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# **The contribution and standards processes of private higher education providers**

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**A report for the Australian Council for Private Education and  
Training (ACPET)**

**By Daniel Edwards, Hamish Coates and Ali Radloff**



**Australian Council for Educational Research**

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## Executive Summary

This research project has been conducted by the Australian Council for Educational Research (ACER) for the Australian Council for Private Education and Training (ACPET). The main purpose of this work is to provide information about the standards processes and practices among private higher education providers (HEPs) in Australia.

In general, this research has shown that the role of private providers in the Australian higher education sector has grown substantially in the past seven or eight years, with a particularly notable period of expansion following the introduction of FEE-HELP to this part of the sector in 2005. The DEEWR statistics (which are likely to be an undercount) show that private HEPs admitted nearly eight per cent of all undergraduate commencers in Australia in 2008. The indication from private HEPs involved in this research is that this share is likely to have grown further in 2009.

Some private HEPs consider themselves as offering niche courses in specialised fields that are not necessarily available within the public university system. Others model themselves directly on university structures, teach similar types of subjects and have ambition to become self-accrediting institutions.

In many cases, these institutions offer an opportunity to engage in higher education to many domestic students who would otherwise have not been given the chance to study at this level of education.

Private HEPs in Australia operate differently to public universities. Apart from a small number of exceptions, they are teaching only education facilities. The consultation exercise revealed that most work on a trimester basis and they tend to see their small size and school-like approach to teaching and student relations as highly beneficial to the educational needs of their students. Private HEPs see these specific facets of their teaching environment differentiate it in a positive way from the university-style provision of higher education traditionally offered in Australia.

Overall, consultations undertaken in this study suggest that standards within private HEPs in Australia are rigorously monitored and regulated by various levels of government and also external qualifications authorities. Among the majority of the private HEPs involved in the consultations for this research, the stringent standards processes in place would be deemed necessary even if they were no longer required of them by law. There is recognition among these providers that to ensure survival, high quality and high standards are essential. Therefore, standards and quality assurance processes within the HEPs in this consultation process were generally very well established and continually updated.

Evidence from the Graduate Destinations Survey, undertaken by a small number of private HEPs in 2008 helps to show that these providers are having success in this regard. The perceptions of graduates of such institutions in relation to skill acquisition, teaching and overall satisfaction in the 2008 survey was on average more positive than was the case recorded among graduates of public universities in Australia.

Areas where some of the private providers were not so strong were in the benchmarking of student satisfaction and outcomes, and in the moderation of assessments. In some cases the size of the institutions limited their abilities to do this, in others issues with finding partners among universities or other providers to undertake moderation and benchmarking were stated as reasons for not having formal practices in this regard. This would appear to be an area for improvement, and one in which ACPET could play a lead role in facilitating.

The main impression of private HEPs in Australia gained from this research is that this part of the higher education sector is confident in their ability to deliver quality educational qualifications, aware of their student body and the industries to which they are linked, and ambitious to improve, grow and prove that their degrees are of higher quality than of those in other parts of the sector.

## Introduction

This research project has been conducted by the Australian Council for Educational Research (ACER) for the Australian Council for Private Education and Training (ACPET). The main purpose of this work is to provide information about the standards processes and practices among private<sup>1</sup> higher education providers (HEPs) in Australia.<sup>2</sup>

This research will be used by ACPET to further its knowledge of its membership base and to strengthen its ability to act as a representative voice for this segment of the higher education sector in Australia. The findings will be used to promote private HEPs in Australia and help increase awareness of the quality assurance practices among these providers. The research will assist in the development of papers to inform governments and other key stakeholders of the importance of these providers in achieving its plans for expansion which have been highlighted in the Australian Government's policy document *Transforming Australia's Higher Education System*.<sup>3</sup>

This project has used quantitative modelling to determine the size, diversity and recent growth of HEPs in Australia, and to provide a contextual base for this part of the sector in comparison with the public universities. A number of HEPs have also participated in consultations undertaken as part of this research. Participating providers were self-selecting, putting forward their interest in participating in the research following letters of invitation from ACPET. The consultations were designed to canvas the standards processes currently in place among Australian HEPs, and to collect information about good practice and areas for improvement in this regard. A list of the participating HEPs is provided in the Appendix.

Making broad generalisations about the private HEPs in Australia is difficult due to diversity of course levels, course offerings, cohort size and student composition. Hence while this report provides some general statements about the practices within the HEPs involved in this research, these statements must be interpreted with caution. Where practices differ substantially within this group, examples of the differences are given.

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<sup>1</sup> The term "private" is used in this report in its conventional sense. As noted in the Bradley Review, the researchers recognise at the outset that "public universities derive significant proportions of their income from non-government sources and some private providers receive government subsidies. The public-private divide is no longer a sensible distinction" (Bradley et al, 2008: xi).

<sup>2</sup> In some parts of the sector the term Higher Education Institution (HEI) is used in addition to HEP in order to differentiate between types of private provider; HEIs are considered distinct from HEPs by virtue of their status in relation to non-provision of FEE-HELP places. For ease and parsimony, in this report we use the term HEPs to apply to all providers of higher education in Australia. This is decision is based on the definition and terminology set out by the Australian Government in the following website: <http://www.goingtouni.gov.au/Main/CoursesAndProviders/ProvidersAndCourses/HigherEducationInAustralia/Default.htm>

<sup>3</sup> Australian Government. (2009). *Transforming Australia's Higher Education System*. Canberra: Department of Education, Employment and Workplace Relations.

This report begins by broadly examining the contribution – both quantitative as well as substantive – of the HEPs in Australia. This is done by examining national data relating to the higher education sector and noting some of the educational features of this part of the sector that differentiate it from public higher education institutions. The report then examines the current standards processes within Australian private HEPs, drawing primarily on information gathered during consultations with participating providers. The report’s conclusion is intentionally brief, as the executive summary is designed to provide an overview of the main findings of the research.

## Contribution of private HEPs to Australian higher education

### *Overview*

Private HEP enrolment numbers have grown dramatically in the past five years in Australia, boosted significantly as a result of the introduction of a Federal Government higher education loan scheme (FEE-HELP) into the private higher education sector at the beginning of 2005.<sup>4</sup> Essentially, this loan scheme allows students to defer their tuition payments until they have completed their degree and are in the workforce. The expansion of this loan scheme to students in the private sector greatly enhanced the opportunity for domestic students to access the courses offered by these providers.

This section charts this growth, using data from the Higher Education Statistics Collection administered by the Federal Department of Education Employment and Workplace Relations (DEEWR). It also examines the un-quantifiable elements that the private HEPs offer to the higher education sector in Australia. These elements incorporate key themes from the consultations with participating ACPET members in this project.

Due to changes in reporting requirements for student numbers across the sector as well as among individual private providers, it is impossible to piece together an accurate time series of data to examine the overall change in the enrolment numbers in private HEPs over the past few years. From 2007 onwards, the regulations in relation to the student information supplied to DEEWR changed and will make future exploration of these numbers more straightforward. The years prior to 2007 have seen a number of different counting methodologies employed for private HEPs. In 2005 and 2006, only those students with FEE-HELP loans were counted. Prior to 2005 (and before the introduction of FEE-HELP) collection of student data from private HEPs was relatively ad hoc, varying between providers and across states and making any accurate dissemination of system-wide information impossible. From 2007, all private HEPs have had to supply DEEWR with full student numbers, regardless of fee type, thus making analysis of this section of the sector more accurate.<sup>5</sup>

As such, the analysis here briefly examines the overall size of private HEP enrolments since 2001 (with caveats in relation to the accuracy of the time series) and then focuses on analysis of the most recently available data – 2008 enrolment numbers for this group of providers. The private HEPs identified here do not include the two private universities (Bond and Notre Dame). The analyses below have also removed providers such as

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<sup>4</sup> The FEE-HELP system allows students to have the costs of their tuition paid in full or partially by the Federal Government requiring the loan to be repaid following graduation and once the graduate is earning a salary above approximately \$42,000 (2009 level, indexed yearly). FEE-HELP loans differ from Commonwealth Supported Places (CSP) in that the student is required to pay the full cost of tuition in their loan. CSP recipients have a notable part of their tuition covered by the Government, these places are only offered currently in public universities and a few other selected institutions.

