Navitas Submission

Higher Education Standards Panel – Consultation on the Transparency of Higher Education Admissions Processes

27 May 2016

About Navitas

Navitas Ltd is an Australian global education leader providing pre-university and university programs, English language courses, migrant education and settlement services, creative media education, student recruitment, professional development and corporate training services to more than 80,000 students across a network of over 120 colleges and campuses in 31 countries. Navitas listed on the Australian Securities Exchange (ASX) in 2004 and is now an S&P/ASX Top 100 Company, employing more than 5,800 staff globally.

Navitas believes an innovative, diverse, globally connected public and private tertiary education and training sector is critical to Australia's future prosperity, intellectual capital and social cohesion and welcomes this opportunity to provide input into the consultation on the transparency of Higher Education Admissions Processes.

Questions for Stakeholders

Question 1

Question	Based on your experience, what is the most important information needed to help potential higher education students determine which course to study and which institution to apply for? Please feel free to rank the different types of information in order of importance.
Navitas Response	With increasing diversity of choice, growing propensity for mobility and a sharper focus on the cost of education, Navitas believes that people considering higher education take into account three broad aspects when making their decision. These are:

- What investment is required and what is my return on that investment;[1]
- What is the quality of the education experience – will I get the most I possibly can out of this program; and
- What are the requirements for entry and what are the mechanisms available for demonstrating I meet them.

Investment

In terms of the investment and an expected return on investment from higher education, Navitas believes that a prospective learner should have easy access to the following timely information / data:

- What is the 'true' total cost of my program of study, including an explicit breakdown of:
  - The amount and proportion of the public subsidy provided for the program, i.e., the amount provided via Commonwealth Supported Places (CSP);
  - The amount and proportion of the individual contribution, payable via an income contingent loan (ICL) (a HELP loan);
  - The amount and proportion of the individual contribution, payable via an upfront fee; and
  - The amount and proportion of any loan fees associated with the ICL.

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[1] Learners are increasingly asking this question in relation to their employment prospects post-graduation.

- What is the likely return on my investment? The following data should be readily available and easily comparable in order for prospective learners to make informed decisions about their education:
  - What proportion of learners complete their study from each institution, by course;
  - What are the graduate employment rates, including self-employment (i.e., creating a job), at various intervals post-graduation;
  - What are the average earnings of graduates from each institution, by course, at various intervals post-graduation;
  - Of those who are self-employed, how many other people do they employ;
  - Of those who do not complete, what proportion:
    - Go onto another education / training program
    - Are employed in a skilled position, and what is their average earnings
    - Are employed in a low-skill position, and what is their average earnings
    - Not participating in education or employment.

Much, if not all, of the above data would be available via existing data sets such as: Higher Education Information Management System (HEIMS); the Australian Tax Office (ATO); the Australian Bureau of Statistics (ABS); or Total VET Activity data (from NCVER). Where appropriate data sets are not currently available to capture the above data points, government should consider the relative return on investment for expanding existing data sets or developing additional mechanisms.

Quality and Experience

This aspect goes to what the prospective learner can expect from the course of study while they are undertaking it. Navitas' view is that while some important metrics can and should be built around this – such as the student experience data available on QILT, the length/duration of the program and average class sizes – much of this will be qualitative in nature. Some additional information that would help inform learner decisions includes:

- How the course is structured;
- What is the content of the course, including mandatory subjects and electives;
- Requirements that may impact upon a learner's prospects of participation and academic success, such as supervised field practice and attendance requirements;
- What core content or extension work is delivered online in the course;
- Is the course recognised by industry regulators and professional bodies;
- What is the learning and teaching approach adopted in course, e.g.:
  - large numbers in traditional style lectures or a 'flipped classroom' with a focus on research and interaction with peers as well as the course convener
  - is the institution a practice based institution or is it more theoretical, including collaborative and cross disciplinary learning opportunities
  - what assessment methodologies are applied in the course
  - what are the workload expectations of the program of study
  - what learning support is provided in the course or by the institution more broadly
- What is the quality of the learning facilities, are they modern and industry relevant;
- What is the industry relevance of the course, and what industry linkages does the institution have to provide opportunities for internships and other genuine workplace experiences;
- What additional resources are required to study e.g. laptops, hardware, software, etc.

