaction; and the university sector needs also to be able to provide that kind of outcome assurance.

The Board considered the panel's report and University comments, and forwarded both to the NZVCC. At its October 2005 meeting, the NZVCC considered it would be worthwhile taking some more time to evaluate the report on the pilot and evaluation to ensure those who would be engaged with the responsibility for implementing Process Audit in universities would have confidence in their value. Consideration of the matter took place at the February 2007 workshop of university representatives referred to in section 3.2.4 above. The workshop report was considered by the NZVCC at its April 2007 meeting after which the Unit was asked not to proceed with the Process Audit, and to consider Cycle 4 being a whole of institution audits. After discussion, the Board agreed to that request.

Although the Process Audit methodology was not adopted, the Unit found the experience of the pilot to be worthwhile, even if the preparation, administration and the writing of reports of the pilot was additional to the workload at the time associated with the last three academic audits of Cycle 3. Involvement in the pilot made the Director more aware of the inter-relation of processes within systems, and the potential for overload where there is total (or near-total) reliance on one person. Appropriate aspects arising from the experience of the pilot were applied to the three focused audits referred to in sections 3.3-3.5 above.

4

Quality networking

4.1 Objective no.2

The Unit's objective for quality practices is:

Improved quality of the Unit's activities through enhanced networking links with government, education and academic audit agencies involved in tertiary education.

4.2 Introduction

The Unit has always attempted to maintain and enhance networking links with government, education and academic audit agencies involved in tertiary education. This was recognized by the *Report of the 2001 review*.

Recommendation 1 That the NZUAAU continue to work co-operatively and share good practice with other quality assurance agencies in the tertiary education system, and indeed beyond it.

This is an important activity for the Unit as it is crucial that the Unit understands the mission and operations of those other quality assurance agencies, and that those agencies understand the mission and operations of this Unit. The range of interactions is recorded annually in the Unit's *Annual reports* [**Supporting Documents 16**] and evidence of the professional approach taken by the Director to these interactions is recorded in *Opinion on the performance of the Unit* [**Supporting Document 17**].

4.3 New Zealand agencies

There are four agencies with which the Unit has primary interactions – the New Zealand Vice-Chancellors' Committee, the New Zealand Qualifications Authority, the Tertiary Education Commission, and, more recently, Ako Aotearoa (National Centre for Tertiary Teaching Excellence).

4.3.1 New Zealand Vice-Chancellors' Committee

The relationships with the New Zealand Vice-Chancellors' Committee (NZVCC) and its Committee on University Academic Programmes (CUAP) are special.

The Director has enjoyed a strong working relationship with the previous and present Executive Directors of the NZVCC. The Unit is not answerable to the NZVCC and the Unit is required to act as a fully independent body in the conduct of its audit activities. However, together, CUAP and the Unit carry out the NZVCC legislative responsibilities for quality assurance. In summary, CUAP considers the quality of proposals for new academic programmes and approves proposals that satisfy the gazetted criteria set for all tertiary providers, and accredits universities to deliver approved academic programmes. CUAP also requires universities to carry out a Graduating Year Reviews of new academic programmes at the time of completion by the first cohorts, with the

reports being forwarded to CUAP for its approval. The role of the Unit is to audit universities' effectiveness in maintaining and enhancing academic quality in its core activities. These are two distinct activities and responsibilities, and the Unit has appreciated CUAP's desire for the Unit to remain independent.

The *Report of the 2001 of the Unit* [**Supporting Document 2**] discussed the relationship of CUAP and the Unit and recommended:

***Recommendation 4** That there continue to be regular meetings of representatives of NZUAAU and CUAP to ensure that there is understanding and accord as to their respective spheres of activity.*

The Unit attempted in 2003 to seek a protocol with CUAP which would set out the responsibilities of each and, more importantly, identify those areas and activities which overlapped and which should involve both agencies. After discussions among representatives of both agencies, the Vice-Chancellors' Committee was not attracted to the idea of a formal protocol, and it opted for a statement in the Constitution that:

To give effect to regular communication, the Director of the Unit and the Chair of CUAP hold regular, informal meetings to discuss matters of mutual interest.

It has to be noted that any communication between the Unit and the CUAP has been initiated by the Unit, and that none has been initiated by the Chair of CUAP.

The Board of the Unit was interested in the *Report of the 2005 review of CUAP* [**Supporting Document 18**] which contained four recommendations which referred to the Unit. One of them – recommendation 6 – referred specifically to the relationship between CUAP and this Unit.

That the complementary roles of CUAP and the NZUAAU are reinforced through articulation of a protocol which identifies their respective roles and responsibilities in terms of programme accreditation, approval and university audit.

Although the report was not referred to the Unit, the Director obtained a copy off the NZVCC website. The report was discussed by the Board, and the Board presented a *Submission to the NZVCC on the review of CUAP* [**Supporting Document 19**]. The Board saw merit in the recommendation, and would have welcomed the opportunity to reopen discussion on the development of a protocol. CUAP's response was that there was no support for revisiting the development of a formal protocol, but there was support for a more regular and slightly more formal interaction, in particular if there are major quality assurance and sector issues that impact on the responsibilities of the two organizations. The only occasion when interaction has taken place has been when the Director of the Unit sought advice in early 2007 for the approval of audit processes for the PhD monitoring exercise and the audit of Adult and Community Education course approval processes.

It would have been appreciated, for example, if in 2006 at the time of the release of Cabinet papers outlining the government's plans for quality assurance and monitoring in the tertiary sector, the NZVCC had taken up the suggestion of the Chair of the Board and Director of the Unit made to the then Executive Director of NZVCC for discussions by representatives of the NZVCC, CUAP and the Unit as to how the quality assurance and monitoring agencies of the NZVCC should work to help realise the government's intentions in ways that best suited the university sector. Such discussions never took place. A Memorandum of Understanding between the Tertiary Education Commission (TEC) and the NZVCC – which included references to the operations of the Unit – was negotiated without reference or input by the Unit.

However, with the appointment of a new Executive Director of the NZVCC with effect the beginning of 2008, there is a greater willingness by the NZVCC for the Unit to be involved in discussions at a policy level. The Unit welcomes this development. For example, the present Executive Director of the NZVCC has involved the Director in commenting on the draft of a new Memorandum of Understanding between the TEC and the NZVCC. The Director was able to contribute and strengthen the reference to the nature of Unit academic reports, and this was welcomed by the Unit.

The *Report of the 2001 review of the Unit* recommended:

Recommendation 11 *That the NZUAAU Board discuss with the NZVCC how a strategy might be developed to raise public awareness of the work of the NZUAAU and the quality of the university system generally.*

The *Follow-up to the report of the 2001 review of the Unit* [**Supporting Document 3**] records that, in 2002, the Board of the Unit supported this recommendation, but in 2005 the Unit had found it hard to know how to progress this recommendation. It is difficult to know the extent to which the Unit should promote itself, especially given that its terms of references are focused on its role within, and for, the university sector. The significant ongoing interaction and contribution to the work of Wellington-based government and education agencies is hidden from public view and is normally ‘developmental’ in nature. All institutional academic audit reports, AAU Series on Quality publications, overview reports of focused audits and annual reports are public documents and about 80 hardcopies are widely distributed to all universities and key educational and government agencies. Copies of institutional academic reports, AAU Series on Quality publications and annual reports are lodged as legal deposit with the National Library. The reports are also placed on the Unit’s website and notice given to website subscribers. A copy of each institutional audit report is sent to a handful of international agencies. The Unit sees its mission as contributing to quality New Zealand university education by engaging as leader and advocate in the development of quality cultures within universities. Its mission is with the universities, not the public, and all of its publications have been directed to universities.

A crucial link with the public is the Unit’s website. In early 2004, the Unit contracted out the review of the website which resulted in a complete redesign, rewriting of content, and a more modern style of presentation and improved navigation to facilitate access to the materials it contains. The new website was launched in July 2004, and while feedback was requested of universities (the main users), none was received. Websites are only as good as they are up-to-date, and the Unit endeavours to check from time-to-time to ensure it is the case. The review of processes associated with the preparation for Cycle 4 academic audit required substantial rewriting of the audit-related content, and at that time, a new page was constructed on to which occasional reports and papers prepared by the Unit that are considered by the Unit to be important or of public interest are posted. The website provides for the registration of subscribers, and a message is sent to all subscribers when something new is posted on the website.

