Quality *Assessment*

The Australian Experiment

Preface

An important part of the work of the Swedish National Agency for Higher Education (Högskoleverket) is devoted to stimulating the renewal of higher education in Sweden. One way to do this is to support the exchange of ideas within Sweden and with other countries.

Vin Massaro, Registrar and Director of Administration at Flinders University in Adelaide, has kindly agreed to present the Australian system for quality assurance in higher education to us at a seminar and in written form. Needless to say, the views presented are those of the author rather than those of the Agency.

From a Swedish perspective, there are a number of relevant comparisons to be made. Australia, like Sweden, is a rather small country, undergoing a process of change and adaptation to the world economy. Its system of higher education has changed greatly during the last few years, adopting principles also developed in the Swedish system, i.e. a shift from funding based on planning to funding based on performance, including monitoring the output. The backgrounds differ, however, in that the Australian universities are granted more autonomy under Australian legislation than their Swedish counterparts.

This report gives a general introduction to the conditions under which Australian universities operate. It shows to what extent universities are regulating themselves in matters which in Europe are often regulated by the state. The report also gives an in-depth account of the three-year round of quality assurance, which is rather different from that pursued in Sweden. Whereas our emphasis is on making sure that the universities improve themselves (by means of audits), Australia tried to measure and reward the quality of each institution directly. As Vin Massaro indicates, this is now under debate in Australia and their experiences are well worth studying.

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Introduction

This paper is based on an address to a Special Seminar of the Swedish National Agency for Higher Education held in Stockholm on 7 December 1995. While its main aim is to discuss quality assessment in Australia, it also provides a broad overview of the context in which Australian higher education operates, including a description of the governance structure of its universities. The title has also changed from "Quality Assessment: The Australian Model" to "Quality Assessment: The Australian Experiment" to reflect the fact that in announcing the results of the third round of quality assessments, the then Minister announced that "This now completes the three year term for the Program" (Crean 1995). The paper is therefore able to attempt an assessment of the programme.

The problem with publishing a paper such as this some time after it was delivered is where to draw the line on the policy developments to be included. I have decided to make it as up to date as possible at the time of writing, but in some cases this has presented a different problem - with a change of Government and higher education policy in transition, some of the comments are inevitably speculative.

Governance and Management of Australian Universities

The Australian Federation of States is governed by a Constitution which defines the powers of the Commonwealth (the federal government) in the governance of the country. The Constitution gives power to the Commonwealth to administer foreign trade, foreign affairs, defence, taxation, etc., but is silent on the question of education. The Commonwealth therefore has no power over education matters. Before federation in 1901 Australia was a collection of independent Colonies administered by the British Government. (In fact, the Australian Constitution is an Act of the British Parliament.) So each State had a Constitution and each had developed a parliament, a form of government and, among other things, an education system. The process of federation involved a negotiation between the States about which of their powers they would cede to a national parliament in return for creating a nation.

Education was deemed to be a matter for the States, and so it has remained. As each State developed its first university it looked to Britain for guidance and, like Britain, gave its universities a significant degree of independence. The maintenance of quality was assured by writing into the Act of establishment that the university could award degrees, provided that they were of similar standard to those awarded by the universities of Oxford or Cambridge. (New universities were often referred to their older counterparts for this quality standard. This idea of referral to antecedent institutions was not uniquely Australian, as can be seen from the charters of most of the older European universities - Uppsala was referred to Bologna, for example (Hermans & Nelissen, 1994)) Universities are given control over their governance and management and are able to decide within their budgets what they will teach, what research they will pursue, whom they employ as lecturers, professors and administrators, including the Vice-Chancellor, whom they admit to courses, and the conditions upon which they will award degrees. Universities may own and manage property and may invest funds at the discretion of their Councils.

The Acts of Parliament establishing universities endow them with powers beyond those normally accorded to a government agency. The Council of a university is established as a body corporate and its Act will define this to mean that the organisation has perpetual succession; legal standing in the Courts; the power to purchase, own and dispose of property; the power to hold exclusively any property vested in it; the power to accept bequests; and to be capable in law of doing everything that a body corporate may normally do to preserve and advance its interests. Essentially universities are self-governing and regulating bodies. They can be influenced by the Minister only through legislation passed by the Parliament. Professor Malcolm Frazer (Frazer 1995) (Figure 1) has developed a very useful taxonomy of how autonomy in universities can be defined. If Australian universities were judged by that taxonomy, it would be apparent that they have the greatest level of autonomy possible.

Figure 1. Perceptions of Autonomy. From Frazer, M. (1995) Table 2.

Property	Questions revealing the extent of autonomy	Relation to external evaluation *
Legal status	Is the institution recognised in law as a separate entity? Is the institution free to own property? Can it enter into contracts with others, without reference to higher authority?	No direct relation
Academic authority	How does the institution obtain its authority to operate and to make academic awards? Is this authority subject to review and renewal?	In some countries, institutional accreditation (sometimes periodic)
Mission	Does the institution determine its own mission (goals)?	In most countries, the mission is not subject to external evaluation but is the starting point for it.
Governance	Is the body which governs the institution appointed by some other authority? Is the governance of the institution independent from any higher authority? Is the institution responsible for quality control and assurance?	Likely to be subject of external evaluation
Financial	Is the institution free to make decisions about expenditure, ubject to the financial laws of the country, and any financial contractual conditions?	Subject to external financial audit
As an employer	Can the institution appoint, employ, promote and dismiss its own staff without reference to others?	Yes
Academic	Does the institution determine the admission of students? Does the institution have to seek approval to establish each programme of study - once only, or periodically Does the institution determine the curriculum - goals, content , teaching and assessment methods? Is there freedom to pursue research in any area?	Yes In some countries, programme accreditation Yes Yes

The Act will also describe the broad functions of the University and provide it with the legal power to make Statutes and regulations to govern its academic and management activities. The typical functions would be described as: the provision of educational facilities at university standards; the establishment of such facilities as the University deems desirable for the provision of courses of study; giving instruction to and examining students; providing courses of study or instruction at such levels of attainment as the Council deems appropriate to meet the requirements of industry, commerce or any other section of the community; the general dissemination of knowledge and the promotion of scholarship. The Council is described as having the "total management and control over the affairs of the University". Typically, it will concern itself with long-term strategic issues, leaving academic decision-making to its Academic Senate.

Councils are usually large bodies (often between 30 and 40 members), made up of people from industry, the State Parliament, government appointees, and staff and students. They are members in their own right and it is common for university Acts to forbid members acting as representatives of any particular body, even if they have been appointed or elected by that body. The intention is that Councils should play a fiduciary role on behalf of the public, to promote the interests of the University rather than those of the groups Councillors might individually represent. With the strengthening of legislation governing company boards of directors, which now places quite onerous responsibilities on directors to act only in the best interests of the company, university Councils are being assessed by the same stringent criteria.

The issue of the role and function of Councils has been topical recently with two inquiries – one by the Commonwealth, which covered the broad spectrum of higher education management; and one by the State of South Australia (Hoare 1995 and McGregor 1996). The recommendations about governance were similar - Councils should be smaller (between fifteen and twenty members) and concentrate on the long term and strategic objectives of their institutions. They confirmed a trend to place more power in the hands of the Vice-Chancellor as the Chief Executive Officer of the organisation, who is appointed by and responsible to the Council. In keeping with the company board analogy, the title of CEO and the expectations normally held of it in private enterprise are increasingly being applied to the position of Vice-Chancellor. The argument that this is a natural extension of the

nature of the university enterprise, with staff numbers and budgets which are comparable to those of large companies, is inescapable.

The State inquiry recommended that Council members should be appointed by an independent selection committee consisting of a majority of external members. This change is very much in keeping with modern practices relating to company boards, but the recommendation did not proceed to the next logical step of suggesting that Council members should have the same responsibilities as company board members or that they should be paid for their work. The State Inquiry's recommendations have led to changes in legislation to reduce the number of Council members, including a significant reduction in the number of academic staff.

A theme which was not raised in the State Inquiry, but which did generate comment in the federal inquiry was the role of Councils in assessing the performance of Vice-Chancellors. University Councils in Australia have found this role very hard to perform partly because Council members tend to feel a lack of expertise in dealing with management in an academic environment and partly because the nature of their job means that they are only in the University once or twice per month and do not feel that they have a grasp of the issues at close quarters. Many university councils have sub-committees to advise them on the performance of the Vice-Chancellor, but these rarely make close assessments. The result is that a Vice-Chancellor could go for a whole term of five to seven years without hearing any criticism or feedback from the Council. At the end of the term, there will either be a quite perfunctory assessment to confirm a further term or the Vice-Chancellor will suddenly be told that his or her services will no longer be required. The recommendations in the Hoare Committee would certainly go some way to addressing this issue, but it is probably necessary to make some rather radical changes to the corporate operation of the Councils before members would feel confident enough with each other and with the organisation to make real decisions.