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> *Entry Requirements*
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> Another component of the decision-making process requires a prospective learner to consider - how do I get in?
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> This aspect, and Navitas' perspective on it, is dealt with at length in subsequent questions. While we strongly support greater access to relevant and timely information and data, Navitas from an equity and access perspective, is opposed to a 'one-size-fits-all' approach to admission processes. This is particularly relevant to the diverse, and often-times 'non-traditional' cohorts of learners that Navitas serves. All institutions should maintain the ability to set their own entry requirements, albeit it with greater transparency.

Question 2

Question	Is knowledge about how the ATAR rankings are calculated and published 'cut-off' thresholds a significant influencing factor on course and institution preferences? How could this information be made more accessible and useful?
Navitas Response	Navitas believes that before discussing the relative significance of ATAR rankings and published cut-off thresholds on course and institution selection, a deeper examination of several aspects of the ATAR – what the ATAR actually is, how it is arrived at, its relative efficacy in predicting future academic achievement and what is its true utility – is warranted.
	What is the ATAR (and what isn't it) and why is it used?
	As articulated in the discussion paper an 'ATAR is a number out of 100 that ranks [learners] across each state based on their upper secondary school subject results. It is not an absolute 'mark', but rather an indicator of [learners'] relative academic standing among their peers'. This ranking is arrived at via a process of scaling the results of the various subjects a learner undertakes in their final years of school.
	This process is an attempt to 'normalise' a learner's results from their selected subjects relative to another learners' results in their chosen subjects. Normalisation is achieved by applying the opaque and subjective measure of the perceived academic difficulty of one subject relative to others. Navitas would argue, that in a world where 'enterprise', '21st century' or 'soft' skills are equally, if not more, valued[2] by employers, a normalisation process based on solely academic or technical skill may require some re-consideration.
	Regarding the ATAR's relative efficacy for predicting future higher education success, a number of studies have shown that: 'strong prior academic achievement remains a good predictor for future academic success, and rank derived from final year secondary school results (ATAR) remain in many respects a good metric for the evaluation and comparison of secondary school academic achievement. Yet, 'the predicative capacity of tertiary entrance rank for success [in higher education] is uneven. Tertiary entrance rank therefore has variable utility as a selection criterion for university admission where the aim is to select for prospects for student success. This is particularly the case for students ranked in the low and middle ranges. Tertiary entrance rank also shows a correlation with socio-economic status. This means that reliance on ATAR as a criterion for

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[2] *The New Basics*, report for the Foundation for Young Australians http://www.fya.org.au/wp-content/uploads/2016/04/The-New-Basics_Web_Final.pdf.

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university selection will work against efforts to improve diversity of participation over time, unless additional steps are taken. It is also the case that for the same ATAR low socio-economic status students perform as well or better at university than their high-socio-economic status peers. There is therefore *student potential* (emphasis added) in the middle and lower bands of tertiary entrance rank that may not otherwise be identified'.[3] Further reading on this topic in the footnote below.[4]

Navitas endorses the role that pathway colleges offering sub-degree programs have to play in preparing learners for higher education. The benefits of pathway programs, particularly in relation to lower ATAR learners was presented by Sue Willis and Catharine Burnheim of Monash University. Data showed that low-ATAR learners, who were selected on the basis of their performance in pathway programs, performed strongly and in a wider range of fields than they would otherwise be able to access: '*Admitting under-prepared students with low ATARs not only increases their risk of non-completion, it restricts their choices. Lower ATAR students admitted directly to bachelor degrees are being selected on the basis of their current preparation, rather than their potential for university study, while graduates of pathway programs have a chance to prepare for a wider range of disciplines, and demonstrate their aptitude for tertiary study'.*[5]

The table below illustrates the success that low ATAR learners at a Navitas college can have in a higher education program with the right level of support (these results were moderated by the university).

