

Navitas submission to the Department of Industry, Innovation, Science, Research and Tertiary Education on Higher Education Staff Data Collection

About Navitas

Navitas is a global education provider that offers an extensive range of educational services for students and professionals including university programs, English language training and settlement services, creative media education, workforce and professional education, and student recruitment.

More than 80,000 students and clients learn with Navitas across a network of over 100 colleges and campuses in 23 countries. Navitas is an Australian publicly listed corporation which is included in the ASX 200 index.

Further details about Navitas are available at www.navitas.com.

Executive Summary

Navitas thanks the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) for the opportunity to provide feedback on the issues paper on Higher Education staff data collection and for DIISRTE's willingness to consult with the sector on such a matter.

However it is worth noting that this issues paper was released almost immediately after a similar consultation paper titled '2012 Provider Information Request' by the Tertiary Education Quality and Standards Agency (TEQSA) which also contained a section on staff data. At the same time another paper has been released by DIISRTE on Vocational Education and Training (VET) activity data collection.

Navitas is supportive of moves by various organisations across Australia to reduce regulatory burden and "red tape" and supports the Business Council of Australia's proposition that adopting a risk-based approach to regulatory design, implementation and review is critical to lifting regulatory performance and to realising and sustaining the benefits of current and future competition and regulatory reforms¹.

Both TEQSA and ESOS legislation advocate greater use of a provider risk based regulatory approach taking into account the scale, financial stability, history and academic standards of a provider. In particular the principle of regulatory necessity - exercising powers to not burden the higher education provider any more than is reasonably necessary - is critical in reducing onerous regulation and allowing innovation to improve education.

Unfortunately this latest example of two government or regulatory bodies separately seeking largely similar information is an illustration of a missed opportunity to reduce regulatory burden. Every time data is submitted it requires additional resources, or resources to be diverted from the core business of teaching and learning, to manage that process, a cost that every provider must then bear in order to operate. If a provider has to submit data five different times a year that cost is then considerably multiplied. This cost and resource impact is even higher when the same or similar data is required by the different bodies in different formats.

Instead Navitas supports the view that a consolidated approach to information collection is required in order to eliminate unnecessary data collection and reduce regulatory

¹ Discussion Paper for the COAG Business Advisory Forum, April 2012.

duplication. Of particular importance should be a commitment from DIISRTE, TEQSA and the Australian Skills Quality Authority (ASQA) to consolidate data collection to a single annual process whereby all data needs are met in one data gathering exercise. Any other outcome should not be acceptable as it represents a significant missed opportunity and will place unnecessary regulatory burden on institutions. Data collection would also greatly benefit from being managed by modern 'large data' collection and mining tools. Some current reporting tools supplied for the ASQA Competency Completion Online System and SMART software require excessive effort in re-handling the data at the client-end adding to costs.

Navitas is of the belief that Australia is in real danger of losing competitive advantage due to over regulation and recommends that all national regulators adopt the proposed consolidated data collection as a priority.

Navitas has identified a number of other key points including:

- Navitas' current staff data collection requirements meet regulatory and operational needs;
- There is significant difference between universities, TAFE's and the breadth of the private education sector and Navitas is concerned that this paper seeks to utilise university practices as a norm against which all institutions will be assessed;
- The proposed method of calculating FTE in the issues paper is not considered feasible given the likely great variation in industrial agreements and salary levels across providers which would not allow these data sets to provide valid FTE data;
- Sufficient notice should be given to providers to prepare for changes to data reporting requirements. If sufficient notice is not given then the administrative burden will increase significantly as providers are forced to manually generate data; and
- To report in 2014 systems will need to be in place by 2013 to capture the data. Given it is now July this would only leave providers six months to develop and implement sufficient system to capture required data.

Navitas response to discussion points

Rather than address each question Navitas has chosen to provide a response to broader discussion subjects.

