

2. Drivers of policy change

This part explores the various interacting sets of forces that appear to be driving the new higher education “accountability for quality agenda” and its main elements of relevance, performance and transparency: first, wider expectations of higher education and university research; second, the changing nature of the demand for and supply of higher education; third, changes in the understandings and abilities required in contemporary occupations; fourth indicators of quality erosion in higher education; fifth, disaffection with conventional quality assurance and performance reporting; and sixth, a range of motives for increasing the responsiveness of higher education to student and wider community needs. As there are double-edged dimensions to these various considerations, the following discussions locate the drivers in a context of contestation.

2.1 Wider expectations of higher education and university research

Contemporary universities have enlarged roles through accumulation over time of multiple functions from their own initiatives, state directives, market opportunities and social expectations. They enrol and graduate a larger and more diverse student mix in an expanding range of fields of study to meet an increasing variety of occupational and other requirements. They undertake research directed towards complex ‘global problems’, ‘national priorities’ and demonstrable ‘end-user benefits’, and contribute to national and regional development. They have to keep pace with international developments and adjust to changing relationships with students as paying customers. And they operate with more exacting public accountabilities for the cost-effective use of resources. It is because universities have become more integral to the knowledge society they are more roundly subject to scrutiny. As society becomes more knowledgeable, universities come under pressure to expand the kinds of knowledge they provide and to diversify the criteria by which they are judged (Bleiklie & Byrkjeflot, 2002).

Additionally, various users of the services that universities provide also seek to influence the nature and form of those services, whether research outputs or learning opportunities. Higher education graduates represent an increasing proportion of the workforce in advanced economies. For many occupations, a Bachelor’s degree or higher level of educational attainment has replaced the school leaving certificate as the entry ticket to employment. Indeed, it has been suggested recently that “in the knowledge economy, a graduate degree will become the new bachelor’s degree, the minimum education credential that high-skills employers require” (US Commission on the Future of Graduate Education, 2010). In Australia, there has been an acceleration in the number of occupations for which a Master’s degree is required for professional entry, one consequence of which is that government supported places are replacing previously full fee places. A significant implication of this trend, whether skills deepening or credential inflation, is that the Bachelor’s degree is becoming a foundation qualification for further learning, even in Australia which has traditionally had a preference for early specialisation.

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Governments and employers, along with professional bodies, are consequently seeking to expand their influence over matters of curriculum and assessment just as much in tertiary education as in secondary education, largely to ensure that students are learning what it is perceived they need to learn to be productive:

"...as an undergraduate degree comes to replace the high school diploma as a gateway to even basic levels of sustainable employment, distrust increases in the professional authority of the professoriate. With increasing influence and declining trust, the focal point of professional accountability shifts from members of the profession to the clients and their representatives" (Borden, 2010).

Shulock (2003) has captured the essence of the shift in public policy orientation within the United States, with the application to higher education of the accountability assumptions developed for state-controlled schooling:

"Until fairly recently, states largely delegated accountability to higher education institutions and their governing boards. Universities' claims to academic freedom and autonomy were respected, with governments' interest largely confined to matters of budgetary allocations, location of campuses, and tuition rates. Elected officials trusted academic leaders to guide universities in directions that were of mutual interest and benefit. This hands-off approach to oversight of higher education continued until the public sector accountability movement was well entrenched in the early 1990s. A shift has occurred over the past decade in the balance between autonomy and accountability for public higher education. With accountability for K-12 education in full drive, policymakers are no longer willing to exempt higher education from this kind of oversight. Higher education institutions are struggling to respond in ways that preserve valued principles and honor institutional missions" (Shulock, 2003).

Post-Spellings discussions by US leaders in higher education, in an effort to assuage political and community concerns, led to a fuller appreciation of the decline in traditional regard for universities and the rise of new expectations:

"For much of American history, there has been considerable deference to, and confidence in, our colleges and universities as providing the best higher education system in the world. The past twenty years or more the traditional deference shown to higher education has been gradually replaced by increasing questioning and criticism. Business leaders, public officials, and the public more generally are asking that higher education show more clearly the results of the large investments in colleges and universities. These concerns are especially pressing as higher education also seeks to serve a greater proportion of the population and to meet the country's need for an increasingly well-educated, economically competitive, and socially responsible citizenry" (Leadership Alliance for Student Learning and Accountability, 2009).

Such expectations on the part of the broader community, on the one hand, whose support is essential to the sustainability of universities and, on the other hand, whose own sustainability is more dependent than ever on the contributions that universities make to economic, social and environmental problem solving, cannot be simply dismissed, trivialised or evaded. Indeed, governments in all jurisdictions are under intensifying pressure to secure the capacity of their economies to generate the wealth necessary to provide the services needed in a more demanding future, and if they cannot improve the skills base required to move up the curve of value added economic activity their economies will falter and talent will flow elsewhere. Nevertheless, it is important to avoid instrumentalist purposes from being too narrowly constructed lest they jeopardise the very foundations of the contributive capacity of universities.

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The Spellings Commission's call for standardised testing and reporting of higher education learning outcomes was seen by some as limiting the vision of the university to "a training center for the broader economy and its key industries" (Rhoads & Liu, 2009) and giving priority to what Aronowitz (2000) identified as "higher training" rather than "higher learning".

In their reflective essay of 2008, *What are universities for?*, Geoffrey Boulton and Colin Lucas offer a corrective to the narrow and immediate instrumentalism of government policies in many countries. They note "a growing tendency to see universities as sources of highly specific benefits... particularly marketable commodities for their customers, be they students, business or the state." They suggest that research universities are able to make such contributions because they deal with the universality of knowledge:

"They seek to understand that which we do not understand; they seek to explain complexity; they seek to discover that which is hidden from us. They seek to establish what is common to all of us and what distinguishes us each from another or each group from another. These things are common to the whole of university endeavour whatever the discipline. They are not 'academic' in the pejorative sense of the word, but are of profound, practical utility. They are the foundation upon which the university enterprise rests and upon which its significance for society is built" (Boulton & Lucas 2008).