The *Report of the 2001 review of the Unit* recommended:

Recommendation 2 *That the NZUAAU and NZVCC continue to meet with other agencies which monitor the universities with a view to promoting mutual co-operation and the minimisation of duplication and overlap.*

Compiled in 2005 to inform the discussions between the Board of the Unit and the New Zealand Vice-Chancellors’ Committee, and updated in 2009, *External quality requirements* [**Supporting**

Document 20] indicated nineteen examples of ‘compliance’ activities other than academic audit. Some of these activities are necessary for good management – such as the vision and mission statements and the strategic business and Investment Plan (the latter document in New Zealand requiring approval by the Tertiary Education Commission before Government funding can be provided) and the reporting of performance and achievement through the annual statement of service performance and the annual financial statements. Several of the activities were 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]; reports as required by Government and other funding agencies on the use of supplementary grant moneys (such as Supplementary Grants for Māori and Pacific Island students, and student with disabilities) and in the use of research grant moneys. In 2003, 2006 and six-yearly from then on is the large assessment exercise associated with the Performance-Based Research Fund.

And then there were 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 were reports to the Education and Science Select Committee of Parliament, 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 this 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.

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 for academic audit is internal to the university.

Duplication may arise from the assembling of data for academic audits, and the Unit has always sought to minimize duplication and overlap by encouraging universities to provide reports and materials that already exist. Academic audit requires consideration of academic issues that are not covered in other ‘external quality requirements’. The substance of academic audit is unique and of a nature quite distinct from that of other ‘external quality requirements’. The issue for the Unit and the universities is that the Unit must work hard to avoid unnecessary duplication of effort.

4.3.2 New Zealand Qualifications Authority

An ongoing working relationship with the New Zealand Qualifications Authority (NZQA) is important to the Unit. The NZQA is responsible for the quality assurance of the non-university tertiary sector, and has an ‘overarching’ responsibility for quality assurance across all sectors. Examples of co-operation and sharing of practice include the Director’s membership of:

- a 2002 working group to review the gazetted criteria for the approval of tertiary qualifications,
- a 2004 working party to determine principles and parameters expected in collaborative arrangements between tertiary education providers,
- a 2004 working group to develop a process for the review of quality assurance of Adult and Community Education in the non-university sector.

As well, the Director made a presentation in 2007 to NZQA auditors about the academic audit work of this Unit. Since 2006, the Unit has had an ongoing interaction with personnel involved in the developmental work associated with the new ‘self-assessment and external evaluation and review’ process (see section 7.1 of this portfolio) arising from a commission by the Tertiary Education Commission associated with the implementation of the government’s tertiary education reform.

Evidence of the value of the contribution by the Director includes recognition in paragraph 15 of the Quality Assurance Expert Advisory Group’s December 2008 *Report to the New Zealand Qualifications Authority* [**Further Information 7**] that:

It [the Group] also notes that the QA process which has been developed by NZQA has benefited from informal discussion with the New Zealand Universities Academic Audit Unit. . . . EAG is sure that the QA process has been developed by NZQA with the intention that it should be compatible with the essential character of universities, including their need for independence of enquiry and autonomy of management.

4.3.3 Tertiary Education Commission

Networking with the Tertiary Education Commission (TEC) has been maintained from the time of the establishment of the ‘Transition Tertiary Education Commission’ in 2002, a year before legislation was enacted to allow the formation of TEC. Those with whom the Director interacts have changed over time, and at present, the major relationship is with those with responsibilities in the quality assurance and monitoring aspects of the tertiary education reforms.

In 2007-2008, the Director was a member of the New Zealand Vice-Chancellors’ Committee/TEC Joint Working Party on Evaluation Indicators, established in response to a section in a memorandum of understanding signed by the two agencies associated with the tertiary education reforms. The Working Party was to consider and report on the meaning of evaluation indicators in the context of quality assurance systems for higher education and the implications for the universities and the university academic audit process. Indicators are indicators of performance against criteria, such as evidence in answer to evaluation questions, and the Director considered that a focus on indicators was premature. To advance the process, the Unit committed itself in the report to establishing a reference group to develop evaluation questions for the university sector (see section 7.2 of this portfolio).

The one advantage of membership of the working party was the greater understanding by the Director of the TEC's interest in evaluation *questions* rather than indicators, and the Unit is soon to discuss the progress it has made on evaluation questions with TEC.

4.3.4 Ako Aotearoa (National Centre for Tertiary Teaching Excellence)

The Unit has been very interested in the establishment of Ako Aotearoa because the Unit has found it difficult to contribute directly to enhancement beyond the enhancement of institutional quality assurance processes. The Director keeps in contact with the Director of Ako Aotearoa about possible relationships and interactions, and is of the view that observations made during the Unit's academic audit activities could well suggest developmental themes for Ako Aotearoa, and that knowledge by the Unit of the developmental work in the university sector and wider tertiary sector as might be known to Ako Aotearoa could help the Unit in its approach to academic audit.

In 2008, the Director was involved in Ako Aotearoa regional seminars on 'Whole of organization approaches to improving teaching and learning', and has been consulted about the development of a monitoring and evaluation framework for measuring the impact and outcomes of the work of the Ako Aotearoa.

4.3.5 Other New Zealand agencies

The Unit's main liaison with the **New Zealand Union of Students' Associations** is through the membership on the Board of the Unit of the current joint President. The Director has also made presentations to conferences of the Union in 2003 and 2005 and 2008. As well, the Unit has liaised with **Te Mana Akonga** (the Māori University Students' Association), primarily in late 2003 at the time of the development of the Unit's publication on *New Zealand universities and Te Tiriti o Waitangi*, and by talking with Māori students from throughout New Zealand at the 2005 Hui Kairarahui in Dunedin.

The Unit enjoys a warm relationship with the **Institutes of Technology and Polytechnics Quality** (ITPQuality) which carries out course approval and academic audit of institutes of technology and polytechnics under delegation from the New Zealand Qualifications Authority. The Unit and ITPQuality share a particular interest in degree programmes, and the Director will meet with ITPQuality personnel whenever there are issues facing the tertiary sector which may well impact on all parts of the sector, including universities.

The Chair of the Board and the Director attend quarterly meetings of the **Inter-Institutional Quality Assurance Bodies Consultative Group**, convened by the New Zealand Qualifications Authority (NZQA), with representatives from all the quality assurance bodies with which this Unit works, as well as from NZQA, the Ministry of Education and the Tertiary Education Commission.

An annual meeting is held with the **Education Review Office** (ERO) – the agency that audits the performance of all New Zealand schools – convened by its Chief Executive. This demonstrates considerable initiative by ERO in meeting with agencies, such as the Unit, that work outside of primary and secondary education. The Unit has drawn on the expertise of personnel from the ERO in one of its auditor training meetings and in a cross-sector symposium which the Unit helped administer.

In the early years of the period under review, the Unit met with the member of staff of the **Office of the Controller and Auditor General** with responsibilities for science and education. The OAG is the auditor for the government and reports to Parliament. Financial audit of this Unit is undertaken by a private company of chartered accountants under delegation from the OAG. There has not been a meeting for many years, but in the early days of his appointment, the Director found it beneficial and informative to meet with the OAG and to learn about their interest in not only how agencies such as the Unit spend their money, but also in how the Unit uses that money to achieve its objectives and to assist universities in the maintenance and enhancement of research, teaching and learning. A staff member of OAG contributed to a meeting of the Unit's auditors.

The Unit has met from time to time with representatives of **professional associations** who have particular interest in university education and who accredit universities to ensure their programmes satisfy the needs of professional organisations for the acceptance and registration of university graduates into the professions. In the period under review, meetings have been held in 2004 and 2006. The representatives who attended the meetings appreciated the opportunity to meet representatives from other such associations who had a common interest in universities, to be briefed about the work of the Unit, and to be able to ask questions about the Unit and about universities. Soon after appointment in 2002, the Director met with key organisations individually, to learn about their accreditation processes and, where possible, to gain access to accreditation reports. Such interactions were very beneficial, but the Director has doubts about the long-term benefits of the Unit maintaining these wider meetings beyond engendering goodwill. The Director would always want to convene a meeting if there were to be an issue for the Unit concerning professional accreditation activities, although the considerable diversity of approaches to accreditation and registration of graduates suggests that one-to-one meetings might be more beneficial in such a circumstance.

4.4 International agencies

International relationships is the most difficult part of the job for the present Director. The former Director was very actively involved in the work of the International Network of Quality Assurance Agencies in Higher Education (INQAAHE) and he and the Unit enjoyed a high profile. The present Director finds the work involved in supporting the work of New Zealand universities and in the oversight of the administration of the Unit constitute a full-time job, and must take priority. Time away from the Unit office is difficult, and consequently there is much less international presence of the Unit.

4.4.1 Australian Universities Quality Agency

The founding Director of this Unit resigned in mid-2001 to become the founding Executive Director of the Australian Universities Quality Agency (AUQA). The audit processes of AUQA are very much built on those used by this Unit in Cycles 1 and 2 and modified to suit the operations of a much larger agency and the specific needs of the Australian tertiary education sector. AUQA draws on New Zealand-trained auditors for some of its auditors external to Australia, and this Unit draws on auditors on the register of AUQA for auditors external to New Zealand. The use of AUQA auditors in the audits of this Unit provides the opportunity to learn from the experience of those who operate within a much larger university sector. This Unit also contributes to AUQA's on-line good practice database by recommending good practice examples

identified during academic audits of New Zealand universities for inclusion in the Australian database (see section 5.5).