Current staff data requirements

Navitas is currently required to submit detailed staff data to various state and federal bodies but it is often at the college level. Staff data is also collected for internal logistical and planning purposes. The current level of staff data collection meets Navitas' regulatory and operational needs.

Increasing data collection levels

Any provision of additional information is going to be an added impost on Navitas and other private education providers; this would include campus location and staff qualifications. Reporting on staff qualifications in particular could involve significant changes to recruitment processes.

Navitas believes that mandating increased reporting requirements for all private providers would create an unnecessary regulatory burden which would stifle Australia's competitiveness. If data gathering was consolidated into a single annual process across government and regulatory bodies this would not be such a burden but if data requests continue to be lodged separately then demanding increased data from providers who do not even access FEE-HELP would seem meaningless and needlessly bureaucratic.

If a national data collection system is implemented then it should aim to adopt best practice and avoid issues associated with the current ASQA online system for submitting applications and documents. This 'hands-off' service approach has created, and is continuing to create, further overheads in terms of time and administrative resources as data lodged by a provider is not able to be uniquely identified or tracked, i.e. there is no automated receipt number generated and linked to the transaction. This in turn is compounded when interacting with the call centre to try and identify which transaction is being referenced, creating extra burden for the regulator and the provider.

Navitas supports greater use of a provider risk based regulatory approach taking into account the scale, financial stability, history and academic standards of a provider. In particular the principle of regulatory necessity - exercising powers to not burden the higher education provider any more than is reasonably necessary - is critical in reducing onerous regulation and allowing innovation to improve competitiveness.

There are also issues regarding using 'university specific data elements to reflect private higher education provider structures and practices'. The various providers groupings that form Australia's education sector are quite different and this 'one size fits all' approach is not likely to prove suitable with such diversity. Navitas is also concerned that the adaptation of university practice will become the norm against which all institutions will be assessed relating to staff salary bands and classification. Non-university providers significantly outnumber universities and accordingly regulatory judgements should not always default to university practices. An example is trying to correlate employment agreements with the Higher Education Award, which unfortunately bear no relation to one another. Within Navitas 'Teachers' can be appointed as casuals, so are not equivalent to Lecturers/Senior Lecturer/Professors salary classifications, and general staff are appointed within a wide range of salaries.

Function classifications and honorary staff

Like many private providers Navitas does not currently have systems in place to apportion and report FTE weight and, as previously indicated, changes to do so would incur costs. Further, the greater diversity of the private provider sector requires additional flexibility for the function classification system to accurately recognise the more varied roles. As an example a teaching/administration classification should be added for roles that do not entail any research.

Consistent data collection

Navitas supports moves to improve consistency in data collection of full time and fractional full time staff with a preference for 'annual total', even though this may be administratively harder to calculate.

In terms of converting casual hours to full time equivalent (FTE) Navitas does not have a standard, established method in place as terms and conditions differ between various contracts and agreements. The proposed method of calculating FTE in the issues paper is not considered feasible given the likely great variation in salary levels across providers

which would not allow these data sets to provide valid FTE data. In addition pay salaries may differ for people doing a similar job for different business units based on individual performance and role expectations.

Implementation

Navitas is currently implementing an organisational wide project to embed a new student management system which could be adapted to capture staff data discussed in this report. However this may not be completed by 2014 and, regardless of Navitas' systems, due consideration should be given to allow all private providers sufficient time to install and implement systems and processes to collect required data.

It is worth noting that even to report in 2014, systems will need to be in place by 2013 to capture the data. Given it is now July this would only leave providers six months to develop and implement sufficient system to capture required data.

If sufficient notice is not given then the administrative burden will increase significantly as providers are forced to generate data manually. As noted earlier consolidating data gathering into a single annual process across government and regulatory bodies would be more appropriate and reduce regulatory burden.

In terms of estimated cost, Navitas would be forced to manually generate data across all of its Australia colleges resulting in use of additional resources. Although difficult to calculate the actual cost could range between \$50,000 to \$75,000 per annum.

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