<sup>5</sup> It is important to note that given 2007 was the first year for such reporting requirements it is possible that not every private HEP provided their full list of students. Therefore, the data presented here for 2007 and 2008 could be a slight undercount.

TAFEs and other publicly funded higher education Table C institutions that are often included in the DEEWR statistics as ‘private providers’.

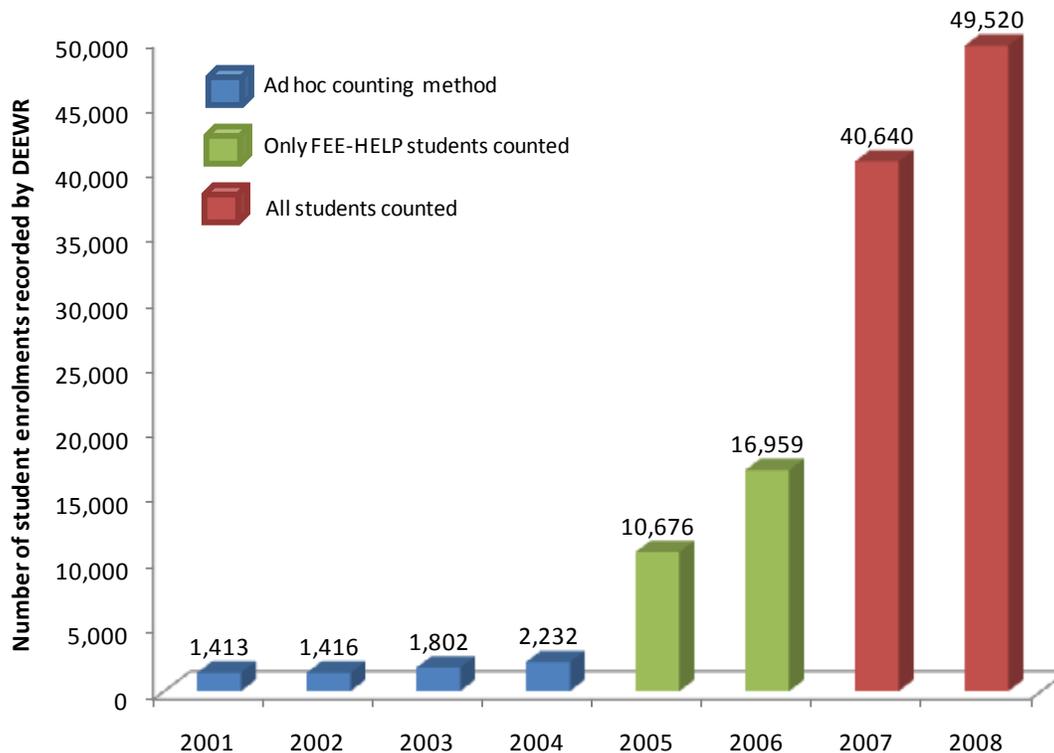
### ***Enrolment numbers***

The raw numbers in Figure 1 indicate a phenomenal growth in the enrolments of private HEPs in Australia between 2001 and 2008. However, as noted above, and in the graph itself, there are different methodologies in the counting of students in these providers which tend to over-inflate the growth over this period. Despite this, there is no doubt that there have been notable increases in student numbers within these providers over the past five to ten years.

While records are not so centrally accessible, DEEWRs summary tables of HEP enrolments note that between 2006 and 2007 alone, the number of private HEPs increased from 92 to 105.<sup>6</sup> The recent rise in private HEPs was also apparent in the context of the consultations that were part of this research. A large number of the HEPs involved in the consultations had been established as providers of Vocational Education and Training (VET) qualifications and in recent years had developed the expertise and curriculum to move into the higher education market, facilitated by the introduction of FEE-HELP. While the higher education component of many of these providers is currently relatively small in comparison their VET enrolments, most indicated that they planned for significant future growth in the HE qualifications and a scaling back on their VET provision.

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<sup>6</sup> DEEWR *Higher Education Statistics Collection, 2007*, Full Year Summary Tables. Note that this DEEWR count is likely to be an undercount. Further discussion in this regard is undertaken in later sections.



Source: DEEWR Higher Education Statistics Collection, 2001 to 2008

**Figure 1: Student enrolments in private HEPs as recorded by DEEWR, 2001 to 2008**

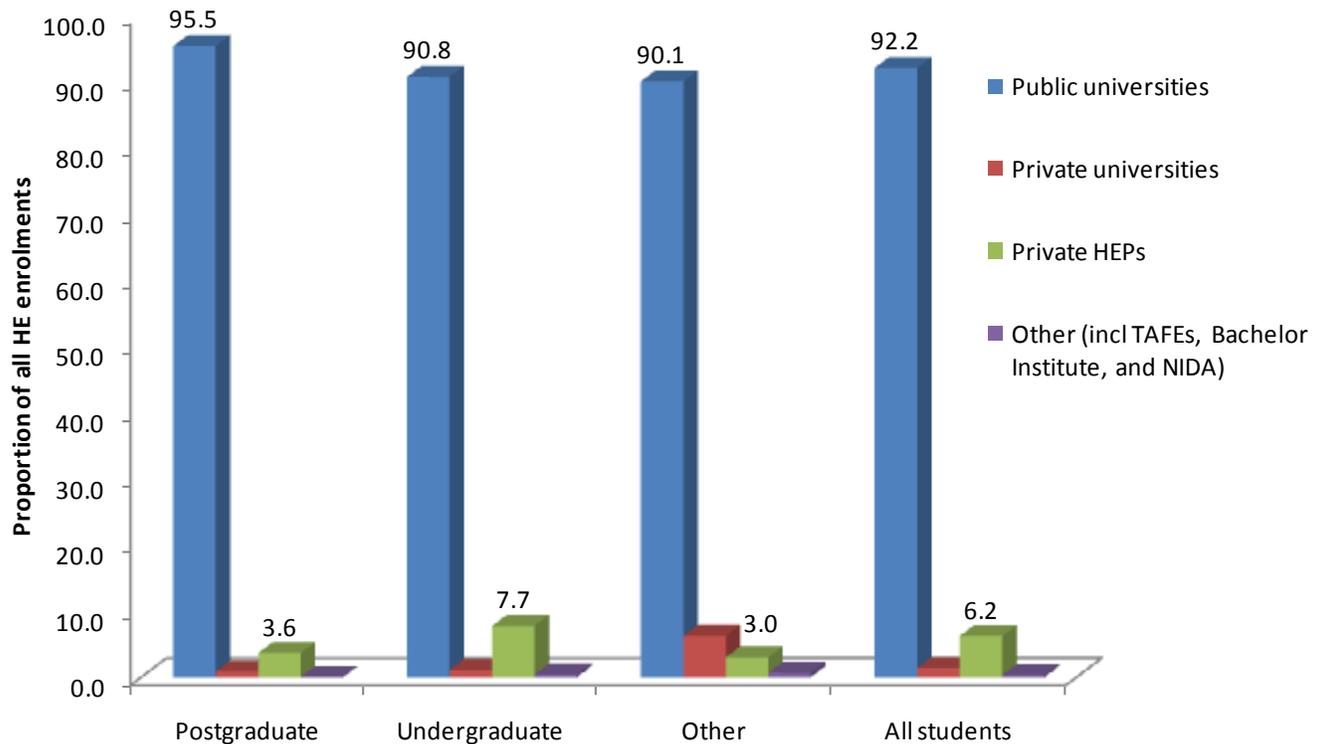
As shown in Figure 1, nearly 50,000 higher education students were enrolled in private HEPs in Australia in 2008. This is a substantial national figure for a part of the sector that is not often given due recognition. The enrolment numbers for 2007 and 2008 (when a consistent collection methodology that aims to incorporate a full count of students was undertaken) help to highlight the massive growth in this part of the higher education sector. Between 2007 and 2008 alone, the statistics show a 22 per cent growth in enrolment numbers within the private HEPs in Australia.<sup>7</sup>

