

Response to the *Learning and teaching performance fund issues paper*

Griffith University welcomes the opportunities it has to comment on various stages of establishing the learning and teaching performance fund. Griffith commends the Commonwealth on the quality of the *Issues paper*, which seems to have benefited from the contribution of members of the advisory group.

Rationale – reward excellence compared with improve performance

Griffith University notes the Commonwealth's intention to allocate the learning and teaching performance fund to institutions to reward excellence rather than improve performance (*Issues paper* page 6). Griffith submits that the Commonwealth should not impose a corresponding condition on grants it allocates to institutions. While much of the fund will presumably be allocated within institutions on corresponding criteria to those used to allocate the fund to institutions, this does not always achieve policy objectives (Piper, David Warren (1995) Performance related resource allocation within universities, *Journal of Tertiary Education Administration*, volume 17 number 2, pp 89-97). For example, an institution might seek to use some of its learning and teaching performance grant to improve retention rates, which are lower than the national average. Some fields of education achieve learning outcomes rather less than others, and several institutions might wish to allocate some of their grant to improving learning and teaching in those fields. While these allocations within institutions would be to improve performance rather than reward excellence, they would contribute to the Government's overall goal to 'promote the overall quality of the sector' (*Issues paper*, pages 5 and 6).

Rationale – equity

While the Commonwealth did not specifically invite comments on this issue, it is important to consider the implications of the Commonwealth's apparent preference not to include equity in an assessment of teaching and learning performance –

Given the availability of the Higher Education Equity Programme and the Indigenous Support Funding Programme, elements of which distribute funding on the basis of performance in achieving equity objectives, it may not be appropriate to include an access/equity/participation dimension in the measurement of excellence.

(Issues paper, page 6)

This is not convincing because the relativities for the Commonwealth's performance funding of institutions remain heavily skewed in favour of research and against equity. In 2004 the Commonwealth is allocating almost \$1 billion to institutions for performance in research and research training, which in turn is allocated largely by research performance. The Commonwealth currently allocates no funds to institutions for their learning and teaching performance, but plans to allocate \$113 million for learning and teaching performance by 2008. Indigenous support funding is allocated by performance, but is only \$24 million in

2004. Only \$2.2 million of the higher education equity program is allocated for institutional performance in 2004, but the Commonwealth plans to increase HEEP by \$18.6 million over 4 years and 'From 2005, HEEP funding will be performance-based' (*Higher education report for the 2004 to 2005 triennium*, (pages 72, 74).

Taking the smallest institutional performance fund as the base, the Commonwealth's relativities for institutional performance are research 29, learning and teaching 3 and equity 1.

TABLE 1: COMMONWEALTH'S RELATIVITIES FOR INSTITUTIONAL PERFORMANCE FUNDING

Performance fund	2004 \$m	2008 \$m	Relativity
Research Training Scheme	540.797	540.797	
Institutional Grants Scheme	284.614	284.614	
Research Infrastructure Block Grants	160.311	160.311	
<i>Sub total research & research training</i>	<i>985.722</i>	<i>985.722</i>	<i>29</i>
<i>Learning and teaching performance fund</i>	<i>0</i>	<i>113</i>	<i>3</i>
Indigenous Support Funding	24.263	24.263	
HEEP allocations based on performance	2.187	9.797	
<i>Sub total equity</i>	<i>26.45</i>	<i>34.06</i>	<i>1</i>
TOTAL	1,012.17	1,132.78	

Source: DEST (2003) Higher education report for the 2004 to 2005 triennium, table 2.12: total Commonwealth funding through the Education, Science and Training portfolio, 2002 to 2004; table 3.13: Indigenous support funding allocations by institution, 2003 to 2004; table 3.14: Higher Education Equity Programme allocations, 2004.

Institutions seek to mitigate the distortion these relativities transfer to their priorities by incorporating the scholarship of teaching in their understanding of research and by broadening the understanding of learning and teaching performance to include equity. By far the preferable approach would be to rebalance the research, learning and teaching and equity institutional performance funds to reflect appropriate priorities. If it is thought in the alternative that equity should be mainstreamed, then equity should be an important factor in allocating both the research and learning and teaching institutional performance funds.

This concern is particularly salient in Australia because unlike in the UK the national government provides no additional funds or incentive for institutions to recruit and support members of equity groups, with the possible and limited exception of the Indigenous support fund. Furthermore, since as the *Issues paper* points out there is as yet no ready method for allocating funds for education value-added, institutions' contributions to improving the educational outcomes of non Indigenous members of equity groups will remain formally unacknowledged in funding decisions for the foreseeable future. Griffith therefore proposes that an indicator of access by members of equity groups be included in the indicators used to allocate the learning and teaching performance fund. The weight given to this part of the formula would indicate the Commonwealth's priority for equity.

Griffith offers these comments on the questions raised in the *Issues paper*.

1 Preferred method for allocating the learning and teaching performance fund

As will be elaborated below in more detailed observations on the AVCC's approach, a peer assessed qualitative method would be the ideal in an ideally operating sector. But in view of the current limitations of peer assessment and the sector's under-developed capacity to respond

to peer assessment of learning and teaching, the best method currently available for allocating the learning and teaching performance fund would follow the strategy and method used for the higher education equity program. The Commonwealth's initial HEEP allocations had a high weighting for institutional size and a low weighting for institutional performance and the Commonwealth is gradually increasing the weighting for institutional performance as performance indicators and the sector's confidence in them is developing. A similar approach should be adopted for the learning and teaching performance fund.

2 *Issues paper is comprehensive*

The *Issues paper* is a commendably comprehensive review of the state of the art.

3 *AVCC's approach to assessing learning and teaching*

The AVCC's approach to assessing learning and teaching is clearly an ideal to which Australia should aspire. Properly implemented, the AVCC's approach would foster deep institutional learning which would improve profoundly students' learning and teaching, and incidentally it would be far in advance of practice elsewhere in the world. However, there are at least 3 limitations to Australia's current state of practice which are obstacles to implementing the AVCC's approach immediately.

First, there are limitations to peer assessment. Peer assessments are influenced by contextual and impressionistic factors which aren't directly relevant to the factor being assessed, causing problems of assessment validity. Peer assessments are also highly variable between peers and even by the same expert over time, suggesting that peer assessment is not reliable.

Secondly, the sector is not yet able to implement peer assessments systematically at all the important levels of learning and teaching. While assessments may be possible for the sector, for institutions and for academic organisational units, concerns of privacy and defensiveness at the assessment of individual performance preclude publication of systematic assessments of individual subjects and teachers. It would of course be possible to apply assessments of programs or academic organisational units to subjects and teachers, but this is not generally accepted on the reasonable ground that there is considerable variation between subjects and teachers with the same program and academic organisational unit. The inability to link peer assessments of individual subjects and teachers to higher levels of assessment is fatal to rewarding and improving excellence since learning and teaching performance so crucially depends on the performance of individual teachers in constructing learning in individual subjects.

Thirdly, unless the structure and content of the AVCC's portfolio were tightly prescribed, the compromises to the AVCC's ideal needed to implement it would impose a workload out of proportion to funds available and would be largely irrelevant to actual learning and teaching. The AVCC's description of its approach is very similar to that of the Committee for quality assurance in higher education – assessment of portfolios by panels of experts – which was a most laborious and largely unproductive process.

The Committee for quality assurance in higher education's 1994 review was of teaching and learning. It put institutions in 3 groups by the quality of their teaching and learning as assessed by its review teams. It put in the group awarded the most funding all of the group of 8 universities, half of the IRU-like universities (Griffith, Macquarie and Wollongong), 60% of the members of the Australian technological network, only 1 regional university (the

University of Tasmania) and only 1 new generation-like university (Deakin). While this may have been an accurate reflection of the quality of learning and teaching in the regional and new generation type universities, there was no way of validating that assessment and dispelling the widespread belief that assessment teams were unduly influenced by institutions' status and resource richness.

4 Selection of performance indicators: include access

Griffith has a strong preference for an indicator of education value-added since this would measure the difference made by an institution rather than reflect inputs, and it would embed a strong element of equity. However, until such an indicator is available Griffith would include the indicators apparently preferred by the Commonwealth: student progress (pass) rate, student retention/attrition rate, student satisfaction as measured by the course experience questionnaire and graduate outcomes (employability, starting salaries, and/or further study). But Griffith would add to these an indicator of equity performance to recognise equity appropriately in the Commonwealth's performance funding of institutions.

There are a number of ways an indicator of institutions' equity performance may be constructed. One possibility would be to derive an index from the performance formula used to allocate the higher education equity program funds. This would be simple but may misuse a formula constructed for another purpose. Another method would be to construct an indicator from the progress and retention of members of equity groups as described on pages 31 and 34 of the *Issues paper*. However, if such an indicator were used it should be complemented by an indicator of access, since an institution could maximise its performance on equity students' progress and retention by excluding those at risk of less successful outcomes.

Again, the weight given to equity would indicate the Commonwealth's priority.

5 Prefer multiple indicators

Using a single performance indicator would encourage the sector to devote undue effort to maximising the results on the measure chosen, risking the displacement of effort if not the compromise of substantive ends. Griffith therefore prefers a small number of multiple indicators, but does not necessarily agree that these measures would triangulate and increase the validity of the assessment. For example, no correlation or even triangulation has been demonstrated for the indicators apparently preferred by the Commonwealth (student progress, student retention/attrition, student satisfaction and graduate outcomes), and even if that were found, it still would not demonstrate a valid assessment of learning and teaching.

6 Adjusted indicators preferred

One of the limitations of the performance indicators currently available is that institutional factors apparently explain so little of the variance observed in performance. The Department of Education, Science and Training's bivariate regressions on student progress rate, student attrition rate, course experience questionnaire scores and graduate destinations outcomes published in tables A1 to A4 of the *Characteristics and performance indicators of Australian higher education institutions, 2000* show that the institution explains only from 0.5% to 6% of the variance observed. (Indeed, it seems that all of the statistical measures available to DEST explained only to 1.3% (CEQ overall satisfaction) to 33% (graduate starting salaries) of the variance observed). This means that institutional effects would be swamped by other factors if crude results were used.

There are attractions to comparing universities within groups of like institutions, but the groups are not yet settled and the interpretation of results is still ambiguous. For example, if it were found that the group of 8 institutions performed on average the poorest on the course experience questionnaire, would that indicate that the questionnaire is biased against common go8 characteristics or that go8 institutions have lower quality learning and teaching on this measure? Either interpretation is possible and both are advanced, correctly or not, within the sector's current level of understanding of learning and teaching performance. Griffith therefore proposes that the groups be used for analysis but not for allocating funds at this stage.

7 Theme for peer review: educational standards

If peer review is adopted Griffith strongly advocates retaining 1 broad theme consistently. Adopting a different specific theme every year or so would be similar to the *Good Universities Guide* university of the year award. This award did not improve performance but rewarded institutions that happened to be able to demonstrate comparatively strong performance on the theme adopted for the year. Its only lasting impact has been on institutions' marketing campaigns. Adopting a similar approach for allocating even a part of the learning and teaching performance fund would divert considerable energy and resources to looking good on the theme chosen for the year, it would not necessarily reflect substantive performance even on the theme chosen, and it would be unlikely to improve quality.

One possible enduring theme not discussed in the *Issues paper* is educational standards. Concerns over educational standards are behind allegations of soft marking, money for marks, plagiarism and criticism of further increasing participation rates (often expressed in code as increased diversity of student intakes). These concerns are likely to intensify as the proportion of full fee-paying domestic students increases with the support of fee-help. Some of the Commonwealth's reflection on the criteria and processes applied by the Australian Universities Quality Agency in, for example, the *Crossroads* issues paper *Striving for quality* and elsewhere are essentially that Australia currently has no way of publicly verifying that its universities are meeting similar standards.

In general Australian universities are not able to demonstrate that all graduates of all universities in all fields of education meet a similar (minimum) standard: that arts graduates meet similar standards to business graduates, that one institution's business graduates are of a similar standard to any other institution's business graduates, that one year's business graduates are of a similar standard to previous years' business graduates, and even that all the business graduates of the same institution of the same year meet similar standards. Some of these comparisons may be inappropriate, but there is no general understanding of what may be appropriate comparisons.

The issue is very complex and such measures as are available are rudimentary and manifestly inadequate to meet reasonable expectations. The issue warrants the sustained and comprehensive effort that its adoption as an enduring theme for peer review would achieve.

8 Benchmark institutions initially

Griffith submits that institutions should be benchmarked until learning and teaching performance indicators are better developed and understood by the sector.

As was noted in the response to question 5 above, Griffith is not aware of any demonstration that the indicators apparently preferred by the Commonwealth (student progress, student retention/attrition, student satisfaction and graduate outcomes) measure the same underlying characteristic of learning and teaching: they may measure different characteristics. Combining measures of different characteristics into 1 rank or even bands on a single scale makes no sense: it is almost like adding peoples' weight to the time they take to run 100 meters and ranking people by their combined scores.

The possible incommensurability of scales may be addressed by ranking or banding institutions on 1 dimension, say student study outcomes, separately from a rank or bands on each other clearly defined dimension, say student satisfaction and graduate employment outcomes. However, the dimensions that might be used are still to be defined, the measures have not been developed, and the sector needs to improve its understanding and interpretation of the performance indicators so that lessons may be learned and quality improved. Benchmarking avoids most of these methodological problems.

However, institutions should eventually be ranked by learning and teaching performance or at least placed in performance bands as fine as the available method supports. Institutions are routinely ranked by research performance, the Commonwealth has started ranking institutions by equity performance, so it would be anomalous if institutions' learning and teaching performance were assessed but not ranked.

9 Comparisons by the appropriate aggregation

As advisory group member Professor Ramsden has demonstrated convincingly, it makes no sense to aggregate course experience questionnaire by institution: CEQ results must be compared by field of education. However, it would be possible to compare one institution's CEQ results for engineering with all other institutions' results for engineering. It may be possible to calculate a CEQ score for a whole institution by adjusting for its number of graduates in each field of education – Griffith would follow Professor Ramsden's expert advice on this issue.

Similar considerations should apply to all other indicators used for the learning and teaching performance fund. Field of study is also significant for graduates' salary (explaining 12.6% of variance) and type of attendance (full-time/part-time) explains almost 3.5% of the variance in undergraduate attrition. Adjusting for these factors should allow the Department to compare the performance of whole institutions.

10 University groups

As the *Issues paper* observes (page 20), there are several groups of Australian universities at various stages of formation. Griffith submitted in response to question 6 that university groups should be used to inform analysis but not allocate funds. But the groups need to be further developed and refined to be useful even as an analytical tool.

The new generation universities network established in 2002 comprises some regional universities but for the purposes of analysis it is convenient to consider regional universities separately. As far as Griffith is aware, the regional universities have not formally formed themselves into a group. Nonetheless, the universities which have most of their student load in medium and smaller population centres have common characteristics and are conveniently grouped.

Remaining outside formal groups so far are Deakin University, Swinburne University of Technology and the University of Wollongong. Swinburne is most similar to the ATN universities and so for the purposes of analysis is most conveniently considered an ATN-like university. The University of Wollongong is not correctly considered a regional university (any more than the University of Newcastle) because it is located in a large city with a population of 257,000, it is close enough to Sydney to recruit many of its students from Sydney and because the university and its staff have close interactions with Sydney. Wollongong is similar to IRU institutions in age of establishment, size, innovative approach and size of research budget. The hardest ungrouped university to place is Deakin University. It was established before the Dawkins changes of 1987 but it shares many of the characteristics of the metropolitan new generation universities: it is modern, it was based on an amalgamation of former colleges of advanced education including a teachers' college, most of its student load is at campuses in the suburbs of a large city, and it has a similar research intensity to the new generation universities.

Australian public universities thus share these characteristics.

ATN-like: institutions that were established early as technical institutes in a capital city and formally designated a university after 1987.

Group of 8: the oldest universities in their mainland capital cities with the biggest research budgets and the biggest accumulations of academic, cultural and socio-economic capital.

IRU-like: institutions that were established from the mid 1960s to the mid 1970s as distinctively different from the older capital city universities and which have medium sized research budgets.

Metropolitan new generation: institutions based on former colleges of advanced education that were designated as universities around 1987, whose research is still developing, and which have most of their student load in cities of more than 250,000 people.

Regional: universities with most of their student load in centres with a population of less than 250,000 people. This is expected to include the University of the Sunshine Coast until about 2020, when because of the Sunshine Coast's large increase in population the university will become a metropolitan new generation university.

These characteristics form the groups of Australian universities shown in table 2.

TABLE 2: AUSTRALIAN UNIVERSITY GROUPS

ATN-like	Group of 8	IRU Australia-like	Metropolitan new generation	Regional
Curtin	Adelaide	Flinders	Aus Catholic U	Ballarat
QUT	ANU	Griffith	Canberra	Central Queensland
RMIT	Monash	La Trobe	Deakin	Charles Darwin
Swinburne	U of Melbourne	Macquarie	Edith Cowan	Charles Sturt
UniSA	UNSW	Murdoch	U Western Sydney	James Cook
UTS	U of Queensland	Newcastle	VUT	Southern Cross
	U of Sydney	Wollongong		Sunshine Coast
	UWA			Tasmania
				U Southern Qld
				UNE