The Commonwealth Inquiry reported before the 1996 federal election which produced a change of government, and very little has been heard since. As the federal system does not allow the Commonwealth to influence the size of Councils, that aspect of the report was never going to be more than an expression of opinion. However the report made a number of

recommendations to redress what it perceived to be deficiencies in the management of institutions, a theme close to the heart of the new Minister, especially when she has been in dispute with universities. We might therefore expect the government to re-visit the Hoare Report in the near future.

These trends towards the concentration of power in Vice-Chancellors are often criticised by academics who believe that they lead to a reduction in collegiality and an increase in managerialism, but even these terms are being re-defined. Collegiality in the academic context still exists through our Academic Senates, Faculty Boards, and the way in which we conduct our business in universities. It has never meant that every academic would be involved in every decision, and it certainly has not and can not mean that accountability to the governing body can be left with the Vice-Chancellor while management can be placed in the hands of the body politic which is neither individually nor collectively accountable. Similarly, managerialism is not new. Vice-Chancellors in Australia have always had significant powers vested in them and, if anything, the democratisation of campuses which occurred during the 1970s has reduced that power. Also, before that democratisation, the "God Professor" had far more power over the daily lives of academics than any Vice-Chancellor or Head of Department could exercise today.

The Course Structure

The basic unit in the Australian university course structure is the three year degree, which follows from the last year of secondary school (Year 12). Entry to university is largely based on Year 12 examination results, and students may apply for any course for which they meet entry pre-requisites. While students may study in any Australian State, the great majority attend university in their home State. Students declare preferences for the courses and institutions they wish to enter and a computer system places each in the highest preference course for which he or she is qualified in terms of tertiary entrance ranking.

Australia does not have a national standard for degrees, these being set by the universities themselves. However, there is a high degree of uniformity in both length and nomenclature. The ordinary undergraduate degree consists of three years of full-time study, with Law and Engineering requiring four years and Medicine generally six. Students in three year degrees may be eligible to complete a fourth year to gain an honours degree. In the four year degrees and in Medicine, the honours degree tends to be awarded on the basis of additional work of higher quality completed during the normal course of the degree. Students may also choose combined degrees (Law and Economics/Commerce, Law and Arts, Law and Science are the most common) which are generally of five years duration and lead to the award of both degrees. Entry to the postgraduate degrees of Master and Doctor of Philosophy is based on having a good honours degree or demonstrating that the student can complete additional work of similar standard. In general students progress from a bachelor's to a master's to a doctoral degree, but the holder of a first class honours degree may move directly to doctoral studies.

The Master's degree may consist either entirely of course work, with a minor thesis, or of a major thesis. Assessment will generally be conducted by the university itself, although theses may be sent to external examiners. In general a Thesis Master's candidate will be expected to demonstrate the capacity to explore a subject area in some depth and a capacity to undertake independent research. A Course Work Master's candidate will be expected to demonstrate a capacity to complete courses at a more advanced level than

an honours undergraduate student. It is not usual for a Course Work Master's graduate to be able to enter a doctoral programme without completing further research work. The Doctor of Philosophy is examined on the basis of a major thesis which must demonstrate a capacity for independent original research, and which must make a significant contribution to the body of knowledge. The thesis is examined by two or three external examiners, chosen for their academic standing in the discipline and for their independence. In most cases such examiners are chosen from foreign universities.

The Australian Higher Education System

To return to the national scene, despite its lack of specific powers, the Commonwealth has been playing an ever greater role in higher and general education. With an increasing role in the funding of higher education it has acquired a greater level of control over its planning. But while the Commonwealth had established a Universities Commission in 1946 to advise it on university policies and funding, it was 1964 before it appointed a Minister Assisting the Prime Minister in matters affecting education and research, and 1966 before it appointed its first Minister for Education and Science. The Commonwealth now spends over $8000 million annually on education, some $5,500 million of it on higher education. The States provide virtually no funding, but because the Constitution has not been amended, universities are still established under State Acts of Parliament and accountable to State Ministers.

The early stages of the Commonwealth's involvement in higher education was essentially benign. The federal government was interested in having internationally recognised universities, in increasing the country's independence in research, and in seeking greater educational opportunities of its growing population. The arrival at university age of the post-war "baby boomers" and the children of post-war immigrants, coupled with a period of considerable economic growth and stability, meant that the government could be generous in its support of higher education. The reports of the two major Committees (Murray 1957, Martin 1964-5) which led, respectively, to an expansion in the number of universities and the creation of an advanced education sector, give the impression that the government was listening to enlightened advisers who spoke in their reports about the creation of excellence. The joint Commonwealth/State funding of universities, which began following the Murray Report, was extended to the advanced education sector by the Martin Report. Under this arrangement the Commonwealth provided $1 of recurrent funding for every $1.85 of State recurrent funding; capital funding was shared equally. Because the States still provided the bulk of the funding, the major negatives in the system at

this time were those State governments who could not see with sufficient clarity the vision being accepted by the Commonwealth.

The result of these interventions by the Commonwealth in the 1960s was a significant expansion of higher education. While the period from the mid-1960s to the mid-1970s may not have been a Golden Era, this level of growth and funding was the closest we are likely to come to one. To the applause of most in higher education, the Commonwealth assumed complete funding responsibility for the system in 1974, in return for the States abolishing tuition fees. It created a new body, the Tertiary Education Commission, to provide planning and funding advice for both sectors. The Murray Committee had warned against the dangers of increasing intervention if funding were transferred to a single source, but their warnings had been forgotten. The Commonwealth could now influence the higher education system through its granting mechanisms, while the States acted as post-boxes for the funds. Unfortunately, the completion of this federal avenue to the land of milk and honey coincided with an economic downturn, resulting in funding decreases which have yet to be recovered.

The binary system which had emerged consisted of universities and an advanced education sector, the latter consisting of former teacher training colleges and institutes of technology. Modelled as it was on the United Kingdom and Californian systems, the division of responsibilities and the missions of the two sectors were clearly differentiated. The university sector was to be academically oriented, with research and doctoral studies being concentrated there. The college sector was to cater for students who were less interested in academic pursuits and more interested in the acquisition of applied skills. The college sector would be "equal to but different from" the university system, and could award the degree of bachelor. A significant feature of this system, which lasted from 1965 until 1988, was the degree of external regulation.

The university sector continued to have independence over its internal academic affairs and could offer new courses or change its courses through its internal Academic Board and governing Council. The Commonwealth determined whether a university could enter a new field of study, but once it had agreed to this, the university was assumed to have the capacity to determine the academic standards of the degrees it awarded. In practice, because the essence of a university was assumed to lie in its capacity to teach

across the full spectrum of disciplines, medical training was the only major field which was controlled. In research, universities had even more freedom and could enter any field provided funding was available. Funding for universities, while passing through the States as required by the Constitution, was specifically earmarked for each university in the federal Act of appropriation. (A further change in the past three years has removed even this State involvement, with funds passing directly from the Commonwealth to the universities.)

The colleges were not so free to determine their destinies. They could not offer doctoral programmes, nor could they compete for government research funds. No infrastructure was provided for the pursuit of research, so they were funded at a different base level. Recurrent funding came from the Commonwealth through State co-ordinating bodies, which determined how each college would be funded. They were subject to external course accreditation and were required to submit to a review by an accreditation committee before they were permitted to offer any new course. Having obtained agreement and funding for the new course, they were then required to undergo quinquennial re-accreditation. Accreditation committees were generally made up of university academics, and they examined every aspect of the organisation and management of the new development to ensure that it met appropriate standards and would be backed by appropriate resources. The courses were also scrutinised to ensure that they did not replicate the "pure" aspects of their university counterparts.

The Australian system before 1988 was therefore highly regulated, albeit not as government-directed as some of the European ones. The Tertiary Education Commission maintained diversity in the system by determining what would and could be done. As a result of a review of engineering disciplines, it decided that some schools should be closed, although only one of these was in a university; as a result of a more general review in 1981, it decided that thirty teacher education colleges should be merged into larger colleges; it kept the binary system intact through its funding mechanisms. When I was involved in managing the first merger between a university and a college in 1986-1987, the Commonwealth took great interest in the extent to which this might blur the binary divide and require the merged university to be funded at a different level to account for its larger research role. The merger had been promoted as the only means by which a specialist health sciences institution could undertake research, and the change to university

status and funding was explicit in conversations with the Commonwealth. That the new institution would be entitled to research funding was seen as axiomatic. At the same time, there was concern that this new funding status would create precedents elsewhere.