Of the 49,520 students enrolled, 28,328 commenced their studies in 2008. Overall, this commencement figure made up 6.2 per cent of all higher education enrolments nationally.

In Figure 2, the share of private HEPs is compared with other types of institutions within the sector, the numbers provided in the graph show the HEPs and the public universities share of commencements. Public universities account for a vast majority of commencements at all levels of qualification, especially at the postgraduate level. Private HEPs, however, had a notable share of undergraduate commencements in 2008, at 7.7 per

<sup>7</sup> Some of the growth from 2007 to 2008 recorded in the statistics may be a result of providers beginning to record and provide student enrolment data according to the new requirements. In other words, it is possible that some providers did not report their full enrolment numbers in 2007 due to the transition from one counting methodology to another, but by 2008 this method may have been more universally implemented.

cent. As this part of the sector grows, so too does its share of all students (this share grew from 7.2 per cent in 2007). A more specific picture of the relative growth of the private provider numbers in the sector will be built as the DEEWR data collections for subsequent are released and as further years' data are collected into the future.

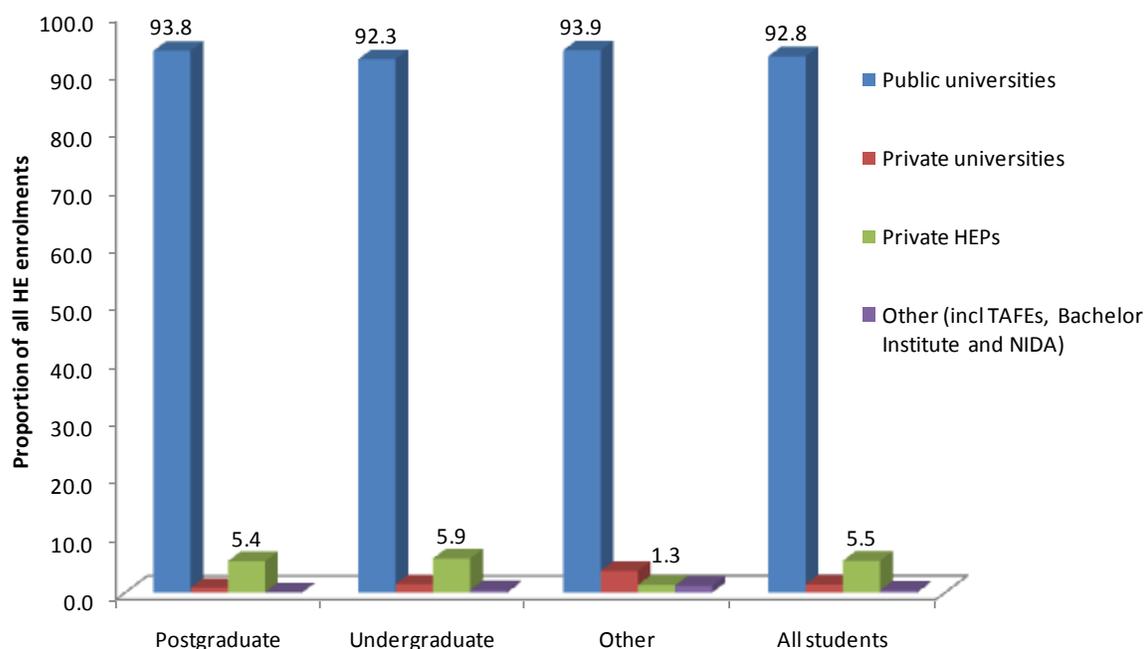


Source: DEEWR Higher Education Statistics Collection, 2008

**Figure 2: Share of higher education commencing students by type of provider and level of qualification, 2008**

Figure 3 displays the share of commencements in 2008 looking solely at the domestic student numbers. The private HEPs share is somewhat lower for the domestic student component of the sector. Overall the figures show that the private HEPs accounted for 5.5 per cent of all domestic higher education commencements in 2008.

It is important to take into account when analysing 2008 DEEWR data that there is no public record available for the measure of the contribution for 76 of the 149 private providers. Accordingly it is critical to note that the contribution to the sector by private providers is not fully represented by public data.



Source: DEEWR Higher Education Statistics Collection, 2008

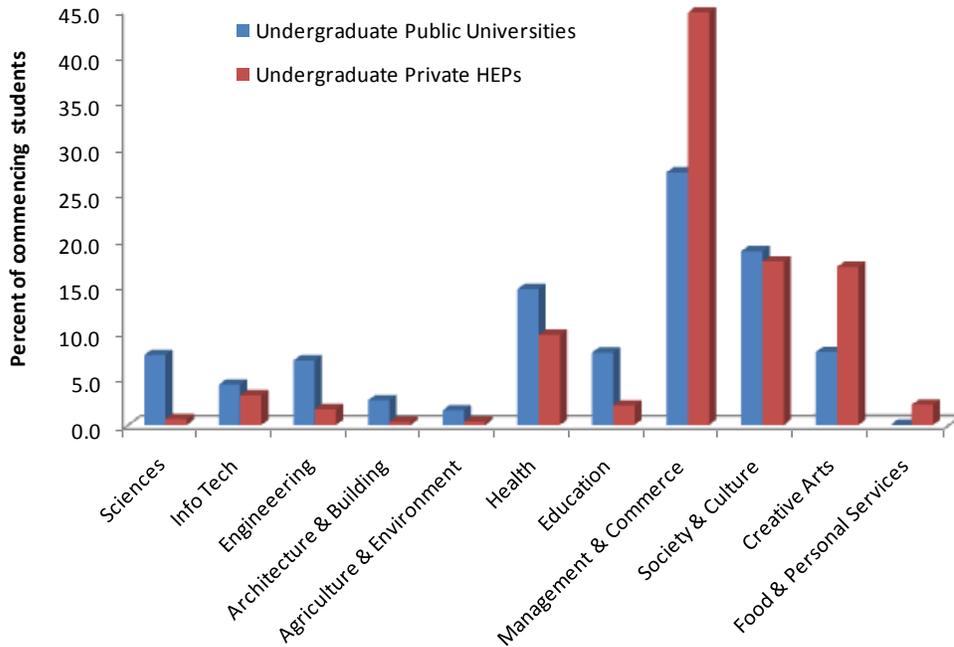
**Figure 3: Share of domestic higher education commencing students by type of provider and level of qualification, 2008**

### *Student characteristics*

Among the commencing student group, some interesting distinctions between students in the private HEPs and those enrolling in public universities are apparent. A number of these features are highlighted here.