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[3] p.14, *Selection and participation in Higher Education: university selection in support of student success and diversity of participation*, by the Centre for the Study of Higher Education, University of Melbourne, March 2011 – available here: http://melbourne-cshe.unimelb.edu.au/__data/assets/pdf_file/0004/1490980/Selection_and_Participation_in_Higher_Education.pd

[4] http://theconversation.com/atar-found-to-be-a-poor-predictor-of-how-well-students-do-at-uni-41677; http://www.theage.com.au/comment/atar-cutoff-scores-to-be-published-at-university-discretion-not-as-of-right-20160120-gm9ook.html; and http://www.smh.com.au/comment/smh-editorial/education-policy-must-recognise-atar-not-the-only-path-to-success-20140116-30xic.html.

[5] 'Competing tensions of 40 vs 20' by Catherine Burnheim and Sue Willis, *The Australian* 10 August 2013

ID	Course	Credits	ATAR	Average
Student A	Bioscience	8		68.25
Student B	Bioscience	8	64	72
Student C	Bioscience	8		67
Student D	Bioscience	8	50	64.4
Student E	Business	8	46	59.8
Student F	Bioscience	8	56	65.4
Student G	Bioscience	8	58	63.6
Student H	Business	8		62
Student I	Business	8	54	64.6
Student J	Bioscience	8	63	74.1
Student K	Business	8		71.25
Student L	Business	8		64.75
Student M	Bioscience	8	54	78.4
Student N	Bioscience	8		66.6
Student O	Bioscience	8		79.3
Student P	Business	8	49	75.6
Student Q	Business	8		82
Student R	Bioscience	8		59.1
Student S	Business	8	46	73.5
Student T	Bioscience	8		80
Student U	Business	8		56.8
Student V	Business	8		64.6
Student W	Business	8	48	60.25
Student X	Bioscience	8		59.6
Student Y	Bioscience	8	85.6	76.5
Student Z	Business	8		65.75

Note 1: Students without ATAR entered via mature age or other non-standard entry arrangements
Note 2: Average result for students with ATAR = 69.01, average for non-ATAR students = 67.6

Accordingly, Navitas believes that there should be an acknowledgement of the significant benefits of pathway colleges, for both learners and taxpayers, in preparing low-ATAR learners for success and thereby improving retention rates and reducing the cost of non-completions that come from un-prepared learners being admitted directly into degree programs.

Indeed, when selecting learners into niche fields of study such as the creative media industries the efficacy of an ATAR as a predictor of future success is questionable. Market segmentation research by SAE Creative Media Institute confirms that SAE attracts a sub-set of learners for which ATAR is not a useful metric of predicting success in their programs of study. A holistic approach to assessing a candidate's suitability is a more accurate indicator of their relative aptitude and therefore future success in higher education in the field of creative industries.

Further investigation of the potential deficiencies of ATAR-only admission processes is therefore warranted. However there is also a responsibility on those involved in both the policy and operation of setting and applying admission standards and processes to openly acknowledge the true utility of the ATAR. As noted in the discussion paper, the ATAR (which goes to two decimal places) allows institutions to make determinations en masse regarding large numbers of learners competing for admissions to high demand / limited supply courses at the same time for a relatively low cost. Navitas brings this point to the discussion, not to diminish the relative utility of the ATAR in this regard, rather to advocate for this to be openly and publicly acknowledged in the debate on admission processes.

It is for these reasons that Navitas supports greater transparency, but not standardised approaches to higher education admission processes.

The extent to which ATAR rankings are calculated and published 'cut-off' thresholds influence course and institution preferences

Navitas' view is that school leavers particularly want to know the ATAR they need to achieve in order to be accepted into a particular course at a particular institution. Their entry is usually based on an ATAR score, unlike mature age students (21 and over) who are typically offered alternative entry options.