By 1987, the two sides of the binary system were enrolling about equal numbers of students. The college sector was becoming increasingly frustrated by what it perceived as its second class status, particularly its inability to pursue applied research. It wanted a new brief in higher education and had been lobbying skilfully to gain a new status. In retrospect the university sector lost the battle to retain the binary system by believing that its position was secure and by not conceding that there were some significant institutes of technology which could be admitted to the university club. At the same time, the lobbying was being conducted on different perceptions of the likely result. As late as 1987 there was an assumption that if a college became a university its funding would be increased. But when the Western Australian government tested this by passing legislation to transform the Western Australian Institute of Technology into the Curtin University of Technology, the Commonwealth was forced to act. Because it had not agreed to the translation it refused to change its funding assumptions and continued to treat the new University as a college. However, even this left open the implication that university funding would follow if the Commonwealth agreed to a change in status. So at this point we had a system which had a great deal of internal autonomy, but a firm guiding hand which ensured that diversity could be maintained through a rigorous insistence on defined missions.

A new Minister for Employment, Education and Training in 1987 (the Hon John Dawkins) changed all that. He issued a policy discussion paper on higher education proposing massive changes to the system. The Paper proposed an end to the binary system; a 40% increase in graduates by the year 2001; promised deregulation of the system to give institutions greater freedom from central control; confirmed the enrolment of full-fee paying overseas students; and proposed concentrating educational efforts in areas which met national priorities.

Because the Government could not find the $1.2 billion required for this task it proposed that the beneficiaries of education would need to make some contribution towards it. The Committee given the task of finding a

politically acceptable mechanism for re-introducing fees recommended the attractive idea of charging fees at 20% of the average cost of courses, but allowing them to be paid either in advance or through the Taxation system. Students repay their fees only when they can afford it, because repayments begin when the graduate earns above a certain income level. The scheme is equitable because it does not prevent a student from entering university on the grounds that he or she cannot afford the fees. However, the scheme also contains the seeds for both the level of the contribution and its rate of repayment to be increased at the government's whim (indeed it has become an annual event!). The new government has recently proposed changing the basis of calculating the contribution to reflect the potential earning power of the graduate, and it has both increased the percentage of costs to be borne by students and lowered the income threshold at which payment will commence. We are now likely to have the odd situation that Law will cost as much as Medicine even though the actual cost of teaching Law is lower than any other discipline. Industry, which was also identified as a beneficiary of higher education, was too difficult to deal with and a proposal to levy a special tax on industries which employed graduates was not pursued; although it has remained on the agenda.

The Tertiary Education Commission was abolished and control over the system was passed to the Department of Employment, Education and Training. The government set up a new National Board for Employment, Education and Training, with a Higher Education Council and an Australian Research Council to advise it on higher education matters, but neither the Board nor the Councils were given staff in sufficient numbers to be able to undertake the analyses which had been possible under the former Commission. Another significant change was to increase the power of the Minister in determining funding for institutions. Previously, the Commission would advise the Minister and an appropriation Act would be passed by Parliament embodying the Minister's decisions. From 1989, Parliament allocated a total budget to the Minister which he could then distribute without further reference to Parliament.

The promise of deregulation was kept to the extent that, apart from the annual negotiations on profiles, institutions could offer any courses they wanted (other than medicine, dentistry and veterinary science) and could compete for research funds. College staff could now apply for funds in competition with their university counterparts, but research funding would

not increase. The government also decided that it could not fund all institutions at the former university levels; but the colleges were able persuade government to transfer some research funds from universities to the colleges to enable the latter to survive in the new competitive world.

The colleges then argued that there was no significant difference between what they were doing and what the universities were expected to do - indeed the universities were not serving the government's agenda very well because they were doing pure rather than applied research and were not giving enough weight to teaching. It was clear that the binary system should be dismantled if the government was serious about creating a competitive unified national system. The government eventually agreed although it stopped short of allowing colleges to re-designate themselves as universities without some prior examination of their worthiness. By mid-1989 this position had become impossible to defend and it was agreed that any college could be re-designated a university provided that it understood that no funding increases would result from the re-designation. Within a short time every tertiary institution had become a university.

Apart from the damage that has been done to the system by spreading resources too thinly, especially in research, the most remarkable result of these changes has been the degree of uniformity which has developed. As soon as the new universities gained their new titles they began to copy their older university counterparts. All wanted to enter the research arena; all wanted to enrol doctoral students irrespective of their capacity to support them (there has been a 90% increase in the number of PhD student enrolments since 1988 and a similar increase in Masters by research enrolments; Masters by coursework have increased by 150%); all wanted to introduce Law and most did. The fears of commentators who predicted the creation of a uniform national system (or "uniform national mediocrity", as one commentator put it) rather than a unified national system were realised. All the arguments which the college sector had mounted to demonstrate that it might be different from universities but certainly superior to them, and all the avowed emphasis on teaching and diversity were forgotten.

The Quality Process

Quality became an issue in Australia as a result of the fears of Vice-Chancellors and other commentators that the reforms had led to a reduction in quality. The Minister asked the Higher Education Council in June 1991 to investigate the characteristics of quality in higher education, how quality might be monitored and what strategies might be used to encourage, maintain and improve it. The Council concluded that quality had suffered as a result of trying to spread too little money too thinly, and creating false expectations in the former colleges, which had moved into postgraduate education at a rate which could not be supported by the available infrastructure (HEC/NBEET 1992).

In October 1991 the Minister issued a policy statement, *Higher Education: Quality and Diversity in the 1990s*, in which he concluded that after a period of significant change to the higher education system, it was to enter a period of consolidation. It was therefore necessary to assure the community that the quality of higher education was of an appropriately high standard. The same statement announced an allocation of $70m (or two percent of Federal recurrent grants) to institutions which could demonstrate better than adequate quality of higher education provision; and the Higher Education Council was asked for advice on how quality assessment might be conducted.

The Council reported in October 1992 on the mechanisms for measuring quality, and in November an independent Committee for Quality Assurance in Higher Education was established to undertake quality assessments and make recommendations to the Minister on the distribution of funds. Because of the fear that diversity might also have been reduced as a result of deregulation, the Committee was specifically encouraged to reward diversity by ensuring that quality was measured not against some abstract notion, but an institution's mission and a self-assessment of the effectiveness of its quality assurance processes. The overall quality of outcomes would also be taken into account. The reviews would be external and cover the whole institution. The objectives of the review were to maintain and enhance the quality of Australian higher education by recognising and rewarding effective quality assurance policies and practices and excellent outcomes.

Following the return of the Labor government at the March 1993 elections, there was a change of Minister for Higher Education. The new Minister, the Hon Kim Beazley, was concerned that he could not identify for his foreign colleagues the major Australian universities, and at the growing tendency to assume that all universities were equal. Mr Beazley changed the focus of the quality assessment from one of self-evaluation on the basis of mission to one based predominantly on performance and achievement. He therefore expected no more than half the institutions to receive quality funding (Beazley 1993).

The Committee issued Guidelines for the preparation of submissions in July 1993, although they were amended in October of that year, after the portfolios had been submitted. The Guidelines confirmed that the Committee would use institutional self-assessment as the key element in the quality review process because it wanted to guarantee diversity. Diversity would be promoted by examining quality in the context of the institution's mission and stated objectives, be they regional, national or international.

Funds would be allocated to institutions demonstrating "better than adequate performance". Institutions would be rewarded for quality assurance measures and for excellence of outcomes. For those who feared that a simple mission and a high score in meeting it might favour some institutions unfairly, there was a post hoc response. A Freedom of Information claim made by a university following the Committee's First Report in March 1994 resulted in copies of the *Handbook for Members of Review Teams* being published. This shows that Review Teams had been advised to use an Evaluation Matrix in which the difficulty of mission was used to modify the results in the process and outcomes fields (Figure 2) (CQAHE 1993, p. 33).

Figure 2. Suggested Evaluation Matrix. CQAHE (1993), p. 33

	DIFFICULTY OF MISSION	PROCESS	OUTCOMES	IDENTIFIED AREAS OF IMPROVEMENT
TEACHING AND LEARNING	A, B, C, D	$\overline{10}$	$\overline{10}$	YES/NO
RESEARCH	A, B, C, D	$\overline{10}$	$\overline{10}$	YES/NO
COMMUNITY SERVICE	A, B, C, D	$\overline{10}$	$\overline{10}$	YES/NO

Key to Mission Ratings

(IN RELATION TO THE AREA OF ACTIVITY BEING CONSIDERED)

A: Basic mission, outcomes easily achievable
B: Attainable mission, outcomes achievable with moderate degree of difficulty
C: Challenging mission, outcomes achievable with considerable difficulty
D: Highly challenging mission, outcomes achievable only with great difficulty

Following rumours that some British universities were taking legal action against their quality findings, the Australian Committee sought advice from the Attorney-General, and the Vice-Chancellor of each university was required to sign a statement agreeing to participate (Figure 2). It is difficult to see how this statement could protect the Committee, but it clearly gave it comfort and it was used on each subsequent occasion. On the other hand, despite the understanding that no member of the Committee should participate in assessments of his or her own institution, at least three members were on the other side of the table when their university was visited.