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Hence they argue that governments should respect the essential core of the university and not act to erode or circumscribe it. This is not a novel reminder. As Derek Bok observed two decades back, universities "help in but do not determine" outcomes such as effective corporate governance, sound financial regulation, competent government, effective schools, improved health or reduced poverty. He cautioned that "we will debase our academic institutions and the work they do if we think of them merely or even primarily as means rather than ends" (Bok 1990). And so it continues that universities, at times, play unwelcome roles as sites for the expression of uncomfortable thoughts: "It is the academic's job in a free society to serve the public culture by asking questions the public doesn't want to ask, investigating subjects it cannot or will not investigate, and accommodating voices it fails or refuses to accommodate" (Menand, 2010).

In Australia, Britain and the US, universities are not organs of government but are self-governing institutions that own themselves. Interestingly their reliance on government as a source of funding has been diminishing but the claims of government through principal-agent financing relationships have been expanding whereby governments regard universities as instruments for the achievement of government goals (or arguably community goals mediated by the government). However, the special position claimed by the 'institutions' of higher education, especially universities, is itself challenged by the diminished public authority of institutions generally (Nisbet 1975), whilst the integration of higher education with mainstream economic policy has generated new expectations of accountability:

"The consolidation of mass HE and the growing influence of economic ideas in institutions and in HE systems are both relevant to understanding some of the recent developments regarding quality assurance and performance evaluation as seen by the increasing scrutiny of institutions' performance and their capacity to respond effectively to a series of multiple economic and social demands, which have been added to their traditional missions. These trends have brought about a changing relationship between HEIs and governments, not only increasing institutional autonomy but also a growing influence of economic rationality in institutional regulation and decision-making. This has led to more extensive accountability and scrutiny of an institution's activity, with a notable emphasis on the promotion of explicit assessment of the institutions' internal and external efficiency and effectiveness" (Teixeira, 2010).

2.2 The changing nature of higher education demand and supply

The diversification of higher education supply in post-mass (or near-universal) systems, through private for-profit and not-for-profit providers, alongside public institutions and public-private partnerships, some of them spanning sectoral and national borders, and employing a mix of delivery modes, stretches the pre-mass conventions of internal self-evaluation for sustaining community confidence in the integrity of higher education. In this more open and competitive environment, the decision of a student to pursue a higher education degree “is increasingly becoming a matter of taking risks” (Wangenge-Ouma & Langa, 2009).

The expansion and diversification of higher education requires new forms of information and channels of communication about the orientation and quality of different higher education institutions and programs, so that potential participants can make sense of what is available and make informed decisions, and employers can have a reasonable basis on which to compare graduate applicants:

“When university systems were small, catering mainly for the upper and middle classes of society, and when there was little movement of students from one university to another—either during a course or to take a second degree—universities could rely on there being a shared body of knowledge. However eccentric and confusing the systems and practices of a particular university might be, it mattered little because everyone who had studied there could understand them and everyone else took their excellence on trust. A degree from Athens, Bologna, Cracow, Heidelberg, Oxford or Paris spoke for itself. But the old forms of trust, appropriate to an elite system, are insufficient when confronted with millions of students, hundreds of thousands of courses, thousands of universities and with the demands of millions of employers” (Floud, 2007).

In contemporary circumstances, the prior bases for trust in the worth of educational qualifications are called into question. The traditional bases of trust, whether prior knowledge of the awarding institution or confidence in the processes of external verification by peers, have been challenged for their subjectivity, exclusivity and narrowness:

“The first was that they were unreliable and subjective. The basis of judgements was never made explicit and it was argued that they could be prejudiced against certain kinds of learners. The second ground for dissatisfaction was the reliance of traditional qualifications on ‘norm-referencing’—the assumption that there is a relatively fixed proportion of each cohort able to display capability at a given level. The third criticism was that the basis of judgement was narrow; it had difficulty in coping adequately with comparing people from different countries or even from unfamiliar institutions or with making judgements about those with experience but not with qualifications” (Young, 2007).

In response, a model of ‘trust-free’ specification of criteria has emerged, but not without its own difficulties resulting from a tendency to over-specification with a consequential trivialisation of outcomes and lowering of standards (Wolf, 1995) and tension between educational purposes and accountability requirements:

“Criterion-referenced testing and statements of competence or outcomes that are found in qualifications frameworks appeared as an obvious solution to these problems. A further assumption

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of the criterion-based approach was that greater reliability could be achieved with the more precise specification of criteria and that, as a result, assessment would rely less on the subjective judgements of assessors; their activity would become more procedural than judgemental. It was assumed that the greater specification of criteria would not only mean a more accessible and fairer system for learners but that the trust and interpretive judgement that had been a core feature of traditional systems would become increasingly irrelevant” (Young, 2007).

The massification of higher education, and the associated over-production of graduates relative to labour demand for them in particular areas, gives rise to the need for students to form a range of skills that enable them to work effectively in areas other than their field of study concentration. It also generates a call for new ways of discriminating among graduates. Reliance on institutional reputation no longer suffices in a diverse mass system, and greater attention is paid to the capabilities of graduates themselves. Some institutions, such as the ATN group of universities in Australia have taken steps to embed capability development in curriculum and assessment, “as a means of diluting the effects of reputational differentiation” (Nunan, 1999), and to expand systematically the information they provide about the capabilities developed by their graduates, including through student records and portfolios. Others call for more comparable measures of student achievement across national systems, particularly in relation to a common set of generic skills (Coates, 2007b).

The internationalisation of higher education, including the internationalisation of curricula, cross-border delivery and growth in international student mobility, makes it necessary to see higher education qualifications beyond the national contexts of their awarding. In many cases, students are preparing for work as global graduates, and their credentials need to be useful for work and further learning wherever in the world they want to make their way. In some professional fields there are international agreements covering mutual recognition of qualifications, such as for Engineering: the Washington Accord (1989), the Sydney Accord (2001) and the Dublin Accord (2002); as well as agreements covering competence standards for practising engineers—the APEC Engineer agreement (1999), the Engineers Mobility Forum agreement (2001) and the Engineering Technologist Mobility Forum agreement (2003).