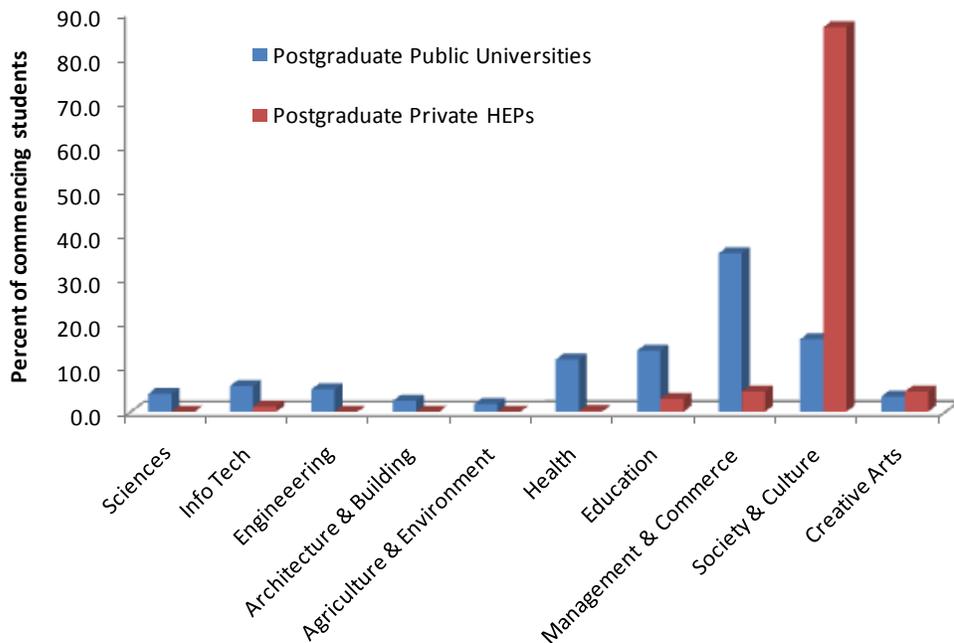
Exploring data by field of education requires caution when looking at the private HEP enrolments. Unlike public universities where courses are offered across a range of disciplines, private sector providers tend to specialise in certain fields. Therefore, generalisations about the whole group of private HEPs does not necessarily provide much of an indication of any one single provider. Nonetheless, Figure 4 and Figure 5 show some notable differences between the subject fields of focus in the private sector in relation to the spread within public universities. For undergraduate commencements in 2008 (Figure 4), the most notable difference between these types of providers is for the management and commerce field. Nearly half (44.7 per cent) of students enrolling in private HEPs are in courses in this field. Private HEPs also include a relatively greater proportion of people studying Creative Arts. By contrast, private HEPs have very small representation in science courses, architecture and agriculture at the undergraduate level.

At the postgraduate level (Figure 5), the majority of commencing enrolments in private HEPs (86.7 per cent) were in the society and culture field (which broadly covers the humanities and social sciences). A sizeable number of these enrolments were based in theological and other religious colleges. The share across other fields among the private HEPs is small.



Source: DEEWR Higher Education Statistics Collection, 2008

**Figure 4: Spread of undergraduate commencements by field of education for private HEPs and public universities, 2008**

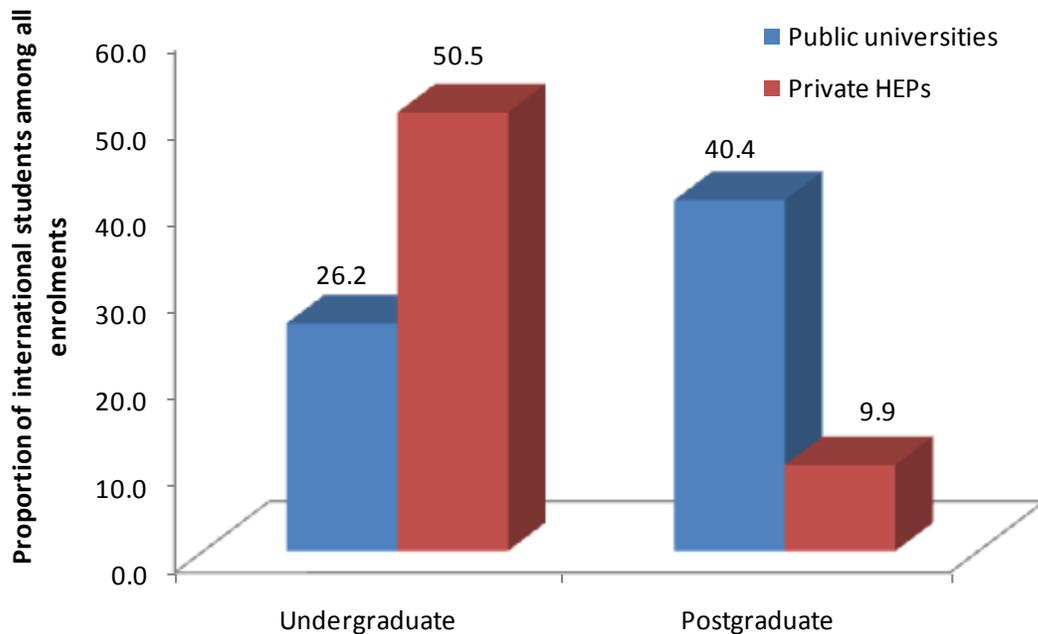


Source: DEEWR Higher Education Statistics Collection, 2008

**Figure 5: Spread of postgraduate commencements by field of education for private HEPs and public universities, 2008**

Figure 6 shows the concentration of international students in the private HEPs and public universities in Australia. As can be seen, there are notable differences in this regard for the two broad qualification levels – postgraduate and undergraduate. In undergraduate studies, the 2008 commencement figures show that just over half of enrolments in private HEPs in Australia were for international students, while the figure for public universities is slightly more than one quarter. However, comparatively few international students are enrolled in the private sector at the postgraduate level. In private HEPs, 9.9 per cent of postgraduate commencements in 2008 were international students, while the comparable figure for public universities was much larger at 40.4 per cent.

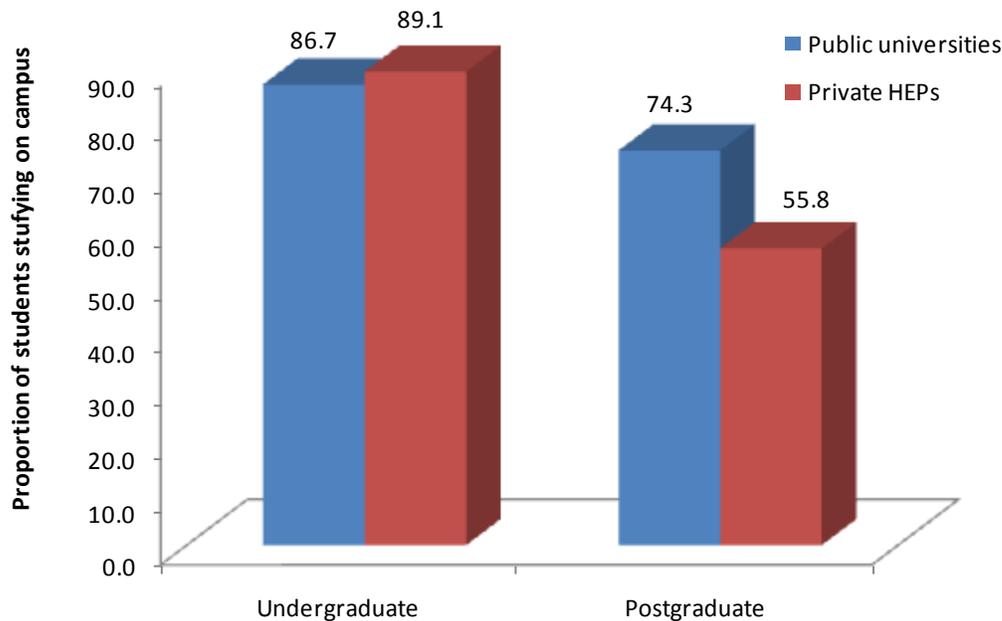
These figures help to illustrate that, contrary to popular understanding, private higher education providers in Australia do have a relatively large domestic student cohort.