The *Report of the 2001 review of the Unit* [**Supporting Document 2**] recommended

Recommendation 5 *That links be strengthened between the Australian and New Zealand university quality audit agencies.*

The Director has visited AUQA from time-to-time and has discussed possible areas of co-operation, and Academic Audit Directors from AUQA have attended and contributed to the annual New Zealand Quality Enhancement Meetings (meeting of university quality personnel). Links, therefore, remain fairly informal, and much is gained from them. It has to be recognized that AUQA and this Unit operate in distinct social and economic contexts, and their histories of academic audits are different, with Australian universities beginning their second cycle in 2008 at the time that New Zealand universities were beginning Cycle 4. Nevertheless, there are benefits rising from the interactions that do take place, and the Unit is not inclined to impose a high-level official link that might be strong in symbolism but have little or no practical effect.

The Director has attended most of the Australian Universities Quality Forums first held in 2002 and has presented papers at two of them (2003, 2004). The Chair of the Board has accompanied the Director on some occasions, and was the sole representative in one year when the Director was fully engaged in academic audit activities in New Zealand.

AUQA worked with the Unit in the conduct of an academic audit of the University of the South Pacific in 2007-2008. AUQA acted as the secretariat for the audit; this Unit provided support and critique for the University during its self-review and preparation of the self-review portfolio, and the panel contained two members with experience of academic audits in New Zealand along with two auditors from the AUQA register of auditors.

4.4.2 Other international agencies

Contacts with other international agencies varies. With only one professional staff member who sees his priorities as the New Zealand university sector, there is little time or resource to work with quality assurance agencies outside of New Zealand. However, the Unit accepts every opportunity that it can to host international visitors and to accept invitations from the New Zealand Qualifications Authority to join with them in presentations to visiting international government and/or education officials. Advantages come from such interactions, with the Unit learning about different contexts and approaches to quality assurance, and with the visiting agencies learning from the Unit's fifteen years of experience in academic audit.

There has always been a close link with the **Quality Assurance Agency for Higher Education** (QAA) in the United Kingdom. Copies of this Unit's publications are sent to the English Headquarters in Gloucester and to the **Quality Assurance Agency for Higher Education Scottish Office** in Glasgow. In 2004, the Director participated in a British Council Seminar on 'Quality in higher education: from assurance to enhancement' which was led by the QAA and the Scottish Office. The opportunity was taken during the time in the United Kingdom to meet with the Chief Executive in Gloucester and with the Director of the Scottish Office. Since then, the Scottish Office has also sought information about enhancement-led institutional self-assessments (and considered this Unit's approach, along with that of Ireland, as being nearest to their approach which is to build external academic audit around an enhancement-led institutional review process) and student support services.

While in the United Kingdom the Director made a brief visit to the **Danish Evaluation Institute**, Copenhagen.

The **Hong Kong Council for the Accreditation of Academic and Vocational Qualifications** has always been regarded as the leader in the Asia Pacific region, along with the Australian Universities Quality Network. While contact is maintained with personnel at the Council, and the Director made a presentation in Hong Kong 2008 and is now a member of their register of discipline experts, there has been no ongoing active professional engagement.

In 2007, the **Office for National Education Standards and Quality Assessment**, Thailand, met with the Unit in Wellington, and the Director was invited to be a plenary speaker at a national conference in Bangkok at the end of that year, and to make a presentation to the Office staff and associates. The Director is also on the editorial Panel for a new E-journal *The International Journal of Quality Assessment and Accreditation*, published by the Office.

The Unit is a full member of the **International Network of Quality Assurance Agencies in Higher Education** (INQAAHE) and the founding Director of this Unit was President while in New Zealand. In 2003, the Unit led a successful bid to hold the 2005 INQAAHE conference in Wellington, and an organizing committee was established of representatives from the Unit, the New Zealand Qualifications Authority (the precursor to the Institutes of Technology and Polytechnics Quality) and the New Zealand Vice-Chancellors' Committee, all full members of INQAAHE. The organizing committee worked closely with the INQAAHE Conference Programme Committee. The Unit's role in the administration of the conference diminished as the scale of the operation became apparent, and as the Director's lack of experience of large-scale international conferences began to show! ITPQuality took on the leadership role, while the Unit administered the financial accounts. The conference attracted about 260 delegates from 65 countries; the conference had been budgeted on the assumption of 150 participants, and the net profit (after contributing to the INQAAHE development fund from the proceeds of the pre-conference workshop) was invested in a trust fund to enable cross-sector symposia.

In 2003, the Director attended a forum hosted by the Hong Kong Council for the Accreditation of Academic and Vocational Qualifications which established the **Asia Pacific Quality Network** (APQN). It was hoped that the Unit might be able to play some significant role in the formation of the Network, but lack of resources made this impossible, although the Director was appointed in 2007-2009 as the non-Board member of the Network's Finance Committee. The Director has been asked to participate in discussions by some of APQN's working groups, and he has offered comment on the work of those on mutual recognition and indicators of quality. He has also offered comment on the *UNESCO-APQN toolkit: regulating the quality of cross-border education*.

5

Quality practices

5.1 Objective no.3

The Unit's objective for quality practices is:

Valued contributions to the development, dissemination and implementation of new policies and practices in quality assurance and quality enhancement in education nationally and internationally.

• Relevant terms of reference for the Unit

Term of reference 4

Identify and commend to universities national and international good practice in regard to academic quality assurance and quality enhancement.

Term of reference 5

Assist the university sector to improve its educational quality.

Term of reference 6

Advise the New Zealand Vice-Chancellors' Committee on quality assurance matters.

5.2 Quality enhancement meetings

The Review of the 2001 review of the Unit recommended:

Recommendation 8 That the NZUAAU expand and enhance its development role in relation to both individual universities and the university system as a whole.

This has always been an aim of the Unit, with quality enhancement work taking place in between quality assurance/quality audit activities. However, the issue for the Unit is that its audit work is around institutional quality assurance processes, and a contribution to enhancement can be made directly at that level. The primary vehicle for sharing good practice is the annual Quality Enhancement Meeting of 'quality' personnel from all universities.

First held in 1996, these two-day meetings have been designed to bring university representatives together to discuss practices within their institutions that are considered 'good' by virtue of the way they have assisted universities in their quality assurance programmes that impact on their core activities. The meetings also consider the role of the Unit and the impact of academic audit activity on universities, and discuss changes in government policy that have implications for quality assurance and monitoring in the university sector. The meetings are hosted jointly by the Unit and by a university, with the meetings being held in that university city. Normally the Unit sponsors a keynote speaker from outside of New Zealand, and their contributions have been helpful in providing a wider perspective to the meetings' discussions

The first day of the meeting has tended to deal mostly with topical issues, such as the work of the Tertiary Education Commission in its approach to quality assurance and monitoring arising from the implementation of the government tertiary education reforms. The second day has been devoted to sharing good practice, and the Unit has observed that participants take the opportunity of these meetings to network with colleagues in other universities often leading to ongoing interactions over good practice. For several years up until 2004, invited participants from institutes of technology/polytechnics and wānanga attended so as to learn from their experience, but from 2005 the meetings have returned to their original form of being university-only because of the need to concentrate on university-related matters. The Unit now regards these meetings as vital opportunities to work with university representatives, and in recent years it has shared with them the issues and challenges that are being faced by the Unit, and has tested ideas, one of which received less than a welcoming response!

Since 2003, there has been a session for universities alone, without Unit representatives, for universities to talk about matters directly involving the Unit. This is followed by a session in which questions that have arisen in the previous session are put to the Director. The Director has asked for this arrangement as it is one means for the Unit to learn about issues that are of concern to the universities, and for the universities to learn more about the approach and the work of the Unit. On occasion, questions have been asked or points have been made by the universities which have indicated to the Unit that it needs to reconsider its position and/or improve its process.

5.3 AAU Series on Quality

The ‘AAU Series on Quality’ was introduced in 1998 as a depository of occasional publications on quality issues. Two publications arising from Cycle 1 academic audits were an overview of practices, and examples of good practice identified in those audits (and the subject of workshops prior to publication). Other titles pre-2002 include discussions of professional, regulatory and statutory bodies and higher education institutions, external quality assurance for the virtual institution, the theory and practice of benchmarking, the role of academic freedom for universities as critic and conscience of society, and the debate around accreditation in tertiary teaching.