We believe that the published ATAR cut-off does therefore influence which course and institution school leavers will apply to. High achieving learners will be drawn to apply to institutions that have higher ATAR cut-offs for equivalent courses that, under current arrangements, may be more reflective of the status of the institution and the courses' relative popularity, rather than the quality of the course. Equally, learners who are not confident of achieving the score required for a particular course of study will look elsewhere, and may even look at other course options when they may well have been admitted to their preferred course.

In summary, it is important that higher education stakeholders communicate the following to prospective learners:

- The utility of the ATAR is as a low-cost way to make mass determinations on entry into higher education;
- The efficacy of an ATAR below 80 in predicting future success in higher education is mixed at best. At this point a learners 'potential' (e.g. their motivation, application or passion for the field) become key determinants;
- Sub-degree programs at pathway colleges prepare lower-ATAR learners for success and broaden their options as they progress into full degree programs;
- A holistic assessment of an applicants' suitability for a particular course, that may or may not include reference to a learners ATAR, can be a better predictor of future success; and
- The additional information outlined in the response to Question 1 is also crucial to inform learner choice.

Navitas believes that higher education institutions should also consider, as part of a self-regulatory framework, publishing the following:

- Details of their various admission 'streams': ATAR only and cut-off threshold for that; ATAR plus other criteria; and non-ATAR criteria. It is important to note here that the published ATAR should perhaps be a range from the highest to the lowest an institution will accept, which would account for the divergence in cut-offs between first and latter round offers;
- Data on the above cohorts, both number and proportion of learners admitted via the various streams;
- Actual cut-off numbers required for entry to the desired course, both in the year previous to application for entry and proposed for the actual year of application for entry; and
- Relevant contextual information, such as equal opportunity schemes that may result in enhancement of ATAR scores (see Questions 3, 4, and 10 below).

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Question 3

Question	Is there sufficient information about how 'bonus points' are awarded and used to adjust 'raw' ATARs sufficiently understood? Should the application of bonus points be more consistent across different institutions? Is the current variety of different bonus point rules appropriate to meet the needs of individual students and institutions?
Navitas Response	Navitas believes that bonus point schemes are consistent with government policy and the sector's commitment to enhance the participation of learners from low socio-economic and/or rural/ regional backgrounds in higher education. However, the application of such schemes at admission obliges institutions to provide the requisite resources, support and facilities to enable such learners to succeed academically once admitted to courses and throughout their study.

The rationale for the implementation of such bonus point schemes is not widely understood by those outside the sector. Navitas believes that there is a case for greater information and transparency on this matter, indeed for a consistent sector-wide approach to bonus point schemes. A starting point for this would be for higher education providers to come together to agree on standardised levels of points and to how they would be applied consistently. |

Question 4

Question	Is there sufficient knowledge of the range of alternative admissions procedures employed by higher education institutions?
Navitas Response	Navitas believes that there is not sufficient knowledge of the range of alternative admissions procedures employed by higher education institutions by prospective learners specifically and the in the general public more broadly. Evidence from the US indicates that navigating the admissions process for higher education is particularly difficult for first generation college students.[6] It is likely that the situation is the same here in Australia. However, rather than the government legislating or applying prescriptive regulations, it should facilitate the coming together of all higher education institutions to agree principles of transparency and consistency around alternative admission procedures.

In this regard, Navitas advocates for increasing a prospective learners awareness of pathways into higher education, including via pathway colleges and vocational education and training programs. These programs increase success rates for low to middle ATAR learners and provide them with greater options in terms of course selection than had they applied directly based on their initial ATAR result. |

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6   *I'm First*, an initiative of the Center for Student Opportunity, see http://www.imfirst.org/center-for-student-opportunity/.

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Question 5

Question	Should there be an annual report of the proportion of students accepted into courses by each higher education institution on the basis of their ATARs and/or what the median ATARs was for each course?
Navitas Response	As noted above in the response to Question 2, Navitas believes that as part of a self-regulatory framework, publishing data on the various cohorts, in terms of both numbers and proportion of learners admitted via the various streams would be a positive move for the sector.

However, this data alone is still too focused on the 'inputs' into higher education, and what would be useful for all stakeholders, including future learners, is 'outcome' based data (within QILT for ease of comparison across institutions). This data would track learner progression through their course by each of the cohorts outlined above (ATAR only; ATAR +; and non-ATAR) and breaks the data down also to the various pathways learners come to higher education, such as via:

• Previous vocational education and training program;
• Foundation or bridging program;
• Previous sub-degree higher education program, etc. |

Question 6

Question	Do the current state-based Tertiary Admissions Centre arrangements adequately cope with students' desire for mobility to institutions across state borders? Would a more national approach to managing applications across borders be beneficial?
Navitas Response	Currently learners wishing to apply to multiple institutions across jurisdictions must apply separately to each state-based admissions centre. This imposes greater costs and administrative burdens on the applicant and is likely to be a deterrent to cross-jurisdictional mobility.

Navitas therefore strongly supports the establishment of a national tertiary admission centre that equitably serves prospective learners of all tertiary providers, whether they are higher education or vocational and public or private institutions. The governance of such a national organisation should be representative of the whole tertiary education sector and be structured so as to allow for access by new entrants who come into the sector post its establishment. |

Question 7

Question	Is there an understanding of how such mechanisms as early offers, second round offers and forced offers affect the transparency of higher education entry? How, if at all, should these factors be dealt with for the purposes of transparency?
Navitas Response	Please see responses to Questions 2 to 5 above.

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Question 8

Question	What information or enhancements do you think should be added to the Australian Government's [Quality Indicators for Learning and Teaching (QILT)](link) website?
Navitas Response	Please see text under the sub-headings 'Investment' and 'Quality and Experience' in response to Question 1. Please also see the 'outcomes' data outlined in our response to Question 5. Navitas would like to raise a specific issue in relation to the pre-filled 'study area' drop downs on the QILT main page. We have found that these pre-populated fields can be confusing for some users, particularly those interested in the various disciplines within the creative industries. By way of example, a search for the keyword 'games' brings up a list of key words such as 'game development', 'game design', 'games technology' etc. Depending on the key word selected, users are taken to either creative arts or information technology programs, which are vastly different areas of the games discipline. It would therefore be useful if students could search by particular outcomes that may be described vocationally (e.g. by role title). This may be a better mechanism for linking students to the right course of study.

Question 9

Question	How best should comparable information on student admissions procedures be made available to the public? What is the most appropriate and effective way to communicate information to students? What information or enhancements do you think should be added to Tertiary Admission Centre websites, university and non-university institution websites, and/or Australian Government websites such as QILT and Study Assist?
Navitas Response	Navitas believes that comparable information on admission procedures is best done in one place. Should a national tertiary admission centre be established, its website would seem to be the logical place to publish such information. Under current state-based arrangements, the development of a web-portal that provides the information state-by-state would be useful.

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Question 10

Question	What special measures are needed to ensure equity of access for disadvantaged students?
Navitas Response	This is largely addressed in our response to Question 3.
	Navitas' additional comments on this matter are two-fold. Firstly, currently Non-University Higher Education Institutions (NUHEIs) are ineligible for Commonwealth funding aimed at supporting access and equity (particularly disability support). Secondly, learners who choose to study at a private higher education institution are ineligible to access subsidised places (CSP) and in addition they are subject to a 25 percent loan fee.[7] Learners at public universities receive government subsidised places and do not incur any loan fee. These two issues create barriers to equity of access for disadvantaged learners who, for reasons that they see a good return on their investment, choose to study at private institutions.

Question 11

Question	Can you suggest any other changes that would improve public awareness and understanding of tertiary admissions processes?
Navitas Response	Nil.

Comments

Question	Are there any other comments that you think are relevant?
Navitas Response	Nil.

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[7] See *Study Assist* website: http://studyassist.gov.au/sites/studyassist/helppayingmyfees/fee-help/pages/fee-help-