

7. Using information for system performance and client choice

Key points in this section

- Improved consumer information and readily available comparisons of providers' performance are important to assist individuals and enterprises to make choices about training services. It also underpins transparency on the outcomes of public investment
- The proposed national regulatory body would have the authority through its focus on quality assurance and regulation to drive the collection, reporting and improved accessibility of provider level information
- An effective and mature training market depends on improvements to the amount and type of information made publicly available to consumers
- NCVET as the independent body with essential expertise in system research, analysis, evaluation and reporting functions will have an enhanced role in advising on improved and more easily accessible consumer information. NCVET will have a key supporting relationship to the national VET regulator as well to Skills Australia in analysing the sectors' effectiveness
- There is an opportunity for the national VET regulator, working with third parties, to add value for consumers in presenting performance information and to make it more accessible and user friendly.

Responses from consultations

- Consultations supported a national regulatory body assuming responsibility for transparency of individual provider performance, including a public website detailing delivery outcomes, non-compliance against the AQTF or other protocols and track record of sanctions
- There was strong support for improved consumer information but some reservations about the type and volume of information to be utilised and made public, its value to users and that it be undertaken in a cost effective fashion
- Providers called for comparable information collection across the tertiary sector using consistent measurement methods and indicators that are outcomes focused and recognise the diversity of socio-economic factors affecting learners' achievements and providers' performance
- Some submissions acknowledge increased information and transparency about provider performance is a public good. Others suggest it is overrated as mechanism of informing choice as some consumers are disadvantaged and this needs specific and targeted strategies and services, in addition to public information
- Independent evaluation and research was acknowledged as an essential feature of the tertiary sector's capacity for ongoing improvement. It should investigate reasons behind provider effectiveness



Responses in consultations continued

- Several submissions pointed out the need to ensure separation of regulation/ auditing/ information functions from those related to independent evaluation, information analysis, research and dissemination. They emphasised the role of the national regulator should not be to assess /evaluate *system* performance. They see the public information focus of the regulator should be on *provider* level performance against quality standards.

7.1 Information and governance: why the focus on information

Public accountability and transparency of outcomes by public and private providers in the National Training System is a powerful means for users, owners, and purchasers of services to monitor and compare the characteristics and quality of outcomes of services.

It is also a mechanism whereby providers and trainers can benchmark and monitor their own performance against others. Greater facility for the public to access and compare provider performance is an important system function to support choice for individuals and employers. At intergovernmental levels, greater transparency and accountability in performance, particularly in relation to participation and productivity has been a focal point of recent COAG funding agreements.

Submissions and consultations were widely supportive of this function and the role of the national VET regulator in requiring providers to gather and report on identified outcomes of their training delivery in order to promote consumer choice, support advice to governments on the quality of delivery and enhance training system performance at all levels.

To improve the transparency of the system, and radically improve client information, the national regulatory body should be the repository of RTO performance against the AQTF. Importantly the information should be in the public domain and easily accessible, ideally through a national website which provides client service standard⁹².

As outlined in Section 6, Skills Australia recommends the proposed national VET regulator should act, in co-ordination with NTS data and systems experts, as the authorising body for the collection of provider quality information and its public dissemination and analysis:

- firstly to underpin judgement of system and provider performance against outcomes and to inform decision making about system improvement, and
- secondly to assist the public understanding of service options and choices.

7.2 The role of a national VET regulator

One of the first priorities for the information provision role of the national regulator is transparency in relation to audit and sanctioning outcomes. Like other consumer protection agencies, the regulator should publish readily available and easily understood information as to provider registration status, as well as related information to better inform users of the system about the service attributes to look for from high quality providers.

In relation to other information functions related to quality assurance, we see the national VET regulator playing a role similar to that proposed for the newly established Australian Curriculum and Assessment Reporting Authority (ACARA)⁹³, an independent statutory authority which is to manage national curriculum and national student assessment.

92 Joint ISC submission

93 Australian Curriculum Assessment and Reporting Authority Bill 2008 accessed at <http://www.aph.gov.au/library/Pubs/BD/2008-09/09bd060.pdf>



It is responsible for reporting of school education outcomes and includes among its specific functions:

- collecting, management and analysing student assessment data and other data relating to school and comparative school performance
- facilitating information sharing arrangements between Australian and State and Territory governments bodies in relation to the collection, management and analysis of school data
- publishing information relating to school education including comparative school performance.

AQTF 2007 includes a requirement for information on three quality indicators (learner engagement, employer satisfaction and competence achieved)⁹⁴ to be gathered. But at this stage it is primarily for continuous improvement and for aggregate reports to state-based regulators as part of a risk management approach to audit. It is not an expectation that this information be made publicly available.

Skills Australia is of the view that information, such as quality indicators, should be made publicly available to individuals to help them make informed choices. It is for this reason that in the proposed governance model we advocate the national VET regulator undertaking a performance reporting and information dissemination function in addition to regulatory registration/audit and Training Package/course accreditation functions. We see such a body has the authority, through its focus on quality assurance and regulation to drive the collection, reporting and improved accessibility of provider level information.