Figure 3. Agreement to Participate

AGREEMENT TO PARTICIPATE

I agree to my institution's participation in the quality review process being conducted by the Committee for Quality Assurance in Higher Education and its review teams. I acknowledge the Committee and its review teams include members of higher education institutions. I also acknowledge that, as advised in the Guidelines for Higher Education Institutions, members of the Committee and its review teams are required to absent themselves from consideration of any matters which relate to their own institutions or those with which they have had a closs association. I agree to my institution's participation on the basis that the Committee and its review teams shall be constituted in accordance with the arrangements acknowledged above.

Universities were required to produce a twenty page quality portfolio which could be accompanied by a second volume of supporting evidence, eventually restricted to thirty pages. The portfolio was required to address the following questions (CQAHE 1994 p.8):

• What quality assurance policies and practices does the institution have in place or is developing?

• How effective are these?

• How does the institution judge the quality of its outcomes?

• In what areas and in what ways are the outcomes excellent?

• What are the institution's priorities for improvement?

Institutions could decide on the content and presentation of the evidence they provided, and the onus was on them to demonstrate quality. The Committee stated that the Review Teams were not there to prove or disprove

a university's case but to obtain a relative measure of its validity (CQAHE 1994 p. 9). The deadline allowed two months for the preparation of portfolios.

The visits took place during November and December 1993, while the debate continued over the process to be used, and most occurred either during the main examination period or after the end of the academic year. This was significant because it was announced that the Teams wanted to meet a variety of groups in each institution, including students, external Council members and employers of graduates. The Teams adopted different approaches, leading to questions about the feasibility of aggregating their findings into a single report. The visits were of one day, and although the team members later said that the time was sufficient, it is difficult not to be sceptical about the amount which could have been learnt in so short a time about the totality of an institution's activities. In my University, the timetable for the day allowed little time for the Team to work together or to explore issues in which they were interested - they met about 80 people, spending only half an hour with the senior management group.

There was a further change of Minister in January 1994, after the visits had been completed and while the Committee was preparing its report. The new Minister, The Hon Simon Crean, the former President of the Australian Council of Trade Unions, announced that he could envisage all institutions receiving some funding.

The Committee reported in March 1994, stating that it had found considerable diversity in the system and declared it to be in good health. (The report which led to the quality process had argued that funding for higher education had been falling and needed to be increased if quality were not to suffer. The Quality Committee was now suggesting that system could manage on what it had - a conclusion which has been haunting the system ever since.) The Committee concluded that "those universities which are achieving a high level of research outcomes are also achieving a high level of teaching outcomes". In an odd piece of argument, however, it declared that although teaching and research outcomes were found to correlate positively, this should not imply a causative relationship (CQAHE 1994(a) p.9). One can only assume that it was being cautious about too openly declaring that it had relied heavily on research performance as a surrogate for quality, although its results reflected this.

The Committee reported (CQAHE 1994(a) p.12) that from the scores on the matrix mentioned above it had found that the "correlations between process and outcome ratings for teaching and learning and research indicates a strong relationship between quality processes and quality outcomes in research (r = .80). The relationship between quality processes and outcomes in teaching (r = .64) is not substantially different from that between teaching outcomes and research outcomes (r = .61)"(Figure 4). This was interpreted as an attempt to give the Committee's largely subjective judgements an air of scientific validity.

Figure 4. Assumptions for Quality Assessments. CQAHE (1994), p. 12
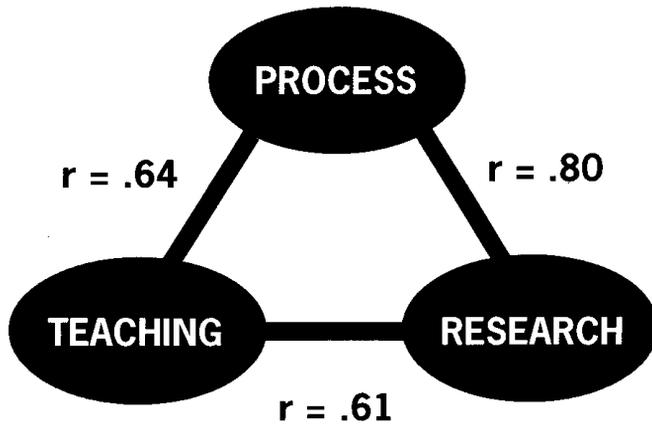
The result was that all universities were allocated funds in accordance with their position in six Groups (Figures 5, 6 and 7).

Figure 5. Ranking of Institutions and Quality Funds Allocated - 1993 Round. CQAHE (1994a)

Institution (listed alphabetically within groups)	% Operating Grant	1994 Operating Grant (A$000s)	Funding (A$000s)
Group 1			
Australian National University	3.00	$191,275	$5,738
University of Adelaide	3.00	$124,998	$3,750
University of Melbourne	3.00	$252,098	$7,563
University of NSW	3.00	$210,267	$6,308
University of QLD	3.00	$213,210	$6,396
University of WA	3.00	$110,760	$3,323
		Sub-Total	$33,078

- excellent outcomes in research, teaching and learning and community services; and
- well developed planning processes which support the quality assurance processes; and
- evidence of international as well as national referencing.

Group 2			
Monash University	2.50	$240,241	$6,006
University of Sydney	2.50	$278,117	$6,953
University of Wollongong	2.50	$74,577	$1,864
		Sub-Total	$14,823

- excellent outcomes in research, teaching and learning and community service; but
- systematic quality assurance processes less well developed;

OR
- well developed approach to quality assurance processes with more limited but highly creditable outcomes; and
- evidence of international as well as national referencing.

Figure 6. Ranking of Institutions and Quality Funds Allocated - 1993 Round. CQAHE (1994a)

Institution (listed alphabetically within groups)	% Operating Grant	1994 Operating Grant (A$000s)	Funding (A$000s)
Group 3			
The Flinders University	2.00	$79,973	$1,599
Griffith University	2.00	$114,586	$2,292
La Trobe University	2.00	$144,350	$2,887
RMIT	2.00	$137,326	$2,747
University of Tasmania	2.00	$93,123	$1,862
		Sub-Total	$11,387

- highly creditable outcomes in teaching and learning, research and community service; and
- sound, systematic approach to quality assurance processes is developing in teaching and learning, research and community service.

Group 4			
Deakin University	1.50	$123,527	$1,853
Macquarie University	1.50	$90,222	$1,353
Qld University of Technology	1.50	$156,015	$2,340
UTS	1.50	$115,427	$1,731
		Sub-Total	$7,278

- creditable outcomes in teaching and learning, research and community service; and
- a sound approach to quality assurance processes is developing in teaching and learning, research and community service.

Figure 7. Ranking of Institutions and Quality Funds Allocated - 1993 Round. CQAHE (1994a)

Institution (listed alphabetically within groups)	% Operating Grant	1994 Operating Grant (A$000s)	Funding (A$000s)
Group 5			
Charles Sturt University	1.00	$73,378	$734
Curtin University of Technology	1.00	$116,117	$1,161
James Cook University	1.00	$63,648	$636
Murdoch University	1.00	$52,950	$530
Southern Cross University	1.00	$36,811	$368
University of Canberra	1.00	$45,498	$455
University of Central Qld	1.00	$42,871	$429
University of New England	1.00	$75,264	$753
University of Newcastle	1.00	$113,187	$1,132
University of South Australia	1.00	$128,457	$1,285
		Sub-Total	$7,482

- sound outcomes in focused areas but less well developed processes;

OR

- improving outcomes supported by generally sound processes.

Institution	% Operating Grant	1994 Operating Grant (A$000s)	Funding (A$000s)
Group 6			
Australian Catholic University	0.00	$47,675	$300
Ballarat University	0.00	$27,598	$150
Edith Cowan University	0.00	$86,550	$450
Northern Territory University	0.00	$27,416	$150
Swinburne University of Technology	0.00	$49,198	$300
University of Southern Qld	0.00	$53,294	$300
University of Western Sydney	0.00	$137,855	$600
Victoria University of Technology	0.00	$83,511	$450
		Sub-Total	$2,700

- improving outcomes with the introduction of systematic processes underway

| **Total Allocation to All Groups (A$000s)** | | | **$76,748** |

Given this list, many commentators concluded that the Committee had opted for a political solution - one university in each mainland capital was in Group 1. The two in Group 2 which many would have expected to see in Group 1 (Sydney and Monash) could be explained away because of internal difficulties either as a result of recent expansion or as a result of severe management problems. Wollongong was the surprise, but its inclusion was seen as a demonstration of the Committee's avowed interest in diversity. That Tasmania should have been relegated to Group 3 was not difficult to explain because it was still digesting a merger with a comparatively large college. The rankings correlated well with research rankings (Figure 8), one commentator claiming the correlation to be as high as 0.88 (Grichting 1994).