The European Parliament and Council’s adoption of a European Qualifications Framework recognises that “Europe’s education and training systems are so diverse that a shift to learning outcomes is necessary to make comparison and cooperation between countries and institutions possible” (European Commission, 2008). The European initiative of the ‘diploma supplement’, offers a mechanism for graduates to show what, where and how they have learned, and the equivalence of their credentials.

Some envisage a radically transformed set of arrangements for higher education in the future, operating through mixed platforms on a global scale (see Box 5). Within host nations of internationalised institutions as well as for new local entrants, the development of criteria against which the capacity and performance of different providers can be assessed is seen to be necessary for competitive market development, especially where long-established institutions have reputational advantage which is not subject to objective demonstration and where new providers cannot rely on such status signals (Alderman & Brown, 2007).

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Box 5. A vision of Higher Education in the Future

“The emerging learning enterprise involves designing and creating experiences that provide opportunities to discover and gain 21st century competencies based on assembly, synthesis, perspective, critique, and interconnected systems thinking. The mechanisms for certifying competency (along with what I will refer to as emergent learning communities) provide the value—and brand—of traditional universities in the 21st century. The traditional university, once a near monopoly producer of graduates with valued and relevant skills, has given way to a growing number of providers of valued and relevant skills and education in the maturing connected learning era.

My view is that in the open-access movement, we are seeing the early emergence of a meta-university—a transcendent, accessible, empowering, dynamic, communally constructed framework of open materials and platforms on which much of higher education worldwide can be constructed or enhanced. The Internet and the Web will provide the communication infrastructure, and the open-access movement and its derivatives will provide much of the knowledge and information infrastructure.

The Internet enabled a worldwide connected infrastructure that supported acceleration of the global economy and a variously described flat or flat-with-some-bumps world. Scholars from peripheral outposts, far from pre-Internet knowledge clusters, gained equal access to scholarly research materials and near real-time interaction with colleagues at the most prestigious institutions. This dramatic reframing of scholarship has not been accompanied by a parallel transformation in the student experience, represented by scalable, cross-national collaborations between students of diverse backgrounds.”

Gonick, 2010.

Gonick’s technology-driven view of the future contrasts with Wildavsky’s talent-driven view, where more powerfully informed and motivated students are seeking out excellence within a global frame of reference, in response to which leading brand institutions will be driven to replicate themselves, or otherwise guarantee consistently high standards through their internationalised operations and alliances:

“Whatever direction global higher education takes going forward, one thing is clear: the growing number of internationally mobile students, intent on finding excellence in research and teaching, have already begun to create a world in which, to an unprecedented extent, talent can be identified and find the best possible academic home—a version of what, in real estate, is known as the ‘highest and best use’. Policymakers seeking to reap the advantages of a thriving and open higher education system will make little headway toward creating good universities, let alone globally great ones, without understanding that meritocracy and the free exchange of ideas form the core of the university” (Wildavsky, 2010).

Students seeking international experience as part of their higher education are interested to obtain home credit for the courses they complete in other institutions. Typically, home universities will look for equivalence of institutions and programs in determining how much credit to transfer. In this context, groups of similar universities are forming in various countries and they are networking with like groups elsewhere for research collaboration and student and staff exchange. These arrangements of mutual selection, which go beyond national frameworks formed by governments, are driven by academic judgements about relative quality. A particular expression of this “increasingly important form of implicit international accreditation” (Tan, 2010) is the growth in the number of joint graduate research degree programs with external partners of similar ethos. Underpinning these partnerships (e.g. National University of Singapore with Imperial College, King’s College London and the Australian National University) are understandings about “consistency of admission standards and some degree of comfort in the internal assessment processes, like course requirements, qualifying examination, and thesis advising and supervision” (Tan, 2010).

The concurrent modernisation and globalisation of higher education may be seen to reduce differences among countries and highlight inconsistencies within countries, with the inference that we may see supra-national arrangements also having increasing significance:

"...no country will be satisfied with the fragmented, divided and partial qualification system that emerged from the 19th century with all their barriers, cul de sacs and blocked progression opportunities for all but a few. There will continue to be support for national, regional, and increasingly international qualifications frameworks as a response to the increasingly global character of both labour markets and systems of higher education" (Young, 2007).

Hence we can observe different sets of response options to the challenges arising from the diversification of higher education demand and supply. One set of responses is institutionally-grounded, whether (a) through improvements to internal assessment practices, or (b) structured recording and reporting of graduate capabilities, perhaps as a competitive differentiating strategy, or (c) alliances with similar institutional types nationally and internationally, perhaps as a talent-attracting or quality-validating strategy but most importantly as a means of providing students with the best possible learning environments. A second set of responses is system-based at a national level, whether (a) narrowly through the reporting of student performance measures on standardised tests of generic skills, or (b) publication, within a common template, of information about institutional capacity, offerings, other indicators of graduate achievement, destinations and satisfaction. A third set of response options focuses on field-of-study or professional specifics, and increasingly on an international frame of reference.

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2.3 Indicators of quality erosion in higher education

The costs of post-mass expansion stretch the fiscal capacity of governments and require publicly-funded institutions to diversify their income sources (Johnstone, 2009). The tendency of governments to fund teaching and research at less than actual costs, alongside the imperative for institutions to increase their operating efficiencies, raises risks to quality as indicated by increasing student teacher ratios and class sizes.¹⁰

Higher education institutions face new challenges in balancing their growing reliance on commercial and competitive sources of income, for research as well as teaching, with the preservation of quality and ethics. There are episodic suggestions, for instance, from academics and others, of pressure to limit research methods or the publication of results for commercially-sponsored research, and to award higher grades to fee-paying students than their performance merits. The ventilation of internal discontent, whether with purported university managerialism or educational commodification, may represent a form of protest by a generation of academics at unease with the course of change, but it can resonate in the public mind amid growing concern with the apparent incidence of plagiarism, and unfamiliarity with new methods of continuous and on-line assessment and the increasing use of group learning activities (James, 2003). Additionally, changing patterns of 'student engagement' in university life, including reduced campus attendance and longer hours in employment, raise questions about depth of learning (James et al. 2010; Krause, 2005; Long & Hayden, 2001).