In the period under review, three titles in the series have been produced. **Research audit of New Zealand universities 2000-2001** (ASQ 8) [**Further Information 8** – this and ASQ 9 and 10 are available at http://www.nzuaau.ac.nz/nzuaau_site/publications/asq/asq.htm] presented a summary of the findings from Cycle 2 academic audits as reported by the audit panels. The report focused on the national theme of research-related matters – research policy and management, support for postgraduate research students, and the research-teaching nexus. After considering each aspect in turn, the report concluded with a statement in which the strengths of New Zealand universities were enumerated, and the Unit’s own assessment of the most important improvement activities that, in its view, were seen as the most critical if universities were to maintain, enhance and enrich the research, teaching and learning environment from which tomorrow’s graduates will come.

New Zealand universities and Te Tiriti o Waitangi (ASQ 9) [**Further Information 9**] arose from the frustration at the lack of progress on a commission in 1999 for a summary of university responses to Te Tiriti as evidenced in reports arising from Cycle 1 academic audits. At the time the Director took up his appointment in 2002, two cycles of academic audit had been completed, and the original commission was no longer relevant. So he prepared a briefing paper which was

considered by a small working group from which a discussion paper was developed. The support for this paper by the Association of University Staff [now the New Zealand Tertiary Education Union] encouraged the writing of this document which was aimed at developing a framework for institutional self-review with respect to Te Tiriti. The framework was preceded by the setting out of straightforward principles which can be applied to university education, the expectations of the government and the Unit, examples of university commitments and activities, and a sample of good practice frameworks, reviews and initiatives. This publication (as with all publications) was widely distributed and has been downloaded from the website on many occasions. Feedback on publications is normally nil, but in this case, there has been a little feedback indicating that the framework has been considered in some institutions. Without asking institutions directly, it is not possible to tell if the framework has been actually used, and it could be timely for the Unit to seek that information.

Student engagement: measuring and enhancing engagement with learning (ASQ 10) [Further Information 10] reports on a tertiary-sector symposium on student engagement funded from profits made on the 2005 International Network of Quality Assurance Agencies in Higher Education held in Wellington. The Unit led a team representing the Unit, the New Zealand Qualifications Authority, ITPQuality, Ministry of Education, Tertiary Education Commission and Victoria University of Wellington. The aims of the symposium were to have conversations around the idea of ‘student engagement’, to consider international practice and understanding, to explore New Zealand initiatives, and to explore how these initiatives might be applied to quality assurance processes. The intention was to stimulate ongoing action in activities related to this area and to facilitate networking. The Unit undertook to publish the proceedings which included a call for leadership in developing policies and implementation plans focused on fostering and measuring student engagement in learning. While the call for leadership appears to have fallen on deaf officialdom ears, the symposium itself created interest among practitioners in this area. An indicator of this is that when the designer of the Australasian Survey of Student Engagement, Dr Hamish Coates (one of the facilitators at the symposium) sought institutions to take part in a pilot, several New Zealand universities that had participated in the symposium responded. A follow-up with participants a year after the symposium indicated continued interest in the topic and student-experience-related activities in several tertiary institutions.

It was intended that the Unit would write an overview of Cycle 3 academic audits during 2007 and to publish it within the series. However, the writing of the report proved difficult for a number of reasons.

- The audits were carried out over four years, and it seemed unrealistic to ‘compare’ in 2007 activities, say, as in Massey (audited 2003) with activities as in Lincoln (audited 2006).
- The context in which universities operated in 2006 was very different from that in 2003.
- Universities audited later in Cycle 3 had distinct advantages over universities audited in the early years of the Cycle in that they were able to read the audit reports of those audited earlier in the cycle and get to know how the Unit and its panels were approaching their job given the stronger enhancement focus of the new Director.
- The overview report might be expected to report on good practice, but institutional audits consider quality issues in eight different, distinctive and complex organizations.

- Where panels identified good practice that could be adapted elsewhere, they have had those good practices posted on the Australian Universities Quality Agency on-line good practice database.

Preparations for Cycle 4 gathered momentum during 2007, and the three focussed audits of all universities that were administered by the Unit from mid-2007 to the end of 2008 took the Director's attention away from the overview report. Thus the *Overview of Cycle 3 academic audits* [**Further Information 11**] remains unfinished as at March 2009. The draft did, however, provide the Director with a summary of achievements as well as of issues which he could identify from the experience of participating in all Cycle 3 academic audits, and these summaries have been included in appropriate presentations made by the Director.

In the view of the Director, there have been **achievements and progress** within the universities during Cycle 3 when compared to the period of Cycle 2 in the areas of the research-teaching nexus, flexible learning deliveries of academic programmes, academic programme design and approval processes, information technology and libraries, student support services, staff development units and the introduction of tertiary teaching qualifications, the way excellence in teaching is rewarded, responding to the principles arising from Te Tiriti o Waitangi, support for Pacific Island students, and efforts being made in the recruitment of under-represented students.

In the view of the Director, there are also **issues receiving attention or needing attention**: the strengthening of quality assurance frameworks, the issues surrounding devolution within universities and the delivery of programmes on multi-campus, support for staff induction, training and leadership, staff workload, staff appraisal, the application of information gained from teaching and course evaluations and feedback to students, institutional benchmarking, the implementation of graduate profiles and their realisation in practice, assessment practices, support for research students, the understanding and embedding of internationalisation and interculturalisation, and some equity issues

5.4 Other publications, presentations and symposium

Appendix 3 contains a listing of Unit publications, publications by the Director, papers and presentations by the Director, and symposia. The aim of the publications, papers and presentations has been to promote the work of the Unit, especially its efforts to give academic audit an enhancement focus to the greatest extent possible, and to work towards a greater integration of external academic audit to the ongoing institutional programmes of continuous improvement.

The overview reports arising from PhD monitoring exercise, the audit of Adult and Community Education and the audit against the *Code of practice for the pastoral care of international students* [**Supplementary Documents 10, 12, 15** – see sections 3.3, 3.4 and 3.5 of this portfolio] provided reports on findings and good practice, either in place or recommended by the Unit.

The only other symposium or workshop administered by the Unit besides the annual Quality Enhancement Meetings was a seminar on 'All this quality business: what's in it for me?'. This was facilitated by Professor Ronald Barnett of the Institute of Education at the University of London. This was open to other tertiary sector groups and to national quality assurance agencies. Professor Barnett made a presentation on why quality assurance and quality enhancement activities have the potential to be 'pernicious' or 'virtuous', and key people from a university, an institute of technology, and the New Zealand Qualifications Authority responded.

The second half of the seminar was a full and lively discussion on issues raised by the presentation and respondents.

5.5 Good practice exemplars

From its inception, the Unit communicated to interested parties by three means. *Information packet* was addressed primarily to members of the Board but was given a wider circulation. *Siftings* was addressed to the Unit's auditors. *Good practice digest* contained quotations from articles and news items in various publications, ordered in accordance with the order of chapters in the Unit's current academic audit manual.

In 2002, the new Director discontinued *Information packet*, sought an increase in the number of meetings of the Board from two to three a year, and has communicated to Board members through full agenda papers and through e-mails when it has been necessary to alert the Board to a particular issue, or to seek advice. *Siftings* was discontinued, and has not been replaced. *Good practice digest* was a particular problem to the Director. While in a university prior to his appointment to the Unit, the Director had found it difficult to know how to make use of the *Good practice digest* with its materials taken from within different contexts, and when appointed to the Unit, the Director could not see how to continue to compile quotations from sources that were probably already being read by quality personnel in the universities. There was a thought that something could replace the *Good practice digest* and hopefully provide a forum in which the Director and personnel in New Zealand universities could write about their good practice, but feedback suggested that there was no particular interest in the musings of the Director! Because of this, the Quality Enhancement Meetings have become the crucial element in the quality enhancement strategy of the Unit during the period under review.

In 2002, the Unit took over the hosting of a webpage on *Sharing good practice in higher education* which was initiated, designed and administered by the University of Otago, and which was about to be dismantled. It was hoped that the webpage would be updated, but time did not allow this to happen.

In the following year, the Australian Universities Quality Agency (AUQA) developed an *On-line good practice database* which was to be a compendium of good practice identified during academic audits. AUQA invited the Unit to work with it to identify and develop New Zealand entries for the database as recommended by the Unit from commendations recorded in the Unit's academic audit reports of New Zealand universities. A memorandum of understanding was signed, and the first New Zealand entries were posted on the database that year. With this arrangement in place, the webpage *Sharing good practice in higher education* was quietly removed from the Unit's website.

6

Quality processes

6.1 Objective no.4

The Unit's objective for quality processes is:

Effective processes to produce timely completion of tasks and a high level of satisfaction by universities and other stakeholders in the work of the Unit.

6.2 Planning processes and reporting

At the time of the appointment of the present Director at the beginning of 2002, there was no written vision or mission for the Unit. The operations of the Unit were guided by the terms of reference, and the effectiveness of the operations of the Unit were assessed against five 'critical success factors'.

In early 2002, a planning process was undertaken by the Unit which involved:

- consideration of recommendations in the *Report of the 2001 review of the Unit*,
- discussions with quality personnel in each of the universities,
- discussions with representatives of government and national education and audit agencies,
- consideration by the Board of the Unit of papers prepared by the Director.