Figure 8. Research Rankings vs Quality Rankings

		$000	Qual Group
1	Melbourne	37380	1
2	Sydney	33920	2
3	University of New South Wales	32235	1
4	Queensland	28119	1
5	Monash	22963	2
6	Western Australia	18814	1
7	Adelaide	18001	1
8	Australian National University	14008	1
9	Macquarie	10623	4
10	Flinders	10378	3
11	La Trobe	10211	3
12	Curtin	9347	5
13	Newcastle	9256	5
14	RMIT	9001	3
15	Tasmania	8542	3
16	University of South Australia	7397	5
17	QUT	7141	4
18	Griffith	6544	3
19	University of Technology Sydney	6180	4
20	Wollongong	5352	2
21	James Cook	4526	5
22	University of New England	4508	5

The Reaction to the First Round

I will spend some time on the reaction to the first round because it encapsulated a number of the major flaws in the process. Reaction to the second and third rounds was less strident, probably because we had learnt to live with the reality that nothing would change.

The Press reported the story as a straight league table. *The Sydney Morning Herald* had a front page article headed "Dropped from the Honours Class", with a sub-title asserting "Once the unquestioned leader among Australia's universities, Sydney was written off this week as second rate". At the other side of the country, *The West Australian* was telling its readers: "UWA in top rank for education quality". The Vice-Chancellor of Monash University decried the process as working against universities which had been attempting to implement the government's 1988 reform agenda, and favouring those which had largely ignored it. Staff and student unions were angered because the Committee had given to those who had and wondered how the less wealthy were ever likely to improve.

Most newspapers welcomed this first attempt to grade universities as overdue and desirable. In *The Australian* of 10 March, the Higher Education editor, Luke Slattery, exemplifying the views of most Press commentators, concluded that it was a step in the right direction despite the fact that there would be "endless debate about the criteria used by the quality committee". The editorial on the same day was also positive, praising the process as a "welcome if problematic move towards greater public accountability among our universities". The *Financial Review* declared that it was not how it was done in business, but it was about time the process was begun. The Vice-Chancellors argued that the process had not been beneficial to the system, and the rankings had probably damaged it. The Australian Vice-Chancellors' Committee (AVCC) had recently called for a limit on government controls and saw in the report the signs of government interference.

We were assured that the rankings were not meant to imply a league ladder, with the Minister declaring publicly his support for the Quality Committee and berating Vice-Chancellors who could not see that there was nothing

wrong with having been placed in a lower Group given that it was not a league table. This did not prevent confusion in the minds of our overseas clients, nor did it stop universities in the higher Groups from advertising their rankings. While the official Australian line in Malaysia was that prospective students could rest secure in the knowledge that Australian higher education was being monitored to protect its quality, it was somewhat confused by the parade of Vice-Chancellors reproducing the rankings.

There had been suggestions at the February meeting of the AVCC (before the Report was issued) that the second round be deferred pending the production of a better methodology, but the proposal failed because of the fear that any such deferral risked losing the Quality funds. The April meeting of the AVCC was devoted almost entirely to a generally unfavourable critique of the Report, and few emerged satisfied with the outcome. However, it was agreed that the next set of draft guidelines would be sent to the AVCC for comment.

The reports sent to institutions were considered by them to be bland and unhelpful. The Committee Chairman conceded that the reports had not been as good as they might have been because Teams had had to visit too many institutions in a short time and because of the need to produce the reports quickly to avoid leaks from the Committee's deliberations. The reports had also been bland to protect the Committee from the possibility of legal action.

As the debate was dying down the Department of Employment, Education and Training produced a publication entitled, "Diversity and Performance of Australian Universities", which a senior official suggested might provide useful information for the Quality Committee. The document provided a table with fifty performance indicators for each University, with universities grouped according to age, correlating rather well with the Quality groupings. The document included a scattergram on Efficiency, showing dollars per student unit on the vertical axis and graduates per teacher on the horizontal axis (Figure 9).

*Figure 9. Diversity and Performance in Australian Universities -
Efficiency. DEET (1994).*
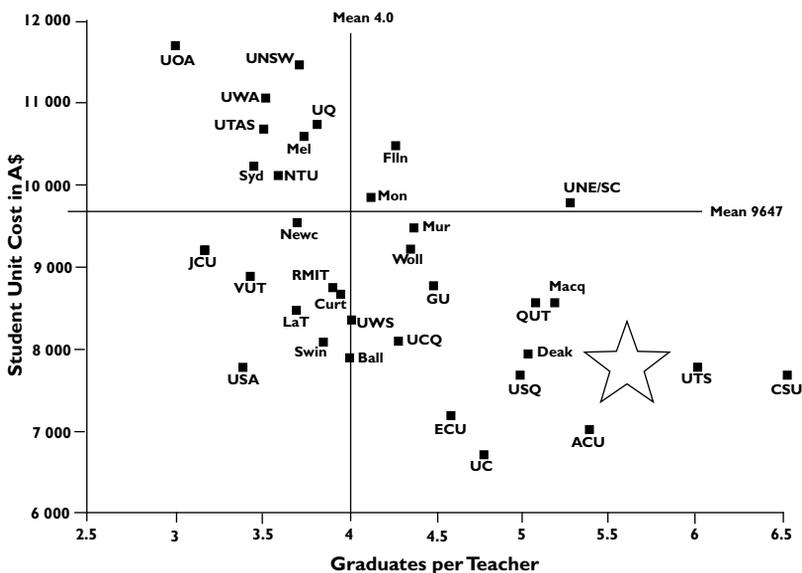
As can be seen from Figure 9, the Group 1 universities were all contained within the most expensive and least productive sector (the Australian National University was omitted because of its special funding status). As these were also the universities admitting the best qualified students and had the best research performance, one could conclude that the Committee's conclusions might not have been very accurate. The reaction to the paper was immediate and virulent. Universities in Group 1 argued that the document was meaningless as it did not reflect adequately the significant levels of research occurring in their institutions, nor the number of high-cost and longer courses offered.

Others took to the statistics with relish. One approach was to look at four significant indicators, and to correlate these with the quality assessments to produce a new Table (Gannicott 1994) (Figure 10). The predictive ability of this analysis was claimed to lead to a calculation of potential against actual performance (Figure 11), - the entries on the right of the chart identify the over-achievers.

Figure 10. Alternative Quality Ranking of Australian Universities - 1993 Round. Gannicott (1994)

Rank	Institution	Index	Rank	Institution	Index
1	University of Queensland	76.4	21	Queensland University of Technology	33.6
2	University of Adelaide	64.0	22	University of Central Queensland	31.6
3	University of Sydney	59.5	23	University of Technology, Sydney	31.2
4	University of Western Australia	57.9	24	Edith Cowan University	30.1
5	University of New South Wales	57.1	25	Swinburne University of Technology	28.6
6	Australian National University	57.0	26	Royal Melbourne Institute of Technology	28.3
7	Monash University	54.4	27	University of South Australia	28.0
8	University of Melbourne	53.3	28	University of Canberra	27.3
9	University of Tasmania	44.6	29	University of Southern Queensland	27.0
10	Macquarie University	43.4	30	University of Western Sydney	26.9
11	University of Wollongong	39.9	31	Charles Sturt University	26.8
12	Flinders University of S.A.	38.9	32	Deakin University	25.9
13	Murdoch University	37.8	33	Victoria University of Technology	23.4
14	James Cook University of North Queensland	37.4	34	Australian Catholic University	23.4
15	University of Newcastle	37.3	35	Ballarat University College	22.4
16	La Trobe University	35.0			
17	Griffith University	34.7			
18	Northern Territory University	34.3			
19	Curtin University of Technology	34.3			
20	University of New England/Southern Cross	33.8			

Notes: Ranking calculated from the mean value of (i) percent of recent graduates in full-time employment (ii) percent of recent graduates in full-time study (iii) research grants per full-time equivalent academic staff member and (iv) industry contribution to research.

All four indicators were converted to percentages by using the figure for the best-performing university in each category in the denominator.