Interestingly, in Australia, the main available indicators—surveys of student and graduate satisfaction—do not reveal diminishing quality over the last decade. If anything, they suggest that notwithstanding higher participation, erosion of the funding rate per student, a blow-out in student/staff ratios, and the increased use of casual and sessional teaching staff, higher education quality is being sustained at reasonably acceptable levels (Bradley et al., 2008). Or is it that apparent stability of student satisfaction in the context of declining inputs reflects diminishing quality through less stretch for students and easier marking by teachers? Or is there some amount of gaming behaviour on the part of institutions, such as through manipulating student responses, especially on the items that count for performance funding allocations? Such questions highlight the need to see indicators as signals for further searching, as partial measures, or even proxies or substitutes for 'real' matters of interest which cannot be directly observed.

¹⁰ In Australia, average university student/staff ratios have risen from 12 to 1 in 1988 to 20 to 1 in 2008. Interestingly, over the same period average secondary school student/teacher ratios have fallen from 19:1 to 12 to 1.

2.4 Concerns about graduate preparedness for changing job requirements

Questions typically arise about the effectiveness and responsiveness of advanced human capital formation where there are evident imbalances between graduate supply and labour market demand. The basic market test of higher education quality is the ability of graduates to be gainfully employed or self-employed. A higher education system can be assumed to be functioning without serious problems when graduates have reasonably high rates of employment and low rates of unemployment and under-employment, and when they command a salary premium over non-graduates in the labour market. In respect of higher education graduates, Australia has no major problems in this regard. Nor has Britain, whereas the US has major problems (US Department of Education, 2006). In Australia, for instance, there may be some apparent imbalances in the production of graduates by field of education relative to short-term occupational demand, whether an under-supply of engineers or an over-supply of lawyers, or the under-employment of generalist graduates, but the labour market is absorbing graduate output, and higher education graduate earnings continue to yield a positive net private return on investment.¹¹

The basic market test of higher education quality is the ability of graduates to be gainfully employed or self-employed.

However, labour market outcomes, whilst an indicator of educational effectiveness, are not necessarily reflections of graduate capabilities. Graduate employment is affected by factors beyond the control of higher education institutions. A body of research suggests that employment rates depend not merely on higher education learning outcomes, but on a variety of factors including prevailing labour market conditions, socio-economic factors, prior learning, the subject studied, social networks, and cost of education (Nusche, 2008). According to the job-market signalling model (Spence, 1973) employers seek graduates from the more selective institutions, because they assume that those institutions have a higher proportion of students of high ability. In this model, the educational quality of the higher education institution is less relevant to the employer than its role in sorting talent and conveying information about the relative abilities of job applicants (Nusche, 2008). Hence success in the labour market may reflect reputational factors and not simply individual merit or the success of a nation's system of human capital formation. Some are interested in revealing factors behind the reputational image of particular institutions which may otherwise charge a price premium for services they do not deliver (Carey, 2010).

Nevertheless, one would expect employers to be discerning about their labour costs. If the signals from the selective institutions fail to underpin employer expectations of graduate productivity, that should become apparent in the clearance rates and salary premiums of graduates.

So why are graduate returns to investment, whether employment outcomes or incomes, no longer regarded as an appropriate measure of the value of a degree? Why are 'direct measures of learning outcomes', which must also be proxies, because they can only sample what someone knows or can do, preferred over other indicators?

¹¹ Private rates of return to a bachelor degree have been estimated by the Australian Bureau of Statistics, from population census data over five year intervals from 1981 to 2006. The estimates compared income flows over 47 years lifetime span for persons with a bachelor's degree and those without any post-school qualification. Whereas in 1981 the expected rate was 13.1% for males and 18.0% for females, by 2006, the expected rates had risen to 19.6% for males and 19.0% for females, with a fall in 2006 to 15.3% for males and 17.3% for females. The fall in 2006 reflected the lower general level of unemployment in the economy. These returns to human capital investment compare more than favourably with investment in tradable shares (ABS, 2010). Graduate Careers Australia provides annual reports on the destinations and starting salaries of university graduates by level and field of study. www.graduatecareers.com.au.

Without pointers to clearance bottlenecks or labour supply shortages in critical areas, there is no obviously compelling case for governments to intervene in such processes. If, indeed, there is an apparent graduate under-utilisation, the most useful point of action may be at the level of the employing enterprises which are not making full use of the talent available to them.

2.4.1 Employability skills

In Australia, surveys of employer satisfaction with graduates tend to suggest some level of concern about an over-emphasis on content knowledge and theory and the underdevelopment of 'employability skills' (see Box 6). The former can be ephemeral and location-specific. The latter can include communication, problem solving, team-work and attitudinal and behavioural characteristics, such as 'self-management' (e.g. punctuality and cleanliness). The survey results tend to vary according to employer type, industry sector, enterprise size, and occupational group, and different perceptions may be gleaned from chief executives than from human resource managers (ACNielsen, 2000). A recent study of 800 employers in Britain by the recruiting company Reed, has found that the key qualities employers look for in a candidate are "honesty and trustworthiness, followed by commitment, adaptability and accountability" (Attwood, 2010). Skills, or measured learning outcomes, are further down the list of desired attributes.

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Box 6. Employability Skills

The Employability Skills Framework, developed by the Australian Chamber of Commerce and Industry (ACCI) and the Business Council of Australia (BCA) and published in *Employability skills for the future* (DEST 2002), focused on "skills required not only to gain employment but also to progress within an enterprise so as to achieve one's potential and contribute successfully to enterprise strategic directions".

