



## Submission to the Review of the Higher Education Provider Category Standards

From Top Education Institute

Top Education Institute welcomes the opportunity to make this submission to the Review of the Higher Education Provider Category Standards.

We believe that, awarded under appropriately formulated standards and guidelines, a strengthened and streamlined provider category of University of Specialisation will add considerable value for students, communities and employers and, similarly, add significant further diversity and choice in the Australian higher education system.

What follows are both general and specific observations about the value of Universities of Specialisation, the reasons for supporting the better development and emergence of such institutions, and suggested improvements to the provider standards that would help optimise their contribution to the nation.

### **Characteristics of Universities of Specialisation**

By its very nature, a University of Specialisation can achieve:

- i. Strategic focus: by choosing to push the frontiers of a particular discipline or profession
- ii. Efficiency: small, focused institutions are easier and less expensive to manage than large, comprehensive ones
- iii. High levels of student support: students are more engaged as a group in small specialised institutions because they are studying the same subjects and planning the same careers. Student services, particularly careers counselling, can be more specialised, and closer ties with industry are more likely to be developed in smaller than in larger institutions
- iv. Links to innovative partners in industry and professions lead readily to new teaching approaches, engagements with industry, relevant research, scholarship and cutting-edge developments

### **Specialist Universities Serve Vital Roles**

Although not common in Australia so far, specialised universities are standard in many other countries, and have a long history. The need for improved expertise in farming, for example, saw the establishment of agricultural “land grant” colleges in nineteenth-century America. Many if not most of these colleges have since developed into comprehensive universities.

Engineering universities, some public and others private, are found throughout the USA, China and Europe. Institutions dedicated to the fine arts, performing arts, sport, business and law are thriving in the USA, Europe and Asia. Some specialised universities focus on religion, Australia’s only current University of Specialisation is among them.

There are 33 specialist institutions in the United Kingdom, and one (Buckingham) has the highest student satisfaction ratings in the country.

<https://www.theguardian.com/education/ng-interactive/2014/jun/03/university-guide-2015-specialist-institutions-league-table>

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UK specialist institutions have excellent employment outcomes, even in areas where jobs are traditionally difficult to obtain. For example, 96% of graduates from the Royal Academy of Music are in employment within six months of completing their course.

<https://www.theguardian.com/education/ng-interactive/2014/jun/03/university-guide-2015-specialist-institutions-league-table>

Specialist universities perform research at similar levels to comprehensive universities but are far more likely to develop partnerships with industry. Research by U-Multirank found that, compared to comprehensive universities, specialist universities have more co-publications and earn proportionally higher revenues from Continuing Professional Development for industry practitioners than do comprehensive universities.

[https://www.umultirank.org/export/sites/default/press-media/documents/Top-News-Story\\_Specialised-Universities.pdf](https://www.umultirank.org/export/sites/default/press-media/documents/Top-News-Story_Specialised-Universities.pdf)

Industry is more likely to team up with specialised institutions for joint research work than with comprehensive universities. The reasons for that include recognition that specialist universities show greater sensitivity to industry needs, have a more focused and applied edge to their teaching and research specialisations, and develop more focused institutional alignments. [https://www.umultirank.org/export/sites/default/press-media/documents/Top-News-Story\\_Specialised-Universities.pdf](https://www.umultirank.org/export/sites/default/press-media/documents/Top-News-Story_Specialised-Universities.pdf)

### Meeting National Needs

The literature indicates that smaller, more focused higher education institutions have a greater capacity to deliver the changing skill sets required of graduates by employers more readily and rapidly than larger, more comprehensive institutions. That is especially so now, in a period of rapid social, technological and global change when employers are demanding the quick delivery of very different skill sets.

*Skilling: a National Imperative*, the 2018 survey report compiled by the Australian Industry Group (AIG), provides an excellent case in point.