Source: DEEWR Higher Education Statistics Collection, 2008

**Figure 6: Proportion of all commencing students that are international students, by course and provider type, 2008**

The share of commencing students by mode of attendance also shows some notable difference within the private HEPs when it comes to undergraduate and postgraduate provision of education. As shown in Figure 7, the vast majority of undergraduates enrolled in private HEPs study on campus, a slightly higher proportion than that for public universities. However, about half (55.8 per cent) of postgraduate commencers at private HEPs in 2008 were studying on campus, compared with nearly three quarters (74.3 per cent) of these students in the public universities.



Source: DEEWR Higher Education Statistics Collection, 2008

**Figure 7: Proportion of all commencing students that study internally (on campus), by course and provider type, 2008**

### *Other differentiating features*

The private segment of the higher education sector is necessarily benchmarked by regulators and accrediting bodies against universities. However, the discussions with private HEPs that formed part of this research highlighted a number of features that differentiate the course offerings of this group of providers from the public universities in Australia.

In particular, many private HEPs involved in the consultations – particularly those with predominantly domestic student bodies – highlighted their role in facilitating the higher education aspirations of people who were not offered enrolment by a public university. Many note that their entrance criteria place less emphasis on prior academic record (although all had certain levels of expectation) and more emphasis on the expressed eagerness of students to participate in the course. Therefore, entry requirements often include face-to-face interviews, letters of recommendation and statements of intent from candidates as well as an evaluation of prior academic achievement.

Such practices and the relative success of students (as indicated by the providers), suggests that this part of the higher education sector has successfully integrated policies of selection that don't rely solely on Year 12 scores. This is something that the university part of the higher education sector is only just starting to grapple with.<sup>8</sup>

<sup>8</sup> James, R., Bexley, E., Shearer, M. (2009), *Improving Selection for Tertiary Education Places in Victoria*, Victorian Government Joint Policy Unit on Youth Transitions.

The many providers who adopt an entry policy that focuses on perceived ambition and interest in the course content, highlighted that while in some cases this means enrolling those with lower academic outcomes, the nature of their course provision ensures that such students receive the support they need on a one-to-one basis. This highlights another feature that providers believe differentiates them from the universities – size.

More often than not, domestic private HEPs involved in the consultations emphasised that where required, their operations can mirror a school environment in order to provide targeted support to students in need. Consultation participants highlighted that this encourages personal relationships between students and all levels of staff, and that students who are falling behind are not only identified early on, but are more likely to seek or be willing to accept assistance in such cases.

The academic year structure in the private HEPs in Australia is also different to most universities. Most of those involved in the consultations operated in a trimester cycle. There are no doubt a number of advantages of having such an academic cycle: economically, such a structure is efficient and effective as the unnecessary costs of classrooms and other facilities sitting unused for months of the year are avoided; for students, it means that course completion can be achieved over a shorter time period while still meeting the requirements of their degree as set out in the National Protocols; in addition to the educational and operational considerations, the more efficient use of resource carries environmental benefits.

The fact that many of these providers are for-profit companies also means that they have a deep knowledge of the exact costs of provision of higher education courses and the areas where efficiencies can be found and processes can be streamlined. In a business sense, this places many private HEPs in advance of many public universities in Australia. As articulated recently by the Vice Chancellor of La Trobe University, Professor Paul Johnson: universities need to get ‘a real handle on the cost of teaching. They [private providers] know full well what their cost base is and if universities are ignorant they will suffer in a more competitive environment’.<sup>9</sup>

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<sup>9</sup> Trounson, A. ‘Cost of teaching is the great unknown’, *The Australian*, September 16, 2009.

## Standards processes within private HEPs

### Overview

The concept ‘academic standards’ lies at the heart of education. For individual and national reasons it is essential that all organisations that provide higher education in Australia do so to the highest possible standards. This means that HEPs need to have a clear sense of what is meant by ‘academic standards’, and that processes are in place to assess and report on standards for the purpose of monitoring, benchmarking and improvement.

While this concept has been part of higher education since its inception, conversations about academic standards have assumed increased prominence in recent years due to a range of high-level research and policy developments.<sup>10</sup> As this work contends, it is essential that as new thinking about ‘standards’ assurance and improvement takes shape it must focus on educational fundamentals and embrace the diversity of providers and practices in higher education.

Of course, there are existing regulatory requirements that frame practice in this area. The range of requirements for private HEPs to adhere to in order to become registered and recognised in Australia are clearly articulated in the *National Protocols for Higher Education Approval Processes*<sup>11</sup> which are compiled by the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA). This process is necessarily rigorous and requires private HEPs to ensure their standards are comparable to those in public universities before they are able to operate.

The National Protocols also provide private HEPs with clear guidelines articulating pathways for providers to grow within the higher education sector. Importantly, those private HEPs with the ambition to move from being ‘non-self accrediting’ to ‘self accrediting’ and even to university status are provided with the opportunity and framework to do so through the established protocols.

Where relevant the requirements of the National Protocols will be referred to in the discussions below. However the discussion in this report is by no means an exhaustive overview of the approval requirements. Therefore, reading the National Protocols provides a complimentary view of the accreditation and other related requirements that help to formulate standards processes for private HEPs to operate in Australia.

In addition to this, private HEPs are required to be audited by the Australian Universities Quality Agency (AUQA) on a five-year cycle. Public reports of these audits are released

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<sup>10</sup> See, for instance: Australian Universities Quality Agency (AUQA). (2009). *Setting and Monitoring Academic Standards for Australian Higher Education: A discussion paper*. Melbourne: AUQA; Coates, H. (2007). *ATN Academic Standards Model*. Adelaide: Australian Technology Network of Universities; Bradley, D., Noonan, P., Nugent, H. & Scales, B. (2008). *Review of Australian Higher Education: Final report*. Canberra: Australian Government; Australian Government. (2009). *Transforming Australia's Higher Education System*. Canberra: Department of Education, Employment and Workplace Relations.

<sup>11</sup> MCEETYA (2007), *National Guidelines for Higher Education Approval Processes*, accessible at [http://www.mceetya.edu.au/verve/\\_resources/NationalGuidelinesOct2007\\_AandB.pdf](http://www.mceetya.edu.au/verve/_resources/NationalGuidelinesOct2007_AandB.pdf)

on the AUQA website<sup>12</sup>. Providers are also required to report annually to the state government accrediting authorities in the state in which they are registered. Any substantial changes to courses (where more than 25 per cent of the curriculum is changed) also require an external re-accreditation process. These and other regulatory requirements<sup>13</sup> expected of private HEPs are extensive and are put in place by government to ensure that the quality of higher education provision in Australia is upheld.