AACI/BCA proposed eight employability skills from higher education:

- Communication that contributes to productive and harmonious relations between employees and customers.
- Teamwork that contributes to productive working relationships and outcomes.
- Problem solving that contributes to productive outcomes.
- Initiative and enterprise that contributes to innovative outcomes.
- Planning and organising that contribute to long-term and short-term strategic planning.
- Self-management that contributes to employee satisfaction and growth.
- Learning that contributes to ongoing improvement and expansion in employee and company operations and outcomes.
- Technology that contributes to effective execution of tasks.

Existing generic tools, such as the Graduate Skills Assessment (GSA) and the Employability Skills Profiler (ESP) are not favoured by universities in their current form. The GSA is seen as costly to the university and too generic to be of value; academic staff queried the appropriateness of written or online instruments to assess practical and interpersonal skills. International literature shows support for generic skills testing instruments, particularly

those that allow for contextualisation of the generic skill to the discipline or professional area. The ESP was largely unknown in higher education and broad perceptions were that it was more suited to non-professional job seekers. There was however support for students being offered some form of self-assessment, so that they could better manage their own learning and development.

Precision Consultancy (2007). *Graduate Employability Skills*. Prepared for the Business, Industry and Higher Education Collaboration Council. Melbourne.

To some extent, employer advocacy of enhanced employability skills represents an interest in shifting some of the costs of enterprise training onto the education system whether publicly or privately financed. Whereas some (mostly large) employers look for talent on the basis of signalling, as discussed earlier, and are willing to invest in developing graduates for firm-specific roles, others appear to expect graduates to be work-ready immediately. However, public involvement can be justified, in the absence of incentives for firms to invest in training beyond their immediate needs, for helping some groups of people to become more 'job ready' for labour market entry, and for helping those in the workforce with low levels of education benefit from training (Field et al., 2009).

Nevertheless, some caution needs to be exercised in policy terms to avoid higher education being too instrumentally narrowed in the quest for 'relevance'. The recently announced approach in Britain focuses on the 'activities' offered by higher education institutions, whether embedded in structured learning or extra-curricular, to enhance graduate employability as distinct from their employment outcomes (see Box 7).

Box 7. Employability statements in Britain

"HEFCE is working with the Department for Business, Innovation and Skills and key partners to help improve the presentation of information on employability support for students entering HE in 2011-12. This is part of a longer-term review of public information that is already under way. It is expected to consider employability and employment information including Teaching Quality Information (TQI) and the National Student Survey (NSS). The review is part of further development of the quality assurance system and will go out for consultation, jointly with Universities UK and GuildHE, in autumn 2010.

The employability statement is intended to be a short summary of what universities and colleges offer to their students to support their employability and their transition into employment and beyond. Statements are not intended to duplicate existing information that many universities already provide through their web-sites, but to make this easily comparable and accessible to students and to strengthen its profile and visibility.

Universities and colleges are asked to publish their statement in the commentary section of the Unistats web-site, and in their own communication channels (such as web-site and in future prospectuses). As we are currently undertaking a comprehensive review of employment data, statements should focus on the support available to students rather than outcomes data on employment. Data on employment outcomes are already available at detailed subject level on the Unistats web-site.

Statements should address the four priority areas identified in the accompanying notes (careers, work experience, curriculum support and accreditation), but the examples given in the guidance are not prescriptive. Institutions that have distinctive or innovative approaches to supporting employability are encouraged to reflect these in their statements."

HEFCE (2010).

On the available evidence for countries like Australia and Britain, the kind of higher education reform agenda being envisaged by OECD ministers and others needs to be justified on grounds other than problems with the labour market fitness of graduates, or at least the nature of any such problems needs to be specified.

What kinds of problems are evident? Are there perceived deficiencies in content knowledge (e.g. that doctors have insufficient knowledge of anatomy—and if, so, how valid is such a view for contemporary and future practitioners able to access information and assistance in the digital era)? How important is content knowledge when its shelf-life is so short in so many fields? Who should decide what is the most important content knowledge? Are there deficiencies in the technical skills of graduates (e.g. social science graduates lack adequate quantitative skills)? Are there deficiencies in other areas of graduate preparedness? If so, are they the ‘employability skills’ (e.g. problem solving, communications, self-management or interpersonal skills)? Or are they broader capabilities associated with knowledge domains, e.g. reasoning, analysis, critical thinking? Or are they more personal traits, such as honesty and commitment, of the kind that are developed more through education than training?

2.4.2 The changing nature of work

In Australia as elsewhere, employment is ‘hollowing out’, with the steady decline of ‘blue collar jobs’ over several decades, and widening income disparities, which may reflect “changes in the occupational distribution of employment—the shrinking middle—rather than changes in relative wages” (Lewis, 2008). Twenty-first century jobs, particularly though not exclusively in areas of occupational growth, are requiring more sophisticated understandings and abilities on the part of new entrants to the labour market as well as existing workers. Applications of enlarged and faster computing capacity, alongside Internet and mobile communications, and the spread of cross-disciplinary approaches to problem solving, are creating new formations of capability (= people + infrastructure + networks) underpinning enterprise competitiveness.

There is a contrary view (Lazerson, 2010; Wolf, 2002) that vocationally-oriented education has been over-sold as a driver of economic growth and prosperity, and that governments exaggerate the pace of change and the proportion of jobs requiring higher qualifications. Lazerson’s claim that “vocationalism undermines learning itself” expresses a concern that the intrinsic value of learning is lost when “students become highly credentialist in the sense that they view the grades and credits they accumulate as the most essential aspect of education” (Lazerson, 2010). Additionally, a challenge for vocational education is to prepare people for jobs that do not yet exist and which we may not be able to imagine.

Similarly, the setting of targets for educational attainment, such as the Leitch Review targets in the UK, copied by the Bradley Review in Australia, are seen to represent social pressures or political expediency rather than economic needs:

“It is hard to avoid the pessimistic conclusion that the targets may be unrealistic and unachievable, in part because they do not take account of differences in skills needs in regions across the country. In relation to 2020, we note that Leitch set out in his report his analysis of the consequences of failing to meet the challenge in full. More immediately, there is the danger that skills policy might be distorted to meet the targets at the expense of programmes and delivery mechanisms that better reflect what employers and individuals really need” (House of Commons Innovation, Universities, Science and Skills Committee, 2009b).