Source: DEET, Diversity and Performance of Australian Universities, Higher Education Series Report No. 22, Canberra, 1994

Figure 11. Actual Versus Predicted Performance - 1993 Round. Gannicott (1994)

Actual value < predicted   Actual value > predicted

Gannicot 1994
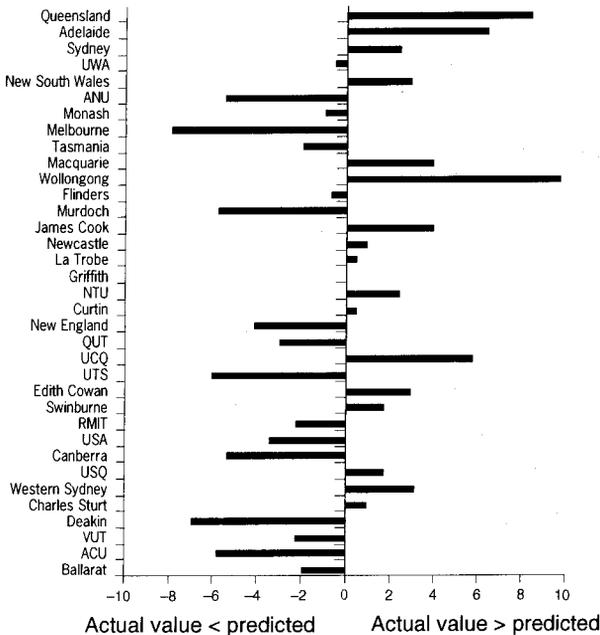
The Second Round

The second round began with a new set of guidelines being issued while the Committee was still establishing what would be measured. The first round had included the full range of teaching and learning, community services and research. The second round was expected to concentrate on teaching and learning; and the third round on research. The Chairman and other members of the Committee had indicated their dissatisfaction with the tools for measuring teaching and learning and community service, and the first Report had indicated that this problem had not been resolved. As the discussion proceeded on the second round, it was argued that while concentrating on teaching and learning, the Committee should nevertheless give some weight to the other two areas, with perhaps a weighting of 70/20/10 for teaching and learning, research, and community service respectively. The Guidelines were eventually issued on 31 May 1994 indicating that the second round would concentrate on teaching and learning only, and that it would review (CQAHE 1994b, p.3):

- overall planning and management of the undergraduate and postgraduate teaching and learning programme;

- curriculum design;

- delivery and assessment;

- evaluation, monitoring and review;

- learning outcomes;

- use of effective innovative teaching and learning methods;

- student support services and other teaching support services, such as library and computer services;

- staff recruitment, promotion and development; and

- postgraduate supervision.

In the context of their mission and objectives, institutions were to use their portfolios to (CQAHE 1994b, p.4):

- provide documented evidence of their quality assurance policies and practices;

- detail their own assessments of the effectiveness of these, and the processes followed to make those assessments;

- indicate their judgements on the quality of their outcomes, their areas of strength and priorities for improvement;

- indicate improvement activities undertaken and the results of these activities.

On this occasion the Committee sought to explain in more detail how it proposed to perform its task. The evaluation would consider "the institution's framework for quality assurance, evidence of its effectiveness, commitment to continuous improvement and the quality of the outcomes". And its approach would rely on the following "fundamental questions" (CQAHE 1994b, p.5):

- What quality assurance policies and practices does the institution have in place or is developing for assuring the quality of its teaching and learning performance?

- How effective and how fully deployed are these?

- What processes does the institution have to evaluate and monitor the quality of its outcomes?

- Which quality related indicators does the institution use and why?

- What are the institution's priorities for improvement?

- What quality initiatives has the institution undertaken since the 1993 review and what evidence of improved performance is there?

Portfolios for the second round were due by 1 August 1994, and visits of one day occurred in September and October. Early in the round, the Committee Chairman, Professor Brian Wilson, suggested that not all institutions might be allocated funds in this round because concern had been expressed about the overseas impact on institutions which had been placed in the lower Groups (*The Australian Higher Education Supplement*, 1 June 1994). In the same article Professor Wilson stated that this round would provide a greater challenge for institutions and the Committee because performance indicators for teaching and learning were less easy to evaluate. He promised that the process would be more open, with the review team reports being made public. The teams reported to the relevant Vice-Chancellor at the end of each visit, and universities were given the opportunity to comment on the accuracy of statements made in the individual reports.

The Committee published its two volume report in March 1995, one volume containing an overview and recommendations and the other individual institution reports. It had found improvements in quality since 1993. It had also found "a marked improvement in quality assurance policies and practices in teaching and learning"; and it had been impressed by the "attitudinal and procedural change evident in 1994...[and] a widespread perception that the quality assurance program has been valuable in focussing university attention on the importance of continuous improvement" (CQAHE 1995b Vol. 1, p.1). The Committee expressed its findings in a Table with three categories, and all institutions were included (CQAHE 1995b Vol. 1, p.14) (Figure 12). The Committee's conclusions were still based on a good correlation between process and outcome despite the 1993 report indicating a correlation of only 0.64.

Figure 12. Ranking of Institutions - 1994 Round. CQAHE (1995b)

REPORT ON 1994 QUALITY REVIEWS

Group 1

(institutions are listed in alphabetical order)

Australian National University
Deakin University
Griffith University
Macquarie University
Monash University
Queensland University of
   Technology
University of Adelaide
University of Melbourne
University of New South Wales
University of Queensland
University of South Australia
University of Sydney
University of Tasmania
University of Technology, Sydney
University of Western Australia
University of Wollongong

Group 2

(institutions are listed in alphabetical order)

Australian Catholic University
Central Queensland University
Curtin University of Technology
Flinders University
James Cook University
La Trobe University
Murdoch University
Royal Melbourne Institute of
   Technology
University of Ballarat
University of Canberra
University of Newcastle
University of Western Sydney

Group 3

(institutions are listed in alphabetical order)

Charles Sturt University
Edith Cowan University
Northern Territory University
Southern Cross University
Swinburne University of
   Technology
University of New England
University of Southern
   Queensland
Victoria University of Technology

The Third Round

The third round, which assessed the quality of research and community service, began earlier in the year, portfolios were due two months after the Guidelines were issued, and the visits were completed by August 1995. The Committee was to examine research management processes, research outcomes, research improvement, and community service management, process and outcomes. Institutional portfolios should (CQAHE 1995a, pp.3-4):

- demonstrate the role accorded to research and community service in the context of the institution's mission and objectives;

- provide documented evidence of their quality assurance policies and practices;

- detail their own assessments of the effectiveness of these, and the processes followed to make those assessments;

- indicate their judgements on the quality of their outcomes, their areas of strength and priorities for improvement; and

- indicate improvement activities undertaken since 1993 and the results of these activities.

The questions central to the assessment process were the same as those for the second round.

The process was much the same as in the previous two rounds, with Teams visiting for one day and speaking to a wide range of staff and external people. The Chairman had indicated (Wilson 1995b) that in this round institutions might be grouped in two or three classifications and rewarded differently for each. In the same article, Professor Wilson said that the Committee was "looking at research process, research output and trends in research. So this should provide an opportunity for institutions that do not have a great research record, but which have really got their act together and are showing

results, to shine - even if their overall output per staff member does not rank with the top universities".

Research performance was easier to assess because there have been good performance indicators in place for some time, but it was a different matter with the methods for assessing community service, because it was not defined. Professor Wilson said after the visits that the Committee had been impressed by the range and magnitude of community activities in which staff participated. While I can confirm that from our own staff surveys, and while I would not wish to denigrate the undoubted benefits which both the university and the community derive from such activities, I am not sure how I would measure its value in any comparative way. If we count all community activity as equal, there is no value in doing anything special. But if we are to measure such activities at all and reward them differently, it is imperative that we decide first how each type of activity will be judged. In the event, while the Committee reported quite effectively on the research aspects of its assessments, the community services section of its report was the weakest (CQAHE 1995c, Vol. 1, p. 5).

The Committee's report was issued in two volumes in December 1995 (CQAHE 1995c). The Report contains an overview of the processes used over the first two years, discerning advances in the sector's capacity to adopt quality improvement policies and to change. The Committee was also impressed by the degree to which the former colleges had improved their processes and performance in the area of research.

On this occasion the Committee reported in a far more complex way. Its assessment task was divided into four components: research management process, research outcomes, research improvement, and community services. The funds allocated for this round were less than originally intended ($50 million), but the Committee proposed an allocation to each of the above components. Performance in each was then measured to place institutions into a particular group for each component and the components and groups were weighted to provide a total allocation for each institution. In the tables below, Figure 13 shows the recommended distribution across components.

Figure 13. Recommended Distribution Across Components - 1995 Round.
CQAHE (1995c), p.27

Component		Per cent	$m
A.	Research Management Process	20%	10
B.	Research Outcomes	40%	20
C.	Research Improvement	20%	10
D.	Community Service - management, process and outcomes	20%	10

The mechanism for funding within components is contained in Figure 14.

Figure 14. Recommended Mechanism for Funding Within Components -
1995 Round. CQAHE (1995c), p.27

	Component		
Groups	A	B	C
1	2.0	2.0	2.0
2	1.5	1.7	1.7
3	1.0	1.3	1.3
4	N/A	1.0	1.0

The ranking of institutions for each component is shown in Figures 15, 16, 17 and 18.