The current high-level analysis of the processes that private HEPs use to manage academic standards was undertaken mainly to provide descriptive information on current practices. At the same time, it offered an opportunity to review how private HEPs are responding to current regulatory requirements, aspects of innovative practice and to collect insights into how new processes may be developed. The next few years will be a time of change for higher education in Australia, including for the regulatory structures outlined above. As such, results from the current work have the potential to play a formative role in shaping new policies and practices. This possibility notwithstanding, as this would appear to be one of the first cross-provider analyses of its kind, it was necessary to start from first principles and be modest about what could be achieved within the scope of the current project.

#### *Research approach*

This discussion of the standards processes and practices within the private HEPs in Australia is based primarily on consultations with providers from across the country undertaken in September and October 2009. In some cases the responses from providers have been supplemented by other information provided by state and federal governments and regulators of non-self accrediting higher education providers.

In mid-September 2009, ACPET formally wrote to all member higher education providers, explaining the project they had engaged ACER to undertake and asking for interested providers to contact the ACER team to register their interest.

In total 27 providers expressed interest in being part of the research. After follow-up phone calls to arrange meetings, 19 of these providers were available to contribute substantially to the collection of information for this research. A list of the providers who were participants in the project is contained in the Appendix.

Consultations were conducted primarily over the telephone, although one was conducted via email. Representatives from the providers generally held senior management positions, with titles such as Academic Director, Quality Coordinator and Chief Executive Officer common among participants. The phone consultations took between 30 and 45 minutes each and covered a range of issues including an overview of the charter of each institution, discussion of admissions processes for students, hiring processes for teaching staff, curriculum development, governance arrangements, ways in which staff

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<sup>12</sup> [www.auqa.com.au](http://www.auqa.com.au)

<sup>13</sup> Including ELICOS accreditation and regulation for providers with international student enrolments, and FEE-HELP regulations for providers offering the Federal Government's deferred loan scheme.

and student feedback was monitored, support services in place and practice for ongoing improvement. Providers were also asked to send examples of any materials used for collecting information and monitoring standards to the ACER team for use in building a contextual basis for this report.

Of the 19 providers involved in the research, they represented all states and capital cities (with the exception of Darwin/Northern Territory), and covered a range of course specialities (including business, IT, theology, public safety, psychology, physical education and other fields).

Those involved were primarily providers to domestic student groups. International students constituted the majority of enrolments at only a few of the providers involved in this research. The high concentration of domestic student providers in this sample has meant that the discussions below tend to focus on the domestic part of the student market.

In terms of overall coverage the sample collected here covers about 15 per cent of all Australian private HEPs.<sup>14</sup> Given that the target population for this consultation were ACPET members only, the sample secured covered nearly one quarter of the ACPET membership base.

It is important to highlight that the providers involved were self-selecting. As a result, it is probably best to view this report as an overview of good practice among private HEPs in Australia.

In the discussion below, no individual providers or staff members are identified. The overview of processes and practices in the report is therefore general in nature. The comments below do not necessarily correspond with the practices of each individual provider.

In addition to the discussion relating to the consultations with providers, some data collected in the national Graduate Destinations Survey (GDS) carried out annually by Graduate Careers Australia (GCA) is used in the sections below to examine the strengths of private HEPs. In the 2008 collection of the GDS used here, 10 of the 49 institutions involved were private HEPs.<sup>15</sup> In the discussion of the results from specific parts of this survey, the average scale scores of each of the private HEPs has been compared with the average outcomes for the public universities. Further information relating to this data is contained in the discussion.

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<sup>14</sup> At the national level, calculating the exact proportion of all private HEPs involved relies on an accurate count of providers, which at this level is difficult to determine. As noted earlier, the DEEWR higher education collection indicates there were 105 providers in 2007, a number which is likely to have grown since this time. The report of the 2008 Bradley Review (Bradley et al, 2008: ix) suggests that there are “150 or so other providers of higher education”. The estimation for the 15 per cent figure is based on the conservative assumption of about 125 private HEPs nationally.

<sup>15</sup> Note that not all 10 of the private HEPs involved in the GDS were also part of the consultations for this report.

The following discussion of standards processes is divided into five main sections: governance, student selection and support, curriculum development and improvement, teaching and assessment, and graduate outcomes. In each section, information gathered from the consultations is presented.

### ***Governance***

Governance and accountability structures are an integral vehicle for the establishment and maintenance of standards within higher education providers. As such, all private HEPs are required to have a formal governance structure overseen by a board made up of internal and independent members.<sup>16</sup> Of particular interest in discussing standards within these providers is the implementation of an Academic Board (or similarly named entity).

All except one of the providers involved in the consultations had an established and active Academic Board, comprising of people from within the provider as well as independent members, generally senior or recently retired university academics and representatives from the industries most relevant to the courses provided. The Chair of Board tended to be an academic with relevant expertise, based in a public university.

The role of the Academic Board is varied across providers. From the perspective of examining standards processes, however, this board tends to be responsible for approving curriculum (in addition to the external accreditation of curricula), ensuring that grading of assessment is following specified protocols, appointment of key academic positions, and overseeing reports relating to student progress and student satisfaction.

Within most private HEPs involved in this research, various sub-committees would also report to the Academic Board in relation to a range of specific issues. Examples of committees established to facilitate this include: Teaching and Learning Committees, Academic Standards Committees, Examinations Committees, Industry Advisory Boards, Curriculum Design Committees, Results Review Committees, and Quality Enhancement Committees. Not all providers have this many committees, but many (particularly the larger providers) mentioned having three or four such entities reporting to the Academic Board.

These governance structures within the private HEPs tended to function as integral parts of their operations. Most providers involved in the consultations said that these structures are in place because they are vital to maintaining standards and quality, not because they are required under regulation. A number of those involved in the consultation claimed that the efficient use of these structures helped to keep the provision of their education at a level higher than that found in the public universities.

By having strong external members on an Academic Board, the providers saw that they could keep in touch with the academic rigour within the university sector, as well as the expectations of industry, in order to ensure excellence. The head of one institute

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<sup>16</sup> *opcit*, MCEETYA (2007)

emphasised the importance of this for the survival of their business stating, ‘we sink or swim on our reputation’.

In relation to this, many of the HEPs highlighted the need to have standards of teaching and learning that not only equalled, but surpassed that of the public universities. Such statements were based on the recognition that private HEPs needed to ensure that their students could see value for money in their courses. These providers acknowledged that their students were paying their course tuition fees without the government assistance that may be available to them in universities, so in order to retain students a high quality education needed to be provided.

Some of the larger providers also noted that the regulatory requirements and the establishment of strong independent governance structures assisted them in planning for growth and reaching other levels of status in the provision of higher education. For some this included setting structures in place so they could move towards becoming self-accrediting providers or university colleges.

### ***Student selection and support***

As noted in the earlier section of this report, the private HEPs involved in the consultations emphasised that one of the key contributions they made to higher education in Australia was that they provided an opportunity for study at this level of qualification to people who may otherwise have missed out on being accepted to university. While the involvement of this group of young people in higher education is admirable and potentially goes some way towards achieving Federal Government equity targets,<sup>17</sup> it also raises issues relating to the need for increased student support and quality control to ensure those accepted can complete their degree and that the degree is of a standard that would be acceptable in the workforce.