By mid 2002, a new planning document was presented to the Board for the period of the Cycle 3 academic audits – *Planning document 2002-2006* – which set out a vision for the Unit (that is, what the Unit wishes tertiary education will achieve), a mission statement (that is, the Unit's contribution to achieving that vision), and six objectives (that is, the planned achievements by the Unit by 2006 in specified areas). The vision, mission and objectives have been included in Unit publications as is relevant to the purpose of each publication.

In 2006, towards the end of Cycle 3 academic audits, a new statement of vision and mission was devised by the Board for the period of the next Cycle of academic audits. The vision and mission are:

Vision *Quality New Zealand university education serving students' future.*

Mission *To contribute to quality New Zealand university education by:*

- *engaging as leader and advocate in the development of quality cultures,*
- *applying quality assurance and quality enhancement processes that enable improvement in student engagement, experience and learning outcomes.*

Ways by which the vision and mission might be achieved were set out in four objectives which were supported by a short-term operational plan. The first such plan – *Operational plan 2007-2008* [**Supporting Document 21**] – was devised for the period 2007-2008. [A new *Operational*

plan for 2009-2010 was in development at the time this portfolio was being written.] The Director's objectives – against which his performance is assessed – are devised as the Director's activities associated with achieving the plan's objectives.

The Director reports progress against his objectives to every meeting of the Board. The reports assist in the writing of the *Statements of service performance* [**Further Information 12**] which are part of the audited financial statements, and in the preparation of the *Annual reports* [**Supporting Document 16**].

6.3 Operations manual and office manual

The Unit's early Constitution was described as a 'Definition' document approved by the New Zealand Vice-Chancellors' Committee, which included agreed terms of reference, structure, composition and functions of the Board, appointment of auditors, and the role of the Director. In 2002, this 'definition' was incorporated into the Unit's *Policy manual* which included policies on audit panels, external observers on panels, consulting, conflicts of interest, risk management, privacy policy, discretionary spending, personal communication, jury service and car rates.

In late 2003-early 2004, the *Policy manual* was reviewed. The 'Definition' was replaced by a substantially expanded 'Constitution' with rewritten Board section (composition, appointments to, conflicts of interest, functions, exceptions, responsibility with respect to audit, roles and responsibilities of the Chair, nominations for appointment to the Board, conduct of business) and Director section (role of, and appointment of). 'Policies' (requiring Board approval) were reviewed, rewritten, consolidated and expanded to cover expenditure, conflicts of interest, privacy, risk management, general expectations of a member of the Board, administrative arrangements for audit panels, external observers on audit panels, and consulting. 'Administrative protocols' (the responsibility of the Director) were introduced, setting out details of day-to-day practice in the areas of income and expenditure, personal communication, car rates and jury service.

In 2005, the 'Constitution' of the *Policy manual* was changed to accommodate changes to the terms of reference of the Unit and to the composition of the Board, arising from discussions during 2004 and 2005 initiated by the New Zealand Vice-Chancellors' Committee.

In 2007, the *Policy manual* underwent another comprehensive review and the resulting document was retitled *Operations manual* [**Supporting Document 22**]. All 'Policies' and 'Administrative protocols' were reviewed, updated, further consolidated in a number of areas, and expanded with new sections where it was considered the manual was incomplete. Policies were reordered into those concerning the operation of the Unit (with expansions and additions to risk management, income and expenditure, fraud, and pandemic and emergency planning) and the operation of audits (new policies on the role and responsibilities of the Unit and of the auditors based on information in the *Academic audit manual 2007* [**Supporting Document 6**]). 'Administrative protocols' underwent considerable revision and consolidation, with new protocols on on-line operations, telephones, website, and details of administrative arrangements for audit panels. New protocols on the work of auditors and the writing of the audit reports were taken from the *Academic audit manual 2002*. Minor amendments were made to the 'Constitution' arising from changes to 'Policies' and 'Administrative protocols', and the Constitution was followed immediately by the Unit's 'Vision, mission and objectives statement'.

At the same time as the review was being undertaken, an *Office manual* [**Supporting Document 23**] was being developed by the Office Manager. The stimulus for this was the impending

maternity leave of the then Office Manager, and the necessity to have in writing the detailed descriptions of the operations of the Office and of the Office responsibilities in the implementation of Unit policies and protocols. This document has proved invaluable in maintaining the smooth operation of the Office while employing temporary staff during maternity leave and on occasions of long term sick leave. The *Office manual* was updated during 2009.

In 2009, further minor amendments to the *Operations manual* updated the ‘Constitution’ to acknowledge the replacement of the Association of University Staff with the New Zealand Tertiary Education Union, updated Policy P3 ‘Risk management’ to provide references to the emergency pack for use at the time of the indisposition of the Director or professional staff responsible for the administration of academic audits, and to update auditor fees.

6.4 Governance

The Board of the Unit provides the governance of the Unit, approving policy, strategic plans, budgets and annual reports, monitoring the performance of the Unit against plans and budgets, and appointing and appraising the performance of the Director. The Board has an independent Chair who usually has experience in university administration. The remainder of the Board is ‘stakeholder representative’, with a member of the New Zealand Vice-Chancellors’ Committee, a member of the community with expertise in quality assurance, nominees from the union of students’ associations, the New Zealand Tertiary Education Union, professional bodies and employer bodies. The Director takes advantage of this range of experience, skills and knowledge of university education by keeping Board members fully informed in detailed agenda papers, and by seeking input and advice on major statements of policy. The Director is the only professional member of staff, and therefore the advice and support of the Board is important to him.

Since the appointment of the present Director, the Board has met three times per year, normally in March, in late June or early July, and in late November or early December. The Board has also been called for special meetings. Between meetings, the Director consults regularly with the Chair of the Board so that the Chair is fully informed of the activities of the Board. The Chair of the Board sometimes attends meetings and makes presentations to visiting delegations when the Director is out of Wellington on Unit business. Because of tight timelines, the Chair of the Board will approve some actions on behalf of the Board – such as the final form of the budget, and the appointment of audit panels – and such actions and appointments will be discussed and confirmed at the next full meeting of the Board.

The *Report of the 2001 review of the Unit* [**Supporting Document 2**] recommended:

Recommendation 12 *That the existing NZUAAU Board be replaced by 2 bodies, an advisory committee with a constitution similar to that of the present Board, and a governing board comprised of persons with skill and experience in universities and quality assurance.*

Recommendation 13 *That a Māori student representative is included on the Advisory Committee; and that auditors be eligible for appointment to both the Advisory Committee and the Board.*

The Board did not support recommendation 12 and a proposal from the Board to include Māori student representation was not accepted by the New Zealand Vice-Chancellors’ Committee (NZVCC). As reported earlier, discussions in 2004 and 2005 between the NZVCC led to the review of the composition of the Board and downsizing from twelve to eight members. (See section 1.4 of this portfolio, *Table 2*.)

6.5 Unit finances

The *Constitution* of the Unit [**Supporting Document 1** – paragraph 7.2] requires the Unit to present a budget to the New Zealand Vice-Chancellors' Committee (NZVCC) for approval. The Unit is funded by the universities by such levies, contributions or funds carried forward as the NZVCC sees fit. The Unit is also expected to draw on the staffing and secretarial resources of the universities which it audits. The Unit cannot take out a loan or overdraft.

The financial year for the Unit is from 1 July to 30 June. Each May, the Unit develops a budget for the tasks it wishes to undertake, identifying income from all sources, and presents it to the June meeting of the NZVCC which approves the grant for the next financial year. The grant is calculated as the difference between the budgeted expenditure and income from other sources. The NZVCC has commented on only one occasion on the projected tasks as indicated in the budget, and in all cases the Committee has approved the grant as in the budget application.

6.5.1 Income

The *Financial performance 2001-2008* [**Supplementary Document 24**] indicates how the income varies depending on the audit activity. Consultancy and sundry income was low in 2002 and 2003 when the Unit was carrying out a review of processes and preparing for Cycle 3. That was followed by two years of modest income, one year of very low income (spanning the years 2005 and 2006 when the Director single-handedly administered three institutional academic audits in each of those two years, and was unable to do much else!). Income in the last two years was bolstered by work for the University of South Pacific in 2007, and two very focused audits for the Ministry of Education in the first half of 2007 and first half of 2008.

The Unit is very conscious of its reliance on university funding, and the annual grant varies over the period, from \$216,149 at its lowest (2002-2003) to \$307,482 at its highest (2007-2008) – on average 82% of income. Annual percentage increases have been -7.9, +7.9, +3.5, -5.5, +26.0, +6.7. Over the whole period, the increase has been 31% over seven years (average 4.4% per annum).