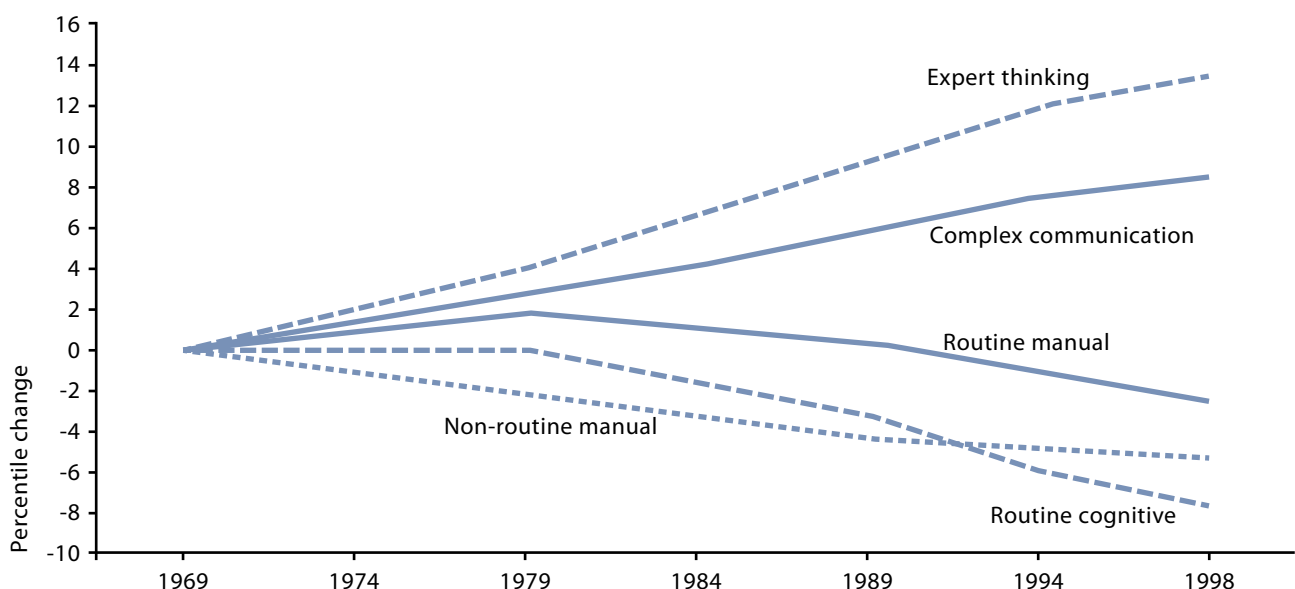
Nevertheless, the OECD, the World Bank and other agencies, with a focus on national economic competitiveness, are giving attention to future workforce capabilities. An influential contribution to thinking is the work of Levy and Murnane (2004) who see computers enhancing productivity in many jobs even as they eliminate other jobs—both directly and by sending work to other countries. They see the impact of computerisation on work to be “hollowing out the occupational distribution” (Levy & Murnane, 2004). They argue that “the future belongs to the people who excel at expert thinking (solving problems for which there are no rules-based solutions) and complex communication (interacting with people to acquire information, understand what that information means and persuade others of its implications for action)” (see Figure 1).

Hence, at greatest risk are the jobs that can be expressed in programmable rules—blue collar, clerical, and similar work that requires moderate skills and used to pay middle-class wages. The result is a polarised job market: good jobs will increasingly require expert thinking and complex communication; whereas jobs that do not require these tasks will not pay a living wage. Preparing the work force to deal with this reality presents a formidable challenge. Levy and Murnane propose a vision of “standards-based education”—setting clear goals for student progress, standardising instruction to meet these goals, and measuring student progress toward these goals “frequently enough to make sure they are attained” (Levy and Murnane, 2004).

...at greatest risk are the jobs that can be expressed in programmable rules ...

Extrapolating from these apparent trends, the OECD Education Directorate has suggested that the demand for skills sets in jobs has changed, with a move from ‘Narrow Routine Manual’ and ‘Narrow Routine Cognitive’ jobs towards jobs that require ‘Non Routine Analytic’ skills and ‘Non Routine Interactive’ jobs. Important skills sets for education to develop include: the extrapolation of knowledge; the resolution of conflicts; collaboration and orchestration; explanation; and the synthesis of ideas and methods (Schleicher, 2009). This view emerges from a classification of new functions emerging in a wired-up world of instantaneous information from multiple sources. Filters and “explainers” become more important as the content we can search and access becomes larger (Yelland, 2010). “Localisers” are seen to be necessary for translating global knowledge to local contexts. “Collaborators and orchestrators” are needed in order to bring coordination and management to companies in a complicated, globalised world. As complex problem solving involves multidisciplinary contributions, “synthesizers” are seen to be needed for integrating disparate parts of the solution. “Versatilists” are seen to be needed to apply depth of skills to a progressively widening scope of situations. People with versatile skills are distinguished from “specialists” with deep skills and expertise, but narrow scope beyond their domain, and from “generalists” with shallow skills but broader scope. “Versatilists” have a capacity to gain new competences, assume new roles, and constantly adapt, learn and grow (Schleicher, 2009). It is argued that systems that measure the ability to develop these skills are now needed rather than “Easy to Teach–Easy to Test” systems (Schleicher, 2009).

Figure 1. Economy-wide measures of routine and non-routine task input, United States, 1969-98 (1969 = 0)



Reproduced from Levy & Murnane (2004). Figure 3.5.

Note: Each trend reflects changes in the numbers of people employed in occupations emphasising that task.

These perspectives come together in a focus on “adaptive expertise” (Bransford et al, 2006) as a goal of school education: “the ability to apply meaningfully-learned knowledge and skills flexibly and creatively in different situations” (de Corte, 2010), as opposed to ‘routine expertise’—being able to complete typical school tasks quickly and accurately but without understanding. The development of adaptive competence in a domain is seen to require the acquisition of several cognitive, affective and motivational components: “a well-organised and flexibly accessible domain-specific knowledge base”; “heuristics methods” (search strategies for problem analysis), “meta-knowledge” about one’s cognitive processes and motivations, self-regulatory skills, and positive beliefs about oneself (de Corte, 2010). This educational goal suggests a new balance in learning processes, between “structure and guidance by the teacher”, and more self-directed “action learning”, and self-determined “experiential learning” (de Corte, 2010).