Student admissions processes within the private HEPs involved in the consultation were varied but in general appear less focussed on measures of prior academic achievement than the processes occurring in public universities. However, this is counterbalanced by the inclusion of interviews and other means of selecting students into courses.

Overall, the courses taught at the undergraduate level among the providers in the consultation had set a minimum school leaving score (ENTER, UAI, TER). Generally these hurdle scores were set at around 60. This kind of level is in fact not dissimilar to that used for comparable qualifications by some public universities in Australia. The addition of a requirement to write a letter of intent, attend an interview or enrol provisionally before full acceptance were all practices used as additional selection tools within the private HEPs involved in the consultations that enabled selection of students with scores below these levels.

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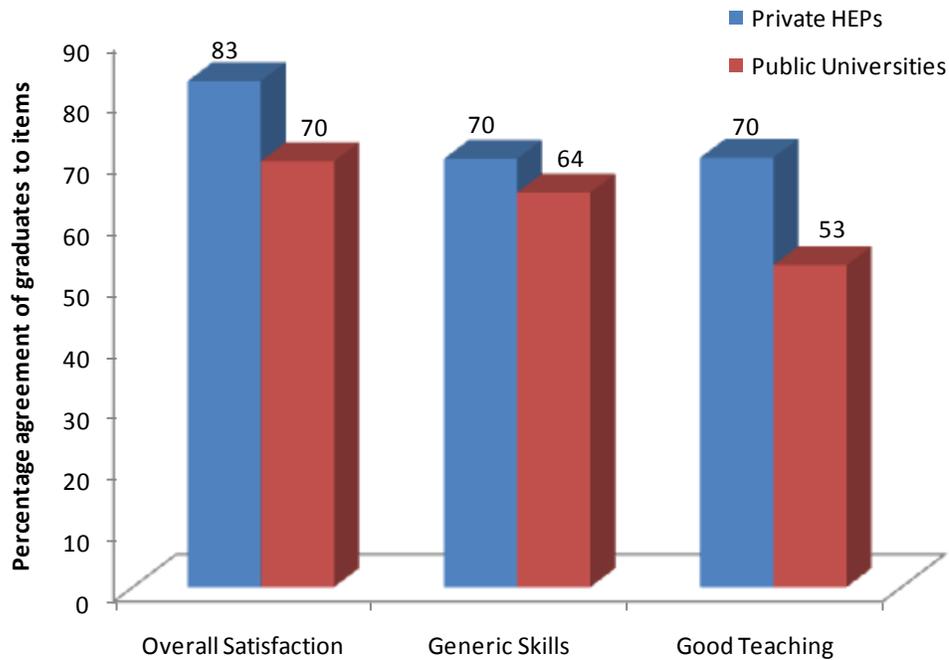
<sup>17</sup> Australian Government. (2009). *Transforming Australia's Higher Education System*. Canberra: Department of Education, Employment and Workplace Relations.

Many of the institutions saw these alternative selection methods as fitting more appropriately with the educational philosophy they have adopted. Their argument being that the operation of their campuses had similar features to a school environment. Due to their small size, teachers, students and the CEO often know each other on a first name basis and the individual progress of students is monitored through staff/student interactions in addition to formalised survey collections. In numerous discussions with provider representatives, the reminder that ‘we’re only small’ was offered throughout the consultations.

It was argued by providers that their small size also facilitates the academic progress of students who might otherwise struggle to cope with the demands of a degree-level course in a university, which cannot always offer the same level of individual support. Small class sizes and encouraged interaction between students and administrative staff (as well as teaching staff) appear to be prevalent among the consultation subjects, meaning that students who are having trouble are less hesitant about seeking assistance and are also more likely to be recognised as ‘at risk’ before they fall too far behind.

In addition to the informal means of assisting students, most providers appear to have formal processes in place for identifying, assisting and if necessary, expelling students who are not able to keep up to the standards required in their course. In some cases, provisional enrolments exist, where students who are ‘borderline’ in terms of entry are given a certain amount of time to prove that they are up to the level required to pass the course. In others, potentially ‘at risk’ students are required to participate in special skills seminars, designed to improve academic writing, numeracy or other areas in need of improvement (for international students, this includes English language tuition where needed).

These support mechanisms are designed to ensure that students have a good chance of success and are satisfied with the outcomes of their course. Data from the Graduate Destinations Survey (GDS), which 10 private HEPs took part in for 2008 has been used here to provide an indication of the extent to which graduates of this type of institution are satisfied with their course. In Figure 8 the average scores of graduates from public universities are compared with the average scores of private HEPs on the three core satisfaction scales of the survey. On the measure of ‘Overall Satisfaction’ the average proportion of graduates indicating high levels of satisfaction within the private HEPs was 83 per cent, compared to an average of 70 per cent among the public universities in Australia. While participation in this survey covers only a small number of private HEPs, the results here indicate some notable differences in satisfaction levels between the two types of providers and paint a good picture of the student experiences within private HEPs. Further discussion in relation to the other scales included in Figure 8 is contained in subsequent sections.



Source: Graduate Destinations Survey/Course Experience Questionnaire, 2008

**Figure 8: Average percentage agreement of graduates in response to core scales of the GDS by provider type, 2008**

### *Curriculum development and improvement*

As noted earlier and detailed in the National Protocols, private HEPs are required to have each course they offer accredited before any tuition can begin. The fact that many of these providers are not able to accredit their own courses is one of the key educational differences between them and public universities (which are self-accrediting bodies). In addition, any alterations to courses that change more than a quarter of the content must be re-accredited by external regulatory bodies.

Many of the representatives from the providers involved in the consultations had personally guided their institution through the course accreditation process. These people were adamant that the rigour involved ensured that their course were (in their words) more ‘up to date’, more ‘industry-relevant’ and more academically rigorous than those taught in public universities. Such comments are perhaps unexpected in this context. However, this was one area where the providers spoke particularly strongly about, with one representative in particular adamant that they stood ‘head and shoulders’ above many public universities when it came to their curriculum.

Aside from the accreditation procedures, the actual process of curriculum design varied substantially across the private HEPs involved in this consultation. In general, the size and the extent to which the HEP was affiliated with other providers or universities seem

to influence the way in which curriculum is developed. Some of the most common scenarios are noted below.

For the larger private HEPs (generally those with multiple campuses across the country), the size of their permanent teaching and administrative staff was generally large and often centrally located. This condensing of personnel and expertise often means that curricula are developed by the institution itself. Usually this development occurs in conjunction with the advice of external industry experts, the Academic Board and a relevant curriculum development committee (which include academics from public universities in the relevant subject knowledge).

For private HEPs in formal relationships with public universities, the curriculum is often developed by the university for the provider, which then takes the content through the accreditation process. Providers who have a base in another country generally have the curriculum developed for their overseas campuses that is modified to ensure compliance with Australian regulations.

Those HEPs which are smaller, or without an affiliation with a larger institution, generally indicated they had paid for consultants with expertise in their subject area and in curriculum development to design their course and subjects in conjunction with their Academic Board.

Curricula among most providers were specifically benchmarked against like courses within the public university system in Australia or in universities overseas. In many cases this benchmarking is a formal process that occurs during development of the curriculum, but in other instances the benchmarking is more informal. The informal benchmarking often occurs through the involvement of academics from public universities in the development process, either via their role on the Academic Board, or involvement as the consultants designing the curricula.