6.5.2 Expenditure

Expenditure is monitored closely by the Unit, and during the period under review, the financial statements show expenditure has been under budget. Costs associated with meetings, consultancy and honoraria, and with travel and accommodation, vary considerably depending on audit activity. As an example, travel and accommodation were higher in 2007-2008 than might be expected for a year in which there were no institutional academic audits, and this was because of the costs associated with auditor training in April 2008. In the case of university institutional audits, full costs of relevant expenses within these areas is recovered from the universities; in the case of audits for the Ministry of Education, a claim is made against the Ministry.

It has been possible to hold administration, office expenses and publications at a fairly steady level over the seven financial years under review – between \$46,839 (2003-2004) and \$52,260 (2006-2007), with a 'blowout' to 63,213 in 2005-2006 when unexpected expenditure of about \$12,000 was required to cover the costs associated with an unplanned relocation of the Unit. This relocation was from a subletting arrangement with the New Zealand Council of Trade Unions who provided photocopying and other services and access to meeting rooms, to the position of an independent lessee which required the purchase of office equipment and the leasing of photocopy equipment. Even so, the average cost of administration, office expenses

and publications over the seven years has been \$50,667, with costs for the last financial year (2007-2008) being nearly \$1,700 less than the average. The Unit believes this represents a responsible use of resources by the Unit, especially given the incremental increases in costs generally.

Accounting costs jumped considerably – from an average of \$8,300 in the first three years to an average of \$22,900 for the last four year. This arose when the New Zealand Vice-Chancellors' Committee accounts clerk was no longer able to continue to assist the Unit from towards the end of 2004. At that time, the Unit was required to obtain the services of its accountants. This change in arrangements and adjustment in costs was required by the Board who considered it necessary for the Unit to handle 'public' money in a responsible and professional manner, and to pay professional rates for a professional service.

6.5.3 Accumulated funds

The Unit's accumulated funds are 'regulated' by an agreement with the New Zealand Vice-Chancellors' Committee. When the Director took up his appointment in 2002, he found he had inherited net assets/accumulated funds of \$142,309. Given the agreement with the New Zealand Vice-Chancellors' Committee that reserves should be equivalent to two months cashflow (that is, under \$50,000 in 2002, and under \$60,000 for 2007), the Unit was required to reduce its reserves. The primary way of achieving this was to budget a loss each year, drawing on reserves to cover the budgeted shortfall between the universities' grant and budgeted expenditure. While this helped control the amount of increase in the claim for the universities' annual grant, it also meant that there was decreasing interest from investments. The decrease in reserves was well controlled and gradual until the extraordinary demand on reserves at the time of the Unit's relocation. At that point, reserves went to an all-time low (\$32,832) and drawing on reserves was no longer possible. Thus the spike of +26% increase in the universities' grant for the following year. Reserves are now at an acceptable level.

6.6 Effectiveness of the professional activities of the Unit

Since 2002, the Director has been the only professional staff member in the Unit, and the opportunity has been taken at the time of the performance appraisal of the Director for the Chair of the Board to contact personnel from a range of university and educational agencies for their opinion of the quality of the performance of the Unit as evidence in the quality of the work of the Director. The responses to questions are reported to the Board of the Unit by the sub-committee that reviews the Director's performance – normally the Chair and Deputy Chair.

Opinion on the performance of the Unit [**Supporting Document 18**] indicates that the professional staff member of the Unit is regarded as a knowledgeable and hard-working professional, a good listener, open to suggestions, pleasant and diplomatic yet persuasive when necessary, likeable, friendly and helpful in his interactions with agencies. The professional reputation of the Unit has been enhanced through the work of the Director; and the new emphasis on enhancement through academic audit, and the encouragement to institutions to consider how they could best enhance their practices, were generally appreciated.

7

Operational environment

7.1 Government tertiary education reforms and ‘Evaluate’

In its tertiary education reforms announced in 2006, the Government expects a quality assurance and monitoring system in tertiary education that supports a high trust and high accountability environment. Quality assurance and monitoring relates to accountability, institutional performance and risk, high quality teaching and learning, and protection of public confidence. The Government wants a culture of continuous improvement (as if to imply that this does not happen anywhere at present), and wants a new approach to audit based on self-assessment and external evaluation and review (which this Unit has followed since Cycle 1 beginning 1995) rather than an audit process based on compliance against standards as has characterised the academic audits administered by the New Zealand Qualifications Authority (NZQA) since 2000. The Government desires a new focus on outcomes and an increase in student retention, achievement and success.

The Tertiary Education Commission – which is leading the implementation of the reforms on behalf of Government – has commissioned NZQA to develop new processes relating to institutional self-assessment and external evaluation and review for use with non-tertiary providers. The developmental work was carried out during 2007, at the time the Unit was negotiating with the universities about Cycle 4 academic audits and preparing the *Academic audit manual 2007* published in December. The Director was involved in informal discussions with the NZQA developmental group, but little detail was forthcoming until the release in the second quarter of 2008 of four publications under the overall title *Evaluate: better information, better results, evaluating what matters* [**Further Information 13**]. Those publications provided details of the processes and included the ‘evaluation questions’ for use in self-assessment and ‘external evaluation and review’ – that is, audit – and sample evidence in the form of ‘evaluation indicators’ developed for the areas of teaching and learning. The self-assessment and audit processes were trialed during 2008, about the time the Unit’s academic audit of Massey University was being administered. The trial has been independently evaluated.

In September, the Unit made a presentation to the 2008 Quality Enhancement Meeting on the *NZQA work on self assessment and external evaluation and review* [**Supporting Document 25**] as the Unit believed it was important for the university sector to be aware of the developments in the non-university sector which could impact on the academic audit administered by the Unit.

7.2 The Unit’s response to ‘Evaluate’

In September 2008, the Unit established a ‘reference group’ drawn from the university sector to assist the Unit to develop *Academic audit evaluation questions* [**Supporting Document 26**] that might be posed by academic audit panels. The evaluation questions have ‘high-level’ questions that would be asked by academic audit panels, and ‘lower-level’ questions designed to facilitate ‘conversations’ by the universities during their self-assessments. The *Academic audit evaluation questions* go beyond teaching and learning (the boundaries of the NZQA

developmental work) by also addressing all other topics in the Cycle 4 indicative framework – research environment, Te Tiriti o Waitangi, academic and support staff, institutional quality assurance, management and administrative support, community engagement and external academic collaborations and partnerships.

In principle, the process of asking open-ended evaluation questions is consistent with the approach to academic audit followed by the Unit in Cycle 3 academic audits administered between 2003 and 2006. The *Academic audit evaluation questions* were considered and amended by the Board of the Unit in November 2008, were discussed at a meeting of auditors in February 2009 who suggested amendments, and was reconsidered, further amended and approved by the Board in March 2009. The document has been distributed to universities for comment back to the Board before final approval in June 2009.

The University of Canterbury has indicated that it wishes to use the evaluation questions as its framework for self-assessment and as the basis of its Cycle 4 academic audit in the first half of 2010, and discussions are soon to begin with the University of Waikato whose Cycle 4 academic audit is to be administered during the second half of 2010. Thus it is planned that from 2010, the Unit will be operating a process that is parallel to that being developed and implemented by NZQA.

7.3 Judgements

Since Cycle 1 academic audits began in 1995, the Unit has made judgements through commending good and effective practice that leads to good outputs and outcomes, through recommendations in areas requiring improvement, and, since Cycle 4 in 2008, by affirming appropriate enhancement initiatives to be undertaken by the university.

The nature of external evaluation and review in the context of the new NZQA regime, however, is to make judgements about an institution's performance and capability. It is expected that each audit report will regard each tertiary provider as an organisation within a co-ordinated sector, with sufficient shared structure in reports to permit sector-wide discussion of key elements in the overall framework of quality. This will be a challenge to the Unit's approach of auditing each university against its own objectives, taking into account the distinctive values and culture of each.

It is also expected that the NZQA reports will contain objective measures, with the expectation that a template be used, in which answers to evaluation questions are rated ('excellent', 'good', 'adequate', 'poor') and ratings are synthesised into an overall conclusion expressed as a statement of confidence in the organisational performance and capability ('high confidence', 'confident', 'not yet confident'). The Unit believes there is a real problem with this as such a reduction could lose meaning, and any value that might come from the discussion in present reports could be lost. An overall score – which this will become – will be the focus rather than the weighing of evidence, the identified strengths and the recommended improvements to performance included in the text.

8

Evaluation of the Unit against the INQAAHE guidelines

8.1 Process for the evaluation of the Unit's performance

Section 3.2.4 of this portfolio provides the Unit's assessment of the value added to universities' own programmes of continuous improvement by the administration of institutional academic audits by the Unit, and details the way the Unit goes about listening to the Unit's primary stakeholders – the universities – and seeking feedback on the processes and their operation to maintain relevance for the sector and to improve the Unit's performance. Section 6.6 summarises the Unit's assessment of the effectiveness of the professional activities of the Unit as reported to the Chair of the Board by its secondary stakeholders – in particular Wellington-based government, education and quality assurance agencies – at the time of the performance appraisal of the Director.