The National Centre for Vocational Education and Research (NCVER) has played a unique and crucial role in National Training System improvement over the last decade. We see the NCVER as a critical resource for the sector, and suggest it will need to have a close working arrangement with both the national VET regulator and Skills Australia. The detail of how the national VET quality reporting function will complement and work with the national data collections managed through NCVER is yet to be worked through. However an option may be that the national regulator, like ACARA may focus on reporting individual provider information. This is compatible with the recent COAG decision requiring greater visibility, consistency and accessibility in accountability of schools systems and the non-government school sector in receipt of public funds.

The following are seen to be advantages of the national VET regulator taking on this function:

- it will have the authority to require providers to gather and report data on job outcomes, satisfaction, learner engagement, course completion because this can be part of the registration and audit requirements
- as the VET system moves toward further autonomy for its providers, it makes good sense to have the independent arms length regulator involved in ensuring all providers, both public and private, comply with its requirements for consumer level information and encouraging providers to use the information for continuous improvement
- this may be the catalyst needed to start better information gathering on the extent of private training provision in the VET sector
- this may also be a way to address the lack of longitudinal data on medium and longer term student outcomes in VET.

94 Australian Council for Educational Research AQTF 2007 *Quality Indicators Resources Package* <http://www.acer.edu.au/aqtf>



Skills Australia emphasises it is essential to have an independent information and evaluation culture as a sound evidence base for the reform and development of the tertiary system. Evaluation and research was underscored in submissions as an essential feature of the sector's capacity for ongoing improvement. We see NCVER continuing to have ongoing independent functions of information analysis, research and dissemination, with a direct reporting line to the Ministerial Council. At the same time, a close collaboration with the national regulatory body is envisaged—particularly in elaborating how the mechanisms for provision of provider level information might best be achieved and in investigating reasons behind provider effectiveness.

Skills Australia recognises that transparency of information at the provider level can happen naturally, and in cases is already being done. Some providers see a competitive advantage in publishing the findings of student evaluations and destination data. We also encourage providers to self report. It is our observation that once providers start to make their outcomes—in terms of student and employer satisfaction, job outcomes, course completion—more publicly available in consistent, easily understood and accessible ways, then competitive pressure will be on others to do likewise. A number of provider submissions insisted on 'getting the balance right'—preferring national performance reporting in the public domain be limited, with providers having discretion to publish additional data.

However for comparison across the system, to assist individual access to information and to ensure efficiency and costs are maintained, it makes sense to capture the data consistently using similar tools and measures. Hence the regulatory system can play a role in requiring data to be reported publicly as part of the accreditation and audit process.

The collection and reporting of such information will be influenced by:

- how the IT systems that support information gathering are built
- government and provider decisions about what information to report
- cost of gathering information
- speed of reporting on the information
- accessibility of the information
- the way the information is packaged to make sense to individuals and employers
- how the information collected through the national regulator can add value to other information that is gathered and reported through the States and Territories and NCVER.

These are all issues to be further worked through and resolved once a commitment is made to mandate the collection of such information and once consultations with other key players such as providers, State and Territory governments and NCVER are undertaken. The submission from NCVER points out that considerable effort has been undertaken in developing a national data strategy which envisages a VET data portal which might be utilised by various entities in the National Training System. *'Whatever model is adopted should aim to place a minimum reporting impost on providers, while enabling stakeholders access to the data they require, when they require it'.*

7.3 System architecture implications—what kind of information?

To date the National Training System has focused more on development of information for whole of system accountability purposes, at the national and jurisdictional levels, but less on the transparency of performance at the provider level.

As the submission from ACPET notes, *'how and what is measured to gauge performance is still the topic of debate amongst researchers ...attempting to align the wide range of clients and their needs as well as the ongoing debate about 'what are the indicators and determinants*



of success'. Aggregated data at the jurisdictional level is generally reported publicly through the annual national report on VET and in various NCVER statistical reports as well as in reports produced by each State/Territory. Skills Australia recognises the achievements to date in the VET sector of producing information about the performance of the sector through:

- data collected by providers and reported to each State/Territory in terms of statistics about students and courses in VET, as well as in apprenticeships and VET in schools
- responses from a sample of students through the student outcomes survey
- responses from a sample of employers to surveys of their use and views of the system
- the substantial research and analysis done through the NCVER and the various research projects it funds.

However providers do not generally provide information that tells an individual or an employer about their performance—for instance:

- number of students who complete qualifications at their institution
- employment rate of those complete qualifications at their institution
- student satisfaction with the teaching/learning/assessment experience at their institution
- employer satisfaction with the quality of graduates from that institution.

For instance, the performance and accountability of public TAFE systems is generally publicly available at the system level through departmental annual reporting, in some NCVER national surveys, but it is absorbed within state outcomes in VET Annual National Reports. Transparency of this kind has given little insight into the performance and achievements of individual TAFE institutions. There are scant public insights into the outcomes realised by individual private providers. Searching for an institution's annual report on provider websites makes comparisons very onerous for service users. ACPET remarks:

There is growing recognition that the private sector of VET in Australia has grown into a thriving industry that makes a sizable contribution to the nation's training effort, but the nation holds only poor data on the size of this contribution, its profile or its participants.

Providers generally make information about course offerings available through publications, marketing information and websites and now with Training Packages, there is information about the standards expected at different qualification levels. However today's more sophisticated and information savvy consumers expect more than information about the range of products available. Now users want information about the performance of the service providers they use.

The choice of career and training options made by individuals is often influenced in large part by parents, by peers, by school and in adult life by work opportunities, changing demands and pressures at work and by employer support. Traditionally the information on which these choices are made is anecdotal, hearsay or based on long held views and personal experience as well as information about the range of courses available and information on careers available through schools or on websites such as myfuture⁹⁵. Data on provider performance gathered from those that have experienced the system—past students and employers—has not been widely available to date in Australia and yet is the most useful and revealing information for consumers.

While the pressure to be accountable for public spending has been the driver for much of the information that is made available, greater consumer focus, access and relevance have not been strong features in the argument for more provider level information. There is an opportunity for third parties to add value for consumers in aggregating and analysing performance to make it more accessible and user friendly.

95 <http://www.myfuture.edu.au>



The submission from ACPET notes that there is a case for a private provider controlled and owned data collection process that *'feeds part of the data collected into a national database but retains the rest for the use by the private sector'*.

7.4 Recent developments

The recent OECD report⁹⁶ makes the case that competition increases the need for greater availability of information about providers—in particular the quality of providers. The OECD recommendation states:

A broader range of quality and outcome data at the provider level should be developed and made available. This will support student choice and provision driven by student demand. Data should become a systematic element of programme and policy decision making. Efforts should be made to fill the data gaps including an extension of the Student Outcome Survey.

Victoria⁹⁷ has recognised this by funding the Victorian Registration and Qualifications Authority to enhance the state Register of accredited courses and qualifications available in Victoria by *'providing clear and authoritative information on qualifications, training courses, accredited qualifications and providers including information about the performance and quality of training providers.'*

The Victorian Government is also funding the development of the Qualifications Navigator on-line which will be a user-friendly source of information on the level and amount of learning in different qualifications or the 'value' in terms of points.

The Bradley report⁹⁸ notes this need for good quality information highlighting both:

- the need for research on how student information needs are best met and depending on the findings—enhancing the *GoingtoUni* website to include results from the Course Experience Questionnaire, the Graduate Destination Survey, the Australasian Survey of Student Engagement and other relevant sources to bring together information for students in ways that better meet their needs; and
- strengthening accreditation requirements on providers to provide information to the public about the results of surveys or audits. Depending on the nature of the new outcomes- and standards-based arrangements, providers could be required to make available information on how they perform in those arrangements.

Minister Gillard, in a speech to the Independent Schools Council of Australia⁹⁹ addressed the issue of the importance of transparency in information for individuals, institutions and governments saying:

...high quality schooling should be available to all children, wherever they live, whatever background they come fromWe believe this new approach requires a new era of transparency and accountability...For parents to fully understand the choices they make for their children, we need a more transparent and consistent basis for them to examine their options. To target resources in a way that will improve our education system we need richer sources of information. ...

For schools, teachers and education authorities to learn which strategies work in which circumstances we need comprehensive information about both the performance and the circumstances.

⁹⁶ K Hoeckel et al op cit, p29

⁹⁷ Victorian Government (2008) *Securing Jobs for your Future Skills for Victoria*

⁹⁸ Bradley Review op cit, p139

⁹⁹ The Hon Julia Gillard MP *Speech to the ICSA Forum, media release 1 September 2008*, <http://mediacentre.dewr.gov.au/mediacentre/gillard/releases/theiscaparliamentaryforum.htm>



Thus calls for better information are across the education sectors and few would argue with the basic principle. Transparency and accessibility are fundamental features of good consumer information and there is recognition that, individuals, parents, employers, providers all have a right to better information about performance so that they can choose a service that suits their need and so that the sector itself can improve.

The submission from RMIT argues for a consistent approach across the tertiary sector which establishes 'a minimum critical set of regulation and reporting requirements that ensures probity, planning and quality while minimising operational and resource constraints. We argue that there should be a balance between a regulatory framework that promotes and rewards performance and quality and the capacity of the sector to achieve these outcomes through self regulation in a market-driven environment'.

On a similar point, public providers argued that like comprehensive public schools, the TAFE system provides services across the full range of markets, from foundations skills courses through to para-professional and delivered across the spectrum of student socio-economic backgrounds. It was suggested any key performance indicators selected need to take into account the diversity of factors affecting learners' achievements and providers' overall performance.

While there may be hesitation about comparisons and the fear of 'league tables', given VET providers operate in widely different markets and with the constraints of different operating environments, Skills Australia is of the view that all stakeholders can gain from greater transparency and determination to target resources to where they are needed most, based on better sources of information.

The challenge in providing more information is to balance the need for transparency and accessibility with cost factors and to avoid unnecessary burdens on providers.

7.5 Recommendation

It is recommended that:

- xiv. The proposed national VET regulator, working closely with the National Centre for Vocational Education Research, makes provider performance information and outcomes information publicly available to assist users and inform quality reforms.