This view challenges aspects of conventional approaches to curriculum, teaching and assessment not only in schools. It also challenges narrow competency-based approaches to vocational education which provide no room for broader capability development and knowledge foundations. And it challenges approaches to higher education that are both academically narrow, in terms of exposure to disciplinary perspectives and early specialisation, and experientially narrow, in terms of learning methods.

Some regard these developments in the character of work giving rise to fundamental rethinking of traditional boundaries between disciplinary knowledge and performative skills, and between academic and vocational sectors. It has been suggested, for instance, that a focus on learning outcomes through national and international qualifications frameworks, quality assurance and standards-referenced performance accountability will “lay the ground for a competence-based common language across countries and sectors, as well as between education, training and the labour market” (Quintin, 2010). However, this is a hotly contested view, and it would be dangerous to adopt it without scrutiny as a basis for national reform.

The balance of breadth and depth at higher levels of learning is not a simple or generalisable matter. Arguably, the higher the level of specialisation the lower the substitutability of labour (Lewis, 2008), although what matters most for adaptability is grounding in the ways of knowing, whatever the field (Rotherham & Willingham, 2010). The earlier functional specialisation of higher education systems, involving a demarcation of institutional types, can be seen to reflect the needs of occupationally segmented labour markets, particularly when skilled workers were required for clearly specialised roles (Bleiklie, 2007). Demand for specialised graduates continues in traditional professional fields (e.g. medicine, engineering), in new graduate occupations (e.g. paramedical, marketing), and in niche areas of specialisation (e.g. sports management and hospitality) within parts of the services sector (De Weert, 2009). In areas such scientific and medical services and research, there is a need for high-order technical skills as well as process skills; but only the latter are fungible.

...the higher the level of specialisation the lower the substitutability of labour...

As Lauder (2009) has noted in reflecting on Muller’s (Muller, 2009) account of the formation of the ‘fault lines’ of liberal and practically-useful knowledge which, when mapped onto the changing division of labour, give rise to the routes between education and the labour market, assumptions about transferability of skills at all levels are arguable:

“...the idea that there is a generic set of knowledge structures acquired through education, as policy-makers assume, is simply false because the more specialised a discipline becomes the less transferable its understandings and skills” (Lauder, 2009).

Specialisation not only permits deeper mastery and greater productivity, it also plays an important social function, for while the knowledge and skills needed for a particular profession are transmissible they are not transferable:

"This non-transferability of expertise is the balance wheel of professionalized economies: it prevents excessive claims to authority being made by well-educated people. It provides a check to the elitism inherent in any market-circumventing system. Professionalism is a way of using smart people productively without giving them too much social power" (Menand, 2010).

The recognition of specialisation is also important for safeguarding service integrity. For instance, in professional practice it is necessary to prevent lay claims upon professionals in one field (e.g. social welfare case workers) to exercise judgements that can only be exercised by professionals of other fields (e.g. law, psychology, mental health), although this does not prevent them from questioning such judgments.

Specialisations are themselves subject to new challenges of balancing breadth and depth of knowledge and integrating new understandings. Sullivan & Rosin (2008) contend that "today's students will be called upon to meet the practical and professional challenges that await them with insight, technical know-how and discerning moral commitment" (Sullivan & Rosin, 2008). They see the need for university education to focus on an integrated set of capabilities, which they call "practical reasoning":

"The educational goal of practical reasoning is the formation of persons who think and act through a back and forth dialogue between analytical thought and ongoing constitution of meaning" (Sullivan & Rosin, 2008).

A New Agenda for Higher Education sets out ways of integrating practices from professional education that engage students in practice and reflection, with teaching practices from the liberal arts which provide sources for the formation of competent and responsible persons: "By reconnecting analytic insight with practical judgment and action, students learn how best to enter situations, how to sustain aims amid changing circumstances, and how to frame and reframe purposes while seeking with others a common good" (Sullivan & Rosin, 2008). An important inference from the work of Sullivan and Rosin is a corrective to the popular view that focuses on the measurement of generic attributes of higher education graduates, such as critical thinking and problem solving, as stand-alone skills:

"The academy is not only called to break apart the world into its constitutive relations and causes through critical thinking... We mistake analysis and critical thinking, which are disintegrating ends, for judgement and responsibility, which are integrating and consummating ends... Our students will be called to take up concrete places and stances in the lives of others. They must learn to discern the practical salience of academic insight through integrative acts of responsible judgement in the world. What critical thinking pulls apart, responsible judgement must re-connect. The calling of higher education does not end with theory and interpretation. It culminates in the active formation of new narratives of individual and collective identity and responsibility" (Sullivan & Rosin, 2008).

Additionally, the task of preparing graduates as citizens of the world involves rethinking curriculum goals and design. Future higher education graduates need to be able to deal with complex challenges facing the world and have the requisite skills and understandings to exercise global options for gaining employment anywhere they choose. Ramsden (2008) sees the need to improve the preparation of future graduates, including through curriculum overhaul: "we require curricula that are transdisciplinary, that extend students to their limits, that develop skills of inquiry and research, and that are imbued with international perspectives". Ramsden suggests that only such qualities will ensure graduates who are able to "embrace complexity, climate change, different forms of citizenship, and different ways of understanding individuality and cooperation" (Ramsden, 2008).

The main inferences from the above considerations, for the purposes of this paper, are (i) graduates need the ability to apply meaningfully-learned knowledge and skills flexibly and creatively in new situations (De Corte, 2010); (ii) more sophisticated systems are needed for developing and assessing these abilities (Schleicher, 2009); understandings and skills become less transferable the more specialised knowledge becomes (Lauder, 2009); and generic abilities like critical thinking and problem solving are integrated with rather than separable from practical reasoning (Sullivan & Rosin, 2008). These observations challenge conventional assumptions of public policy in areas such as national qualifications frameworks and standardised generic skills testing.