This present section undertakes a wider self-assessment of the Unit. The International Network for Quality Assurance Agencies in Higher Education (INQAAHE) first published its *INQAAHE guidelines* [**Supporting Document 27**] in 2003 with the purpose of promoting good practice by quality assurance agencies and encouraging the use of the guidelines in the self-assessment by agencies. INQAAHE has updated the guidelines at two-yearly intervals, and this self-assessment is made against the 2007 version.

The guidelines has four sections:

- the agency itself – including the governance of the agency, the resources of the agency, the quality assurance processes employed by the agency, and the reporting of public information;
- institutions of higher education and the agency – including the relationship between the agency and the institution being audited, the agency's requirements for institutional and programme performance, and the agency's requirements for institutional self-evaluation and reporting to the agency,
- the agency's review of institutions – including the agency's evaluation of the institution and/or programme, the agency's decisions, and the handling of appeals,
- external activities – including agency collaborations with other agencies, and policies relating to both imported and exported higher education (transnational/cross-border higher education.).

8.2 Evaluation against international good practice

This section reviews the evidence provided in the earlier chapters of this self-assessment portfolio, with cross reference to appropriate sections. It also identifies issues requiring ongoing attention by the Unit.

8.2.1 The Unit itself

▪ Governance of the Unit

The *Operations manual* contains the *Constitution*, the *Vision, mission and objectives* for the Unit, and *Policies*. These clearly state the purpose of the Unit and the manner in which the Unit will carry out its responsibilities.

The *Operational plan* describes the context in which the Unit operates, and given the extent of political change in recent years, the operational plan has a limited timeframe to which it refers – normally two years. The operations manual and the operational plan are prepared by the Director, considered by the Board, and adopted by the Board. The *Operations manual* also contains *Administrative protocols* which, with the *Office manual*, contain processes related to all operational matters necessary for the day-to-day administration of the Office. [section 6.3]

▪ Resources

The one professional staff member (Director), assisted by the Office Manager, is sufficient for the administration of institutional academic audits, if they are timetabled as two per year (as in Cycle 4), and are just possible at three per year (as was demonstrated in Cycle 3, 2005 and 2006). Academic audit panels are contracted by the Unit. Reference groups are drawn from the university sector to consider materials prepared by the Unit and to offer advice to the Unit [section 3.2]. More focused audits – such as the PhD monitoring, Adult and Community Education, and *Code of practice for the pastoral care of international students* administered from early 2007 to mid 2008 – were able to be coped with because they were administered in the eighteen months between the last academic audit of Cycle 3 and the first academic audit of Cycle 4 [sections 3.3-3.5].

It is also possible for one professional member to liaise with appropriate New Zealand government and education agencies and to see to those aspects of the day-to-day operation of the Unit that require attention [section 4.3].

Activities beyond that, however, are very limited because of lack of time, and the present Director has put the needs of New Zealand universities and the Unit first. The quality enhancement aspect of the Unit's activities as were apparent under the previous Director – the administration of occasional workshops and the development and publication of monographs on aspects of quality assurance – have been much less evident since 2002. Thus the joint hosting of the annual Quality Enhancement Meetings have become the primary contribution to quality enhancement, aside from a couple of publications and one half-day seminar. [sections 5.2, 5.3, 5.4] International activities have had to take a lower priority with the present Director, and staff development has been based around the reading of periodicals (the Unit subscribes to key periodicals), the reading of books purchased for the Unit based on good reviews or on a particular need for information related to the work of the Director (the Unit has a very small collection of books and monographs and conference reports), and attendance at a small number of conferences which have been 'near at hand'. The Director has not been able to attend International Network for Quality Assurance Agencies in Higher Education conferences and workshops except for the 2005 conference held in Wellington; participation in the Asia Pacific Quality Network has been fairly regular but not every year; and some Australian Universities Quality Forums have had to be missed because of workload. [section 4.4]

For consideration by the Unit - 1

Determine the appropriate nature of the Unit's quality enhancement activities that will build on the knowledge and experience gained by the Unit through its academic audit activities.

For consideration by the Unit - 2

Address the implications for the Unit's infrastructure and staff workload with respect to staff development and the promulgation of good practice through workshops, seminars and publications.

During the period under review, the New Zealand Vice-Chancellors' Committee (NZVCC) has approved the operating grants requested in annual budgets which are prepared by the Director, approved by the Chair on behalf of the Board, and submitted to the NZVCC. This funding, along with other income earned from consulting work, has been adequate for the work programme of the Unit, as is evidenced by the Unit being able to keep under budget each year [section 6.5].

The full costs for each institutional academic audit (other than the time spent on the administration of the audits which is covered by the operating grant) are a cost against each university. The costs of the focused audits on PhD monitoring and the *Code of practice for the pastoral care of international students* were covered by the Ministry of Education; the costs (other than Unit administration costs) associated with the audits of Adult and Community Education that included site visits were recovered from the universities.

▪ **Quality assurance of the Unit**

The *Operations manual*, the *Office manual* and the current *Academic audit manual* comprise the quality management system for the Unit. The work of the Unit is governed by the four objectives in the areas of quality audits, quality networking, quality practices and quality processes. The *Operational plan* contains strategies for a particular timeframe, and given that there is only one professional staff member, the Director's objectives are, in effect, a prescription for the work of the Unit during that period of time. The Director reports on progress in achieving his objectives at each meeting of the Board (three times a year) and prepares *Statements of service performance* as part of the audited financial statements. *Annual reports*, which are approved by the Board, bring together those reports into a yearly summary of progress against the Unit's objectives and operational plan strategies. In this way, the Board is able to keep a close watch on the activities of the staff of the Unit and is able to monitor the success of the Unit in achieving its mission [section 6.2].

There is no predetermined timetable for the ongoing review of the *Operations manual*. For example, the 2003-2004 review arose from there being no procedures in the then 'Definition' associated with the appointment of members of the Board and Director or the conduct of the Board, and limited material about other aspects of the roles and functions of the Board and the Director. Policies in many areas were also lacking, while some policies contained administrative detail. The 2007 review was associated with the rewriting of the *Academic audit manual*, with the opportunity being taken to consolidate appropriate material from the manual into Unit policies around academic audit, and to add a range of new policies around risk management [section 6.3].

Every opportunity is taken to seek feedback from the Unit's primary stakeholders – the universities – by listening carefully to their concerns, and by considering the extent to which their concerns can be met. The Unit wishes to be a learning organisation and significant effort is made to assess the impact and effectiveness of the Unit, particularly after each institutional audit and through the follow-up reports from universities to consider the extent to which the audit process and reports have added value, and to learn of ways the Unit's audit processes need enhancement. The evidence for value added is found in feedback at the conclusion of the audit process and, more particularly, in the follow-up reports 18 to 24 months after the public release of the audit report. These documents demonstrate that value is gained from the reports through the changes that arise from addressing the recommendations [section 3.2.4].

During the early years of Cycle 3, the New Zealand Vice-Chancellors' Committee offered its opinions, necessarily mostly based on their experience of Cycle 2 [section 2.3]. At the end of Cycle 3, feedback over the period and from several quarters were evaluated for the strengths and weaknesses of Cycle 3 and for indications as to how the audit process for Cycle 4 might be enhanced [section 3.2.4]. In this way, the Unit demonstrates its seriousness in providing a service to the university sector that is relevant and that matches its needs to the best of the Unit's ability.

At another level, from the time developmental work was begun by the New Zealand Qualifications Authority (NZQA) in response to Government tertiary education reforms, the Unit has been proactive in discussing their work with them, and the Unit's contribution has been acknowledged by the Expert Advisory Group to the NZQA [section 4.3.2]. The Unit has taken initiatives in developing an 'evaluation questions' approach for use in later Cycle 4 university academic audits [section 7.2]. The appropriateness of moving in this way is confirmed by the University of Canterbury's request to be audited against this new format in its Cycle 4 academic audit in 2010.

The institutional academic audits are regarded as the most important activities undertaken by the Unit, and feedback processes from universities, auditors and participants at meetings of auditors are formal. Other activities – such as the focused audits – are not formally evaluated and heavy reliance is made on informal feedback, primarily through comments from universities on the draft reports, and in informal conversations that take place as part of the ongoing interaction with universities. Such feedback has indicated that the focused audits were helpful and supportive, and that the overview reports made known good practice to be found in the sector, or to suggested by the panels, to assist the work of the universities [section 3.3, 3.4, 3.5]. Perhaps the Unit should be more thorough in seeking formal evaluation of performance and value added in all of its activities.

The Unit seeks feedback on the quality of the Unit's performance and contribution to the work of its secondary stakeholders – government, education and quality assurance agencies – at the time of the annual appraisal of the Director [section 6.6]. Feedback demonstrates the appreciation of the positive and professional contribution made by the Unit, some of which has helped advance the work of those agencies within working parties of which the Director has been a member.

External reviews of the Unit provide a wider understanding of the impact and effectiveness of the Unit than can be gained by the Unit itself. The intention has been that reviews would be made towards the end of each cycle of institutional academic audit, as was the case in the reviews in 1997 and 2001. This present review is taking place at the beginning of Cycle 4. In the 1997 and 2001 reviews, submissions from universities and stakeholders contributed to the design of subsequent cycles of audit [sections 2.1, 2.2, 2.3].

▪ Reporting public information

All reports of institutional academic audits and overview reports on focused audits are public documents, distributed in hardcopy and placed on the Unit's website. In the case of institutional academic audits, there are no confidential reports to the universities; everything reported to the universities is in the public domain. In the case of focused audits, each university receives a report about its audit, and only the overview reports are in the public domain.

The Unit's website contains the current *Academic audit manual*, the latest of the *Annual reports*, and all ten 'AAU Series on Quality' publications.

Outside of feedback on the audit processes and on the relevance and usefulness of the audit reports, feedback on the relevance and use made of Unit publications is not sought in any formal manner. Informal requests for feedback have been met with positive comment, and occasionally the Unit receives unsolicited appreciation of published materials.

For consideration by the Unit - 3

Seek information about the relevance and use made of Unit publications.

The *Report of the 2001 review of the Unit* (written prior to the period under review) was not posted on the website, but the 2005 *Follow-up to the report of the 2001 review of the Unit* is on the website. This document includes the 2002 official response to the recommendations contained in the report, along with a progress report as at 2005 [section 2.2].

The *Operations manual* is considered to be an in-house working document and therefore has not been posted on the website. However, the *Constitution* contained within the manual is printed separately, is publicly displayed in the Unit's Office, and is made available to new members of the Board and to visitors who request a copy.

8.2.2 Universities and the Unit

▪ Relationship between the Unit and the universities

The relationship between the Unit and the universities is clearly stated in the publicly-available *Academic audit manual*. The academic audit process is seen as beginning and ending with the university's own programme of continuous improvement, and is administered in accordance with the principles of partnership (audit is a partnership between the Unit and the university), ownership (the ownership by the university of the processes of audit that lead to change) and enhancement (improving on what already exists) [section 3.2.3]. The Director asks to visit the university about a year before the submission of the self-assessment, and makes it clear that he is willing to visit the university at any time to discuss the audit process.

Prior to each cycle of academic audit, the Director discusses with the university sector the nature of the audit for the upcoming cycle and negotiates a timetable for audit visits. The aim of the Unit is to add value, so it is important that the university sector is agreeable to the nature of academic audit. In the case of the focused audits administered in 2007-2008, the Director negotiated the processes with the universities – normally by distributing a draft of the process for comment, and in one case, including discussion with the New Zealand Vice-Chancellors' Committee's Committee on University Academic Programmes [sections 3.3, 3.4, 3.5].

Outside of the audit process, the Director uses the Quality Enhancement Meetings as opportunities to seek advice from the universities, and for the universities to ask questions of the Unit [section 5.2].

Requests for feedback on academic audits [section 3.2.4], and interviews between the Chair of the Board and university personnel at the time of the annual appraisal of the Director's performance [section 6.6] are used to ensure that there is a healthy and respectful relationship between the Unit and the universities. The 1997 and 2001 external reviews of the Unit also canvassed the nature of the relationship between the Unit and the universities [sections 2.1, 2.2].

▪ **The Unit's requirements for university performance, and for university self-assessment and portfolio**

The full setting out of the requirements for university self-assessment and portfolio, as well as some indication of the documents required (using data and documents already in existence as far as possible) that provide evidence of the university's performance are included in the current *Academic audit manual*, which is a public document. In the section on the responsibilities of the university, the manual describes the self-assessment and includes an indicative framework and detailed explanation of the topics, activities and audit questions that should direct the self-assessment process. Requirements for the submission of the portfolio and accompanying evidence is also indicated [section 3.2.2]. The *Academic audit manual* is reviewed and updated after every cycle of audits.

8.2.3 The Unit's review of universities

▪ **The Unit's audit of the university**

The full setting out of the requirements for the administration of the academic audit is included in the current *Academic audit manual* [section 3.2.2]. The manual comprises five sections:

- an overview of the Unit, audit principles and the scope of Cycle 4,
- the institutional academic audit process with indicative timetable,
- the responsibilities of the university for self-assessment, portfolio, planning visit, site visit and follow-up,
- the Unit's policies on the role and responsibilities of the Chair of the panel and of panel members including their appointment and characteristics (including the ISO 19011:2003 standards),
- the Unit's policies on the role and responsibilities of the Unit throughout the audit process including its role as secretariat to the panel, the conduct of meetings, the audit report, the appraisal of the panel, and follow-up with the university.

The Unit holds auditor training meetings, with the 2008 meeting for new auditors including generic auditor training, and other meetings involving discussions around the various aspects of the audit process – the nature of evidence sought from the indicative framework, auditor preparation for the site visit, auditor participation in the site visit [section 3.2.1, bullet 4]. There is no formal auditor training manual as it is necessary to tailor the auditor meetings to suit the varied demands of the auditors and to accommodate the changing context to academic audit.

▪ **Decisions**

The *Academic audit manual* indicates that the Unit's academic audits are against the universities' own goals and objectives [section 3.2.2]. Universities are asked to have their self-assessment processes lead to enhancement initiatives which they can implement within the next planning period – say, three years. The academic audit reports make judgements through commendations, recommendations and affirmations. Since Cycle 3 academic audits, panels have been instructed to consider the enhancement initiatives. Some universities have included in their initiatives activities already underway or in place; in such cases, there is no need for special mention. Where there are initiatives that are considered by the panel to be necessary and important, the panel should support them (through affirmations from Cycle 4). Where initiatives are important but require strengthening, the panel should make recommendations in support of the enhancements.

Obviously panels are not restricted to the enhancement initiatives, and they are expected to make recommendations in any aspect of the universities' operations deemed necessary for the maintenance and enhancement of the universities' own programmes of continuous improvement and added value. All recommendations must be evidence-based and grow out of the discussion in the text of the report. The Constitution requires the Unit to act as a fully independent body in the conduct of its audit activities, and panels are expected to act independently and without favour. The presence of the Director in all audits and the writing of the first draft of all reports by the Director are intended to assist in gaining a consistency across all audit reports.

All reports are approved by the Board who ensure that the process and reports follow the policies of the Unit. For example, during Cycle 3, the Board was concerned about aspects of clarity of expression and intention in one report, and the report was not released until it had been reconsidered by the Chair of the panel and the Director to address those concerns.

▪ **Appeals**

The recommendations of the Unit are not binding, and there are no provisions for appeal. However, the fact that reports are in the public domain places pressure on universities to respond and to demonstrate progress in addressing recommendations.

Each report is sent in draft form to the university for checking of accuracy, manner of expression and tone. The whole panel considers every point raised by the university. Corrections of errors are always accepted. Where concerns of expression and tone are raised, the panel rewrites the relevant passages of the report to ensure the panel's message is conveyed in better language. Where there is disagreement between the comments of the university and the evidence read and heard by the panel, the difference of opinion is recorded in the report. The aim is to provide a final report that the university can see has considered their points of view and has acknowledged any differences of opinion while being faithful to the considered findings of the panel.

8.2.4 External activities

▪ **Collaborations**

The Unit values its networks with Wellington-based government, education and quality assurance agencies. Most of the networking is informal, but the Director provides written reports to each meeting of the Board. The meetings of the Inter-Institutional Quality Assurance Bodies Consultative Group and formally-established working parties are minuted. Collaborations with

international agencies is not well developed [section 4.4]. With only one professional member of staff, it is not possible to consider joint projects or staff exchanges, and participation in projects, conferences and workshops outside of New Zealand is often not workable.

For consideration by the Unit - 4

Determine the appropriate nature of the Unit's collaborations with quality assurance agencies outside of New Zealand.

For consideration by the Unit - 5

Address the implications for the Unit's infrastructure and staff workload of developing collaborations with other quality assurance agencies outside of New Zealand.

▪ **Transnational/cross-border higher education**

The Unit does not have any policies relating to imported or exported higher education. The Unit seeks evidence from the universities that they are implementing and monitoring effective policies and procedures with respect to any transnational education – offering courses offshore, offering courses in association with other universities, operating 'twinning' arrangements where students begin their academic programmes in offshore universities and are then accepted into the New Zealand universities to complete their academic programmes on the basis of academic success in the offshore universities.

For consideration by the Unit - 6

Address the implications for the Unit's academic audit activities of any significant increase in transnational/cross border higher education activities by New Zealand universities.