Figure 15. Assessment of Research Management Process (Component A) -
1995 Round. CQAHE (1995c), p.29, Table 4

Group 1 (institutions are listed in alphabetical order)

The Australian National University
Curtin University of Technology
Griffith University
Monash University
Murdoch University
Queensland University of Technology
Royal Melbourne Institute of Technology

The University of Adelaide
The University of Melbourne
The University of New South Wales
The University of Queensland
The University of Sydney
The University of Western Australia
University of Wollongong

Group 2 (institutions are listed in alphabetical order)

Central Queensland University
Charles Sturt University
The Flinders University of South Australia
James Cook University of North Queensland
La Trobe University
Macquarie University
Northern Territory University
Southern Cross University

Swinburne University of Technology
The University of New England
The University of Newcastle
University of South Australia
University of Tasmania
University of Technology, Sydney
Victoria University of Technology

Group 3 (institutions are listed in alphabetical order)

Australian Catholic University
Deakin University
Edith Cowan University
University of Ballarat

University of Canberra
The University of Southern Queensland
University of Western Sydney

Figure 16. Assessment of Research Outcomes (Component B) - 1995 Round.
CQAHE (1995c), p.30, Table 5

Group 1 (institutions are listed in alphabetical order)

The Australian National University
The Flinders University of South Australia
Monash University
The University of Adelaide
The University of Melbourne

The University of New South Wales
The University of Queensland
The University of Sydney
The University of Western Australia

Group 2 (institutions are listed in alphabetical order)

Curtin University of Technology
Griffith University
James Cook University of North Queensland
Macquarie University
Murdoch University

Royal Melbourne Institute of Technology
The University of New England
The University of Newcastle
University of Tasmania
University of Wollongong

Group 3 (institutions are listed in alphabetical order)

Central Queensland University
La Trobe University
Northern Territory University
Queensland University of Technology
Swinburne University of Technology

University of Canberra
University of South Australia
University of Technology, Sydney
University of Western Sydney
Victoria University of Technology

Group 4 (institutions are listed in alphabetical order)

Australian Catholic University
Charles Sturt University
Deakin University
Edith Cowan University

Southern Cross University
University of Ballarat
The University of Southern Queensland

*Figure 17. Assessment of Research Improvement (Component C) - 1995
Round. CQAHE (1995c), p.31, Table 6*

Group 1 (institutions are listed in alphabetical order)

The Australian National University	The University of Newcastle
Curtin University of Technology	The University of Queensland
Griffith University	The University of Sydney
Queensland University of Technology	The University of Western Australia
The University of Adelaide	Victoria University of Technology

Group 2 (institutions are listed in alphabetical order)

Central Queensland University	University of Canberra
Charles Sturt University	The University of Melbourne
Monash University	The University of New England
Murdoch University	The University of New South Wales
Northern Territory University	University of South Australia
Royal Melbourne Institute of Technology	University of Wollongong
Swinburne University of Technology	

Group 3 (institutions are listed in alphabetical order)

Edith Cowan University	The University of Southern Queensland
La Trobe University	University of Tasmania
Macquarie University	University of Technology, Sydney
Southern Cross University	University of Western Sydney

Group 4 (institutions are listed in alphabetical order)

Australian Catholic University	James Cook University of North Queensland
Deakin University	University of Ballarat
Flinders University of South Australia	

Figure 18. Assessment of Community Service (Component D) - 1995 Round.
CQAHE (1995c), p.32, Table 7

Group 1 (institutions are listed in alphabetical order)

Curtin University of Technology
Monash University
Northern Territory University
Royal Melbourne Institute of Technology
The University of Melbourne

The University of New South Wales
University of South Australia
University of Tasmania
University of Wollongong

Group 2 (institutions are listed in alphabetical order)

Australian Catholic University
The Australian National University
Central Queensland University
Charles Sturt University
Deakin University
Edith Cowan University
The Flinders University of South Australia
Griffith University
James Cook University of North Queensland
La Trobe University
Macquarie University
Murdoch University
Queensland University of Technology
Southern Cross University

Swinburne University of Technology
The University of Adelaide
University of Ballarat
University of Canberra
The University of New England
The University of Newcastle
The University of Queensland
The University of Southern Queensland
The University of Sydney
University of Technology, Sydney
The University of Western Australia
University of Western Sydney
Victoria University of Technology

And, finally, the resultant funding distribution is shown in Figure 19.

Figure 19. Recommended Institutional Funding Allocations - 1995 Round.
CQAHE (1995c), p.33, Table 8

Institution (listed alphabetically)	Funding
Australian Catholic University	$600,000
The Australian National University	$2,388,000
Central Queensland University	$692,000
Charles Sturt University	$864,000
Curtin University of Technology	$1,671,000
Deakin University	$1,002,000
Edith Cowan University	$843,000
The Flinders University of South Australia	$1,035,000
Griffith University	$1,512,000
James Cook University of North Queensland	$855,000
La Trobe University	$1,377,000
Macquarie University	$1,090,000
Monash University	$3,013,000
Murdoch University	$861,000
Northern Territory University	$722,000
Queensland University of Technology	$1,748,000
Royal Melbourne Institute of Technology	$1,830,000
Southern Cross University	$591,000
Swinburne University of Technology	$729,000
The University of Adelaide	$1,615,000
University of Ballarat	$489,000
University of Canberra	$663,000
The University of Melbourne	$3,082,000
The University of New England	$994,000
The University of New South Wales	$2,667,000
The University of Newcastle	$1,404,000
The University of Queensland	$2,682,000
University of South Australia	$1,513,000
The University of Southern Queensland	$652,000
The University of Sydney	$3,273,000
University of Tasmania	$1,281,000
University of Technology, Sydney	$1,182,000
The University of Western Australia	$1,517,000
University of Western Sydney	$1,306,000
University of Wollongong	$1,213,000
Victoria University of Technology	$1,043,000
TOTAL	**$50,000,000**

As already noted above, the section on community services was the weakest because it provides little indication to institutions which were not in the first rank about what they can do to improve their performance. At the same time, there is little explanation of the connection between having good

processes and reporting mechanisms and actually having good outcomes. The other component which generated some concern was the research improvement one. While it was apparent that some strong institutions had become stronger, those with a relatively strong performance but with little percentage improvement were disadvantaged by comparison with those with virtually no research performance previously which had achieved a measurable result in the past year. Another component with doubtful outcomes was that measuring research management processes. While there is no doubt that a quality assurance process should measure such things, what is the evidence that they cause improvements in research performance? In one case a university achieved the highest ranking in this component despite having none of the positions in its research administration office filled for the year during which the assessment was being made. One might be tempted to suggest that the Committee relied too heavily on the outcomes to infer that the processes must have been equally impressive.

An Assessment

In what has proved to be its third and final report the Committee spends some time describing its assessment approach and procedures (CQAHE 1995c, Vol. 1, pp. 23-24). The Committee had decided that the promotion of diversity meant that it could not judge institutional performance against an externally imposed "gold standard". It was therefore seeking to evaluate relative rather than absolute standards. The Committee also provides a justification for the system of quality assessment it had chosen, while acknowledging defects in this holistic approach. It describes the alternative, disciplinary approach as less capable of delivering institutional change and improvement because the concentration is only on small parts of an institution at any one time. It continues the myth that the system had voluntary institutional participation, and then goes on to describe the other positive features as the provision of significant incentive funding, the self-evaluative nature of the initial stage, the holistic approach, basing evaluation on quality assurance processes and quality outcomes, and the public reporting of results (CQAHE 1995c, Vol. 1, pp 1-2).

As a post hoc rationalisation of the system this sounds reasonable, but I believe that the process tried to do too much, too precisely in too short a time. This was exacerbated by the confusion about the task. Was the Committee measuring quality assurance processes or was it measuring quality? The outcomes also sent mixed messages. While it was argued that good processes tended to lead to good outcomes, only research correlations supported this. The Committee was clearly learning on the job, as is demonstrated by the significant changes in its modus operandi over the three years. It was not clear about its objectives, and the rush to begin work before having a clear plan was a mistake. While the eschewing of the external "gold standard" might have been very Australian in its egalitarianism, it caused considerable confusion over the purpose of the task.

Then there were the problems associated with ranking. However the grouping of institutions is explained, even in the last round, one cannot escape the impression of ranking. The descriptors accompanying the groups in the first round could only be interpreted as saying that institutions in

Group 1 could do no wrong - they had "excellent outcomes in research, teaching and learning and community services; well developed planning processes which support the quality assurance processes; and evidence of international as well as national referencing". The funding distribution further reinforced the notion that excellence was being rewarded in due measure.

Given the impossibility of demonstrating a direct link between process and quality, it would have been more credible to have measured actual quality, having first determined some definitions. The Committee should have been required to announce clearly what its expectations were and what it would require as evidence to convince it that quality had been discovered. The problem with the Australian system has been that it has tried on the one hand to be more precise and on the other relied on information which cannot deliver that level of precision. Because the process had the imprimatur of government, it was inevitable that the Committee's conclusions would have enormous impact, so that it was even more important that they be correct. Instead, an imperfect process has placed institutions in an apparently precise rank order.