[https://cdn.aigroup.com.au/Reports/2018/Survey\\_Report\\_WFDNeeds\\_Skilling\\_Sept2018.pdf](https://cdn.aigroup.com.au/Reports/2018/Survey_Report_WFDNeeds_Skilling_Sept2018.pdf)

Among other things, the AIG report notes that:

- Employers now seek graduates with transferrable and adaptable skills and who make positive contributions to workplace culture
- Leadership and management qualities are essential skills often missing in graduates
- Workplace literacy and numeracy is sometimes too low among graduates
- Problem solving, initiative and enterprise are valued skills
- Direct and workable links to educational institutions are increasingly significant for business and industry

As an example of how specialised universities can address these industry needs, consider our Institute, TOP Education, presently one of just twelve Higher Education Providers beyond the universities awarded Self Accrediting Authority by TEQSA.

TOP has specifically addressed industry needs in creating and delivering its curriculum and awards, basing those programs on careful analysis of workplace demand, graduate employment opportunities, the development of applied skills and workplace requirements.

That is readily demonstrated in TOP's formal alliance with PriceWaterhouseCoopers. The partnership has created and delivered workplace internships and work experience programs for TOP students. Drawing on that experience, TOP has also created similarly strong links through training interactions with other major businesses in Australia and internationally.

TOP's motto of "Capability, Integrity, Responsibility and A Winning Alliance" highlights the focused and partnership-oriented nature of its approach to strategic and applied development.

Harnessing that approach in building consciously towards achieving University of Specialisation status under the present provisions, TOP has paid close attention to this broadening demand for new skills.

Late in 2017, for example, the NAB noted that among SMEs it had surveyed:

- 48% identified severe national skills shortages
  - 62% considered graduates were not work-ready
  - 33% noted adaptability, self-motivation and service orientation as in-demand skills
- <http://news.nab.com.au/skills-shortage-holding-back-australian-business/>

These are all matters that TOP has taken into consideration in developing and delivering programs to students.

That approach is supported strongly by the findings of reports like the 2018 QS Global Employers survey:

<https://www.news.com.au/finance/work/at-work/creativity-identified-as-most-overrated-skill-in-survey-of-employer-and-student-attitudes/news-story/28dd43079bb975a896af65438f4d4b03>

That survey of 11,000 businesses around the world identified the graduate skills most in demand by employers:

1. Problem-solving
2. Teamwork
3. Communication
4. Adaptability
5. Data analysis
6. Resilience
7. Organisation
8. Technical skills
9. Creativity
10. Leadership
11. Language
12. Commercial awareness

It is readily evident, then, that small, focused institutions like TOP are excellently positioned to quickly and successfully develop all those and more skills amongst its student body in direct cooperation with significant employers like PwC.

That concept of "skill" may be usefully expanded, too, because in a more globalised world, work-ready expertise includes the ability to work within and across different cultures, China most notably now for Australia.

Smaller, specialised institutions like TOP are more likely to create constructive and productive partnerships with like-minded institutions internationally than larger and more

generalised ones, simply because focus is more readily applied. In turn, that makes it easier to identify and supply needed resources to ensure productive partnerships in which students are the primary beneficiaries.

TOP's growing number of productive collaborations with Chinese institutions confirms the benefit to Australia of such an approach, especially during periods when broader relationships come under strain.

There are, then, many advantages to be gained from developing a national system that encourages and approves the creation of Universities of Specialisation to the benefit of students, employers and the nation as a whole.

### **Challenges to Specialised Universities**

The PCS Review offers a significant opportunity to reflect on the broader challenges and changes that now evidently inhibit the ready implementation of all these new required skills among graduates, and it is important to note that the impact of this is felt equally by private and public providers in Australia.

A substantial literature analysis identifies and confirms these changes. On page 4 of the Review discussion paper, for example, the issues of globalisation, mobility, technical advice, demographics, future of work, massification and competition are noted. To that might be added the rising cost of degrees; the "size" issues emerging from the growth of large universities; the distancing of leadership and the rise of the managerial class; investment in buildings rather than brains; and the increasing international flow of academics, students and knowledge.

Universities of specialisation, working on and offshore, can and should be catalysts for flexibility and the pioneers of new constructs – all while retaining the essential standards and strength of Australian Higher Education as a whole.

Yet, there is just one University of Specialisation in all of Australia. The source of that remarkably low number is to be found in the nature of the category standards and the means by which institutions are admitted to that status.

Most everyone in Australian higher education, TOP included, agrees that, in protecting both students and the reputation of universities, TEQSA's tight control of the term "university" is preferable to, say, America's far more laissez-faire approach.

However, there is mounting evidence that Australia's standards may be too tight or, to be more precise, too specific in the case of Universities of Specialisation.

That view stands confirmed by the fact that in the eight years since TEQSA promulgated the current Provider Category Standards, no institution has been classified as a University College, and just one has met the criteria for a University of Specialisation. That one institution itself may well be regarded as a singularly "special case" and enrolls just one-tenth of one per cent of Australia's higher education students.

For the reasons outlined above, TOP believes strongly that the category of University of Specialisation must be retained. Indeed, from its very beginning TOP has had as its main strategic priority the attainment of University of Specialisation status.

Because of the generally slow progress made in conferring such status, however, it does seem that the present criteria and procedures do not best meet national demand, so require amendment.

Experience suggests that a streamlining of those protocols, criteria and processes would assist considerably in allowing Australia to more effectively develop all those new skills now being demanded by employers, and better serve all those students who in years to come will need even more flexibility in the application of their formal training.

In short, TOP believes strongly that a review and streamlining of the processes involved in attaining University College and University of Specialisation would be far more beneficial to Australia than a blunt elimination of those categories.

A supportive environment is required in facilitating the development of new higher education options, including the University of Specialisation. Without any wish to cut corners, the process and requirements for development of such new initiatives in Australia need facilitation. It is difficult to attract top talent, leadership, students and innovators to a potential University of Specialisation when unduly rigorous, anti-competitive and time-consuming practices dominate decision-making.

The PCS (Coaldrake) Review will contribute to Australia if a rational, rigorous and common-sense pathway is achieved.

### **The Present Requirements**

In line with this view, TOP would draw attention to the present rules as contained in the Higher Education Standards Framework (Threshold Standards) 2015:

#### B1.4 “Australian University of Specialisation” Category

1. The higher education provider self-accredits and delivers undergraduate and postgraduate courses of study that meet the Higher Education Standards Framework in one or two broad fields of study only (including Masters Degrees (Research) and Doctoral Degrees (Research) in these one or two broad fields of study it offers).
2. The higher education provider has been authorised for at least the last five years to self-accredit at least 85% of its total courses of study in one or two broad fields of study only, including Masters Degrees (Research) and Doctoral Degrees (Research) in these broad field/s of study.
3. The higher education provider undertakes research that leads to the creation of new knowledge and original creative endeavour at least in those broad fields of study in which Masters Degrees (Research) and Doctoral Degrees (Research) are offered.
4. The higher education provider demonstrates the commitment of teachers, researchers, course designers and assessors to the systematic advancement of knowledge.
5. The higher education provider demonstrates sustained scholarship that informs teaching and learning in all fields in which courses of study are offered.

6. The higher education provider identifies and implements good practices in student teaching and learning, including those that have the potential for wider dissemination nationally.
7. The higher education provider offers an extensive range of student services, including student academic and learning support, and extensive resources for student learning in all disciplines offered.
8. The higher education provider demonstrates engagement with its local and regional communities and demonstrates a commitment to social responsibility in its activities.
9. The higher education provider has systematic, mature internal processes for quality assurance and the maintenance of academic standards and academic integrity.
10. The higher education provider's application for registration has the support of the relevant Commonwealth, State or Territory government.

There is broad agreement across the realms of teaching, services and quality assurance as specified here. As do all providers, TOP pays close attention to meeting and exceeding wherever possible all requirements as stipulated in the standards and monitored by TEQSA.

But it is immediately evident that in several crucial respects, applicants for Universities of Specialisation status must exhibit precisely the same behaviours and performances as those required of and displayed by the standard comprehensive public institutions.

Given the need now for greater diversity and flexibility, that approach might usefully change.

That is especially so in research where the present requirements, for example, privilege postgraduate work to the level of PhD when, as with so much of the higher education system generally, the requirements of the PhD are currently under close scrutiny: do they deliver what is needed nationally and internationally in their present form?

It could well be that a highly successful University of Specialisation might deliver postgraduate work only at Masters level by research. That is not unusual internationally – institutions like Amherst in the United States are effectively non-doctoral awarding institutions yet have enviable research records.

In turn, that issue extends to the levels of research productivity required under the present rules of academic staff in institutions aspiring to University of Specialisation status. As in the standard and traditional pattern, those staff are required to achieve original work and new knowledge. Again, as demonstrated by the PhD question, the validity of those ambitions is now being re-examined.

To take just one point: if Universities of Specialisation are tied so closely to industry, to the benefit of both, then it follows that their research endeavours might best be seen in the “applied” as opposed to the “pure” field.

One further consequence of these considerations relates to what might be termed the “qualifying period” requirements for application to gain University of Specialisation status. The mandatory requirement for an institute to graduate doctoral candidates before status can be awarded is clearly a major determinant of the provision that such an institution must complete at least five years under SAA conditions before applying.

If the doctoral requirement was removed, as discussed earlier, more flexibility could be applied to that qualifying period, allowing institutions to apply earlier and be treated by TEQSA on merit, case by case.

It is suggested, then, that the PCS review consider carefully and support changes to the requirements for admission to University of Specialisation status.

### **Judge Specialist Universities by Quality**

Given the excellent record of student satisfaction ratings, employment outcomes and industry engagement displayed by specialist universities internationally, we believe that the University of Specialisation category must remain deservedly in the Higher Education Provider Standards for Australia. And we agree that the standards must be rigorous and ensure the highest possible quality.

However, rather than judging applicants for that status against fully traditional “University” yardsticks (like “pure” research measures, and arbitrary numbers of research or teaching programs), the standards should focus on quality indices such as student satisfaction, teacher ratings, workplace impact, employment outcomes and employer satisfaction.

That reconsideration might begin with benchmarking against highly rated and regarded international institutions, and consideration of whether or not they meet Australia’s currently required standards. They might include the Berklee College of Music in Boston, one of the world’s leading music institutions, or the School of the Art Institute of Chicago, the USA’s largest accredited art school. Both deliver degrees in the USA but, because they are not research institutions, it is by no means clear that either could operate as a university in Australia under the present circumstances. Would the London Business School, number one in the UK, meet our current Provider Standards? If not, how might our standards be modified to include such a world-leading institution?

As a general rule, surely all well-known, world-leading degree providers should be eligible to operate in Australia. That is to say, Australian standards should be flexible and nimble enough to allow such institutions, nationally and internationally, to contribute equally to Australia’s development in a world that is now demanding greater diversity in delivery.

Given the differences among specialised institutions, then, provider standards cannot be over-specific and/or rigidly formulaic. For example, they should not demand some arbitrary number of areas of specialisation. Three standard offerings are not as valuable to the country as one excellent one. The standards should judge institutions using the accepted metrics of their respective disciplines: reputation in the field, quality of teaching and research, and student outcomes.

Our goal, then, should be to produce a national set of provider standards that encourage a diverse and skilled range of local providers as well as world-leading specialised universities to deliver in Australia the broader range of skills and approaches now required and that will be even more required in the future.

## Recommendation

TOP recommends that:

- the present requirements for admission to status as a University of Specialisation be made more flexible in respect of the number and focus of offerings required of an applicant institution
- the role of research be reconsidered to reflect a stronger emphasis on applied and industry-based research that may not necessarily be conducted at doctoral level
- serious consideration be given to varying the present qualifying period required before application may be made for University of Specialisation status.



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