2.5 Disaffection with conventional quality assurance and performance reporting

A further impetus to reform is a loss of confidence in established quality assurance regimens, notwithstanding the comprehensive and sophisticated nature of arrangements in many countries. There is a widespread view, across different countries and stakeholder groups, and across party political lines, that the widely adopted 'quality assurance' paradigm is inadequate:

"Public and governmental disillusionment with quality assurance processes in countries such as the UK are leading to fundamental changes in the way that quality is assessed and assured" (Williams, 2010).

From a public policy perspective, quality assurance in higher education reflects concerns for public accountability and consumer protection. The public accountability purpose can be narrowly or widely cast. In its narrow expression it is concerned with value for money through a reckoning of cost-effective use of public resources, which may involve accounting for use of inputs or the performance of activities or the achievement of results or some combination of inputs, processes and outputs. The choice of focus mainly reflects the nature of the funding arrangements for general-purpose (block-funded activities) or specific-purpose (stipulated activities). Generally, the greater the level of discretion given to institutions over the use of inputs the greater the focus on reporting about delivery of outputs. In its broad expression it may be concerned with institutional responsiveness to societal needs, and in competitive environments, some demonstration of responsibilities to safeguard public good interests. Typically these wider concerns are reported by institutions in terms of activities undertaken and impacts estimated.

...the greater the level of discretion given to institutions over the use of inputs the greater the focus on reporting about delivery of outputs.

The consumer protection purpose can also address general matters of value for money for student purchasers but in practice it is concerned with avoiding students being exploited by unscrupulous providers or issued with bogus credentials. This purpose has typically involved a focus on threshold requirements for bona fide provider operation, and safety-net provisions for students in the event of failure by a provider, such as continuity of study options with another provider or fee refunds. Students may also claim redress in circumstances where they believe they have been misled by a provider or where they believe a provider fails to deliver what it promises in its prospectus or marketing materials. Action can include litigation or settlement between parties. Typically such cases relate to activities performed by the provider; it would be more difficult for a student to claim for lower than anticipated learning achievement when the student is an agent of the learning.

Four particular areas of disaffection with the application of this model to higher education may be discerned: (i) the failure of quality assurance mechanisms to rid the system of rogue providers; (ii) a burdensome process for institutions that induces compliance and is subject to gaming; (iii) the tendency of quality assurance to reduce diversity and quality; and (iv) deficiencies in the quality of information available to students, employers and others. There are different policy implications for each area of concern. The first concern requires tighter registration and more regular re-registration of providers. The second set of concerns requires replacement or modification of the current quality audit model. The third set of concerns requires more comprehensive, reliable and regular information provision.

2.5.1 The failure of quality assurance mechanisms to rid the system of rogue providers

Despite the burden of registration and QA processes, in several countries they have not succeeded in weeding out the poor performing institutions. The failure results from a mix of factors, including: breakdowns in parts of the supply chain which are not subject to national registration and auditing, such as foreign agents recruiting international students; breakdowns in relations between parties to a service provider alliance; inadequate screening for initial registration; and breakdowns in the scrutiny of ongoing provider compliance with initial registration conditions.

In Australia, for instance, several institutions that were initially registered to operate were subsequently found to be seriously deficient in terms of financial solvency or staffing adequacy or probity. The major problems were identified in the Vocational Education and Training sector servicing the market for international fee-paying students, in a context where the Australian Government's immigration policy awarded bonus points for Australian qualifications towards permanent residency eligibility. However, as some universities were caught up in aspects of that business, including one or two that had been subject to quality audit and continue to operate, the policy solution could not be confined to one class of provider.

The committee of review of Australian Higher Education regarded current arrangements for quality assurance to be "complex, fragmented and inefficient". (Bradley et al 2008). However, its concerns about complexity and fragmentation refer to differences across tertiary sub-sectors (Vocational Education and Training, and Higher Education) and State & Territory jurisdictions, primarily for provider accreditation. In those areas, of course, attention must be given to inputs and processes, such as sufficient qualified teaching staff, adequate facilities, financial sustainability and appropriate governance. Reliance on outcomes alone would permit providers to operate without meeting any threshold requirements ahead of graduating a class of students. Hence, a focus on outcomes relates to policy purposes other than initial institutional licensing, although it could have a role in assessment for subsequent re-registration. Nevertheless, the matter requires attention, and not only within national jurisdictions.

In the US, a recent Government Accountability Office (GAO) "secret shopper" investigation of recruiting practices at 15 for-profit campuses has identified "fraudulent, deceptive or otherwise questionable marketing practices" at all 15 institutions, and inducements to commit fraud on the Free Application for Federal Student Aid at four institutions. The report formed the backdrop to the 4 August 2010 hearings of the Senate Health, Education, Labor and Pensions Committee on the "student recruitment experience" at for-profit colleges. Committee chair, Senator Harkin (Democrat, Iowa) outlined plans to hold more hearings on the sector, to collect broad sets of information from for-profit colleges, and to begin drafting legislation aimed at cleaning up the sector. The US Department of Education is expected to publish regulations intended to guard against abuse of the Title IV financial aid program by November. However, the Committee chair expressed reservations about the sufficiency of a change to regulations:

"I believe and I think where we're headed is very clear cut legislation that can't be overturned by another administration, that can't put in 'safe harbors' and say it complies. Education is too important for the future of this country," he said. "Facing the budget problems we have in the next 10 years, we just can't permit more and more of the taxpayers' dollars that are supposed to go for education and quality education... to be going to pay shareholders or private investors. GAO's findings make it disturbingly clear that abuses in for-profit recruiting are not limited to a few rogue recruiters or even a few schools with lax oversight. The evidence was collected from some of the nation's largest for-profit colleges, including the University of Phoenix and Kaplan College" (Harkin reported in Epstein, 2010).

The large for-profits involved in the GAO investigations are operating on a global