Whether the Committee was right in its decisions despite the faulty process is another question. Some universities which have been placed in Group one in all three rounds have antiquated and cumbersome practices which are renowned for impeding performance rather than promoting it, yet we are being encouraged to emulate them. At the same time, it is difficult to comprehend that the Committee could suggest that everything in Group one universities is better than everything in other universities.

What I believe to be most at fault with our methodology is the belief that one can measure a whole institution and rank it accurately against its peers without defining the pass standard. It condemns or praises institutions completely, and there is no recognition of diversity, nor even of the fact that there are good and bad departments in every one. It is the holistic approach which is faulty.

Alternative Quality Strategies

Having concluded that the whole institution approach to quality assurance is flawed, I have tried to explore alternative solutions. In a paper delivered to the 1994 IMHE General Conference (Massaro 1994), I concluded that a better approach might be a process involving periodic peer review and self-assessment. Consistent with the approach I have favoured since the quality debate began in Australia in 1991 I argued for a system in which each institution is given a share of quality funds, based on student load, to be used for quality assurance purposes. Quality control and assurance measures as well as assessments would be public. Quality visits might be conducted every three years, with each institution having provided and negotiated at the commencement of the process a quality improvement plan. The purpose of the visits would be to assess whether the institution had achieved what it had planned. If it became clear that an institution had not implemented quality measures or had received reports from independent assessors which were negative and taken no action to remedy the situation, funding would be withdrawn and closures of areas might be effected. This system would enable an institution to bring good judges of academic excellence to assess quality. It would change the emphasis from an audit of quality assurance processes to one concentrating more precisely on quality assurance. It would also show whether poorer and younger institutions are capable of improving their position.

Such a system would also encourage universities who wish to be different to make their case during the planning stage and defend their position at the time of the assessment. At least they would know what the measuring standard would be in advance. While I do not suggest that this would automatically lead to an increase in diversity, it would force institutions which have unrealistic aspirations in the context of their resources to recognise their limitations. The smart ones may opt to be different in order to survive.

This was not a position which won support from our Quality Committee, although it did interest our Higher Education Council. The Quality Committee subsequently argued that in a new phase we might move away

from a holistic approach to more focused annual reviews in which experts review a different aspect of a university's activities, and perhaps every three years the institution as a whole. The Higher Education Council had suggested that universities be asked to produce a quality improvement portfolio, with performance assessed against that portfolio after three years. In the meantime, quality funds would be distributed to universities on the basis of enrolments. The funds would be in jeopardy if the university was found not to have performed well against its stated plan.

Ultimately the Quality Committee continued to support its original holistic approach, certainly in so far as its final report in the first phase was concerned; and the Higher Education Council has produced no formal reports on its views. In the meantime the first phase has come to an end and there has been a change of government and Minister.

The new government has raised the question of quality through a recent Ministerial Statement. The usual formulae for raising the subject are used, this time arguing that there is "pressure both to restrain expenditure and to address the issues of quality arising from the rapid expansion of the sector. It is vital for the well being of the nation that the high quality of the Australian higher education sector, which has been built up over many decades, is consolidated and further developed. This Statement takes forward the general directions indicated clearly in the Government's election policy: enhanced quality in education and scholarship; increased independence for institutions; and a more diverse higher education sector with wider choices for students" (Vanstone 1996). The government believes that in the new system the quality improvement process should be integrated with an institution's strategic plan. While acknowledging that the previous government's approach achieved some advances the Minister argues that it "was fundamentally flawed and unsustainable over the longer term. It relied on a substantial, separate pool of funds to ensure institutional involvement in a process which was externally imposed and which, at least implicitly, assumed that all institutions could be ranked against a common set of criteria" - an interesting misunderstanding of what the Committee thought it was doing.

It is still early days, but the new government's intentions can be discerned from comments such as the following:

"The defining features of this Government's approach will include:

- the development by institutions of quality improvement plans that are integrated into their overall strategic planning processes, and therefore have a real role in the day-to-day running of universities, rather than being something off to the side;

- the encouragement of institutional diversity by enabling institutions to develop approaches to quality improvement consistent with their particular missions and varied goals;

- a quality assessment process that, as far as practicable, is hard-edged through the application of quantitative performance indicators and benchmarks which are carefully selected, genuinely meaningful, and recognise institutional diversity; and

- the development of quality improvement plans by institutions that concentrate on addressing institutions' weaknesses as well as building on their strengths.

While the key feature of this approach is the focus on quality improvement processes developed and operated at the institutional level, it is essential that both the Australian and the international student community are confident in and fully informed about the quality of our universities."

The Statement then tells us that the government proposes to establish an independent agency to guide the development of this new approach, to ensure appropriate levels of rigour and comparability in its application, and to report publicly on institutional quality assurance outcomes. A sum of $20 million over three years has been allocated for both quality assurance and for a new Committee for University Teaching and Staff Development, which appears to be the body which will conduct quality assessment. If that is the case, it is unlikely that the funds will be adequate for the task.

What is significant in these preliminary statements is that the financial incentives for quality assurance will no longer be available in Australia. Another feature is a return to the notion that one can develop reliable quantitative performance indicators and meaningful national and international benchmarks. The remaining aspects tend to reflect what is being said

by most governments seeking to introduce quality assurance in higher education. However, it has generally been the case that while governments begin to discuss quality in these high philosophical terms, the results are often far more prosaic, with cumbersome bureaucratic processes taking the place of real quality assurance measures. It will be interesting to see whether the new Australian system is able to rise above this petty information gathering to develop quality assessments which tell both students and staff what they need to know - that their courses are of high quality as measured against similar courses internationally.

It seems to be the case in many quality assurance systems that academics welcome the critical comments of colleagues whom they respect, and that they will make changes to their courses and teaching methods to ensure that they gain the respect of their colleagues. Whatever system emerges from the new Australian situation, it should contain meaningful measures and be based on periodical peer review based on disciplines. While the Australian Quality Committee has expressed concerns about the capacity for discipline reviews to achieve institutional change, it is worth exploring first whether a system can be devised which would provide periodic institutional overviews - such as the one I have suggested above - and secondly whether institutional change is ultimately more important than providing feedback to staff and students on the quality of the academic enterprise in which they are engaged.

Any system should begin with a set of minimum criteria against which an institution can be accredited as part of the system. It should contain good measures, intellectually sustainable methodologies, and take the time needed to perform the task well and credibly. It is reasonable for the government not to reward institutions for demonstrating quality but to expect it as a condition of their grants. Once we accept the concept that quality is a condition for existing rather than an optional extra, quality assurance will be taken more seriously.

Conclusion

We have learnt from the Australian quality reviews that the holistic approach to quality assurance is too coarse a measure to provide useful results. The process is open to the criticism of imprecision and the methodology has not provided sufficient evidence to counter such criticisms.

Reflecting on the quality assurance processes for the first three years, the Chairman of the Quality Committee (Wilson 1995 a, b), concluded that the process had not produced diversity in the system and complained that the focus on ensuring that the funds were won and the university was placed in the highest band had led to a "game mentality". Those who were to meet the reviewers were carefully coached, and overseas experts were sometimes engaged to prepare the portfolios. He felt that ultimately it was not the additional funds that mattered but where the university was ranked. Nevertheless, he believed this was acceptable provided the outcome was an improvement in quality.

In presenting the last report of the Quality Committee the then Minister issued an accompanying statement (Crean 1995) in which he announced that this was the final phase in the quality assessment programme. He stated that the quality programme had not been "about producing league tables, rather it's about bringing change through institutional self-assessment and this results in continuous improvement." He further indicated that there was "a widely held view in the sector that the Quality Program has provided the most significant impetus for change in higher education for many years."

There is no question that participating in the quality process enabled institutions to do things which they could not otherwise have done. Management was often able to bring about major change because it would demonstrate a commitment to quality. My university introduced compulsory student evaluation of teaching, for example. However, the results of the quality rounds may actually have reined in the more creative attempts to be different by reminding institutions that quality was still seen to reside in the old and traditional types of university. I can nevertheless agree with Professor Wilson (Wilson 1995a, p.13), when he says that the programme "has

liberated the reformers in our universities from the natural conservatism and inertia characteristic of universities here and elsewhere, now and in the past. I would be surprised if they can be recaptured. I hope not."

We need to have rigorous quality assurance mechanisms in our universities both because they should strive for excellence and because they have an obligation to the public which provides their funding. There is also no doubt that the government has a legitimate right to know that its universities are performing to the highest world standards. The reason for my dissatisfaction with the Australian quality assessment process is that it was not rigorous and was not based on a proper theoretical or philosophical concept of the nature of universities. We must therefore find new methods for measuring quality and the correct level at which it might best be measured. At the same time, we should attempt to define the missions we want to give our universities so that we can judge whether they are achieving quality within those missions.

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