The data displayed in Figure 8 indicates that overall the graduates of private HEPs which participated in the GDS had higher levels of satisfaction on the Generic Skills Scale – which measures satisfaction in relation graduate perceptions of growth in their analytical, problems solving, team work and planning skills throughout their course – when compared to the averages for graduates of public universities. The average among the participating private HEPs was 70 per cent agreement with items relating to this scale, compared with an average of 64 among the public universities. While indicative only, this outcome does help to emphasise that the learning outcomes from private HEPs are positively viewed by graduates and on average the private HEP graduates are more positive about their skills development than those from public universities.

### ***Teaching and assessment***

The delivery of curriculum in the private HEPs involved in the consultation was almost entirely carried out by sessional, short contract-based teachers. The main reason given for the prevalence of sessional teaching staff was that due to the size of the institution it was not financially possible to support a large number of permanent staff. Providers indicated

that most of those involved in the teaching were current academics that also worked within the public university system, former university academics, or experienced people from within the industry the course specialised in. In general, these teaching staff are supported by Deans or course coordinators who often hold full-time positions with the provider.

It is common practice among the consultation subjects that teachers would have a 'plus one' qualification (i.e. they are qualified at least one level higher than that which they teach) and industry experience. Providers seemed relatively flexible on these requirements, such that a large amount of industry experience can sometimes be enough to qualify for teaching even if the qualification level is not at the 'plus one' level. However, it must be noted that having a number of PhD qualified staff involved in the provision of courses was not uncommon.

Due to the sessional-centric weighting of the teaching staff, the provision of, and opportunities for professional development within the private HEPs consulted was generally not substantial. Some offer particular programs for sessional staff once or twice a year, while others indicate that it is part of their contract with the staff that it is the teachers' own responsibility to update their skills and knowledge on an ongoing basis.

Teaching delivery and performance is managed by all institutions sampled into the current study in the form of student feedback questionnaires, generally administered during each teaching unit. The results from such documents are generally aggregated and presented in reports for the Academic Board, Deans and course coordinators. These results are then used to alert management to teaching issues and to provide feedback to the lecturers.

Some providers were more rigorous in this feedback process than others. The most substantial systems in this regard involved two or three surveys at different points in each unit, aimed at identifying potential issues early in the teaching period and then monitoring outcomes over time to ensure any issues had been adequately resolved.

Those with more rigorous processes in this regard often had a formal feedback loop set up for the teachers of each unit. Good examples of this included practices where the course co-ordinator or Dean conduct two meetings per teaching period with each lecturer to go through the student feedback, discuss issues and establish plans to ensure the best possible delivery of curricula to students.

As an additional form of evidence about the teaching and learning outcomes of private HEPs in Australia, the GDS data can once again provide an indication and comparison with public universities. In Figure 8, the Good Teaching Scale data show that graduates from private HEPs on average have notably more positive perceptions of the teaching quality within their institutions than do graduates from public universities. The average level of agreement among the 10 private HEPs involved in the 2008 GDS in relation to the items in the Good Teaching Scale was 70 per cent. By comparison the average percentage agreement across the public universities was 53 per cent. While the sample for

the private HEPs in the GDS is small, the findings provide an indication that the teaching practices within these particular institutions are robust and well received by graduates.

Assessment processes within the private HEPs involved in the consultations generally followed standard procedures, such as internal monitoring of grade distribution (often overseen by an examinations committee or related body).

Moderation policies and procedures for assessments were relatively diverse among the consultation participants. Practice in this regard range from no process at all, to external moderation with public universities. In between these extremes are formal internal moderation processes among campuses of the institution, formal moderation with other private providers and informal moderation (occurring because lecturers in the provider also teach within public universities).

A number of providers mentioned the desire to implement more rigorous moderation practices, but difficulties in securing the cooperation of universities or other providers to partner them in such activities had prevented this.

### *Graduate Outcomes*

An important facet of the higher education system is the educational and employment outcomes of graduates. For providers in particular, the monitoring of graduate outcomes is important for ensuring courses are viable to employers and are appropriately recognised by other higher education providers. Graduate surveys and alumni programs within the providers involved in the consultation were generally limited in nature. In many cases this was because the providers were new to higher education and had not yet had a substantial number of students graduate. In other cases, the small size of the institution meant that formal monitoring of students was not deemed appropriate.

From the anecdotal evidence and actual data provided by providers for this research, the progression of students through the degrees offered appears to be relatively high. Most providers indicated that their retention rates were high and the attrition low. They claimed that this was due to the programs they have in place to provide additional assistance to ‘at risk’ students, and due to the small size of these providers which means that individual students do not ‘fall through the cracks’ as might be the case in larger educational facilities.

As noted above, a number of private HEPs are involved in the national Graduate Destinations Survey (GDS), which collects detailed information about graduates from higher education providers across Australia. A collection such as this allows these providers to benchmark their graduate satisfaction ratings and employment outcomes against the whole higher education sector. As indicated in this report, the core satisfaction measures recorded by the graduates of private HEPs involved in the CEQ were on the whole very favourable in comparison to the average levels achieved by public universities. A number of providers involved in the consultations who have been building up their higher education enrolments over the past few years mentioned their interest in being part of collections such as this in the future.

Other providers had processes for collecting data, but these were designed and administered within the provider. These surveys were considered by some providers as adequate for their needs and were specifically tailored to suit the industry, fields and type of graduate outcomes that their courses aimed towards. However, while these collections provide some indications to individual providers about their graduates, they cannot be compared against the outcomes of other institutions for benchmarking purposes.

Some of the providers involved in the consultations noted that graduate destinations details in terms of employment were less relevant to them because their students were predominantly employed in the sector in which they were training, or because they were older persons undertaking study for non-vocational reasons. This was particularly pertinent among private providers focussed on postgraduate degrees for domestic students.

## Conclusion

Overall, the research found that HEPs offer a diverse range of courses in a number of different learning contexts. These providers have affiliations among themselves, as well as affiliations with public Australian universities and with overseas universities and training providers. Many providers come from a Vocational Education and Training (VET) background and have in recent years branched into higher education. In comparison to traditional higher education institutions (i.e. universities), private HEPs are generally small and offer more of a ‘school-like’ learning atmosphere. However, expansion in recent years and the establishment of clear regulatory guidelines within the sector mean that a number of the larger private HEPs in Australia see the future as offering opportunities to grow further and become more like universities in governance, accountability and provision.

Standards processes within the HEPs involved in this research were generally well established and overseen by several layers of self-established independent governance as well as state and federal regulation. The size and link to affiliates tended to influence the extent to which HEPs were willing and/or able to benchmark curricula, assessment processes and student satisfaction against other providers.

The main impression of private HEPs in Australia gained from this research is that this part of the higher education sector is confident in their ability to deliver quality educational qualifications, aware of their student body and the industries to which they are linked, and ambitious to improve, grow and prove that their degrees are of higher quality than of those in other parts of the sector.

## **Appendix: Participating private HEPs**

Adelaide College of Divinity  
Australian College of Applied Psychology  
Australian College of Physical Education (ACPE)  
Australian Institute of Management - Vic & Tas  
Australian Institute of Management SA  
Australian Institute of Public Safety  
Carnegie Mellon University  
Christian Heritage College  
Holmes College  
QCESA School of Ambulance and Paramedic Studies  
SAE Institute Byron Bay  
SAE Institute Perth  
South Australian Institute of Business and Technology (SAIBT)  
Sydney Institute of Business and Technology (SIBT)  
Tabor Adelaide  
Tabor College, Tasmania  
Think Education Group  
UIC, Group Colleges Australia  
Whitehouse Institute of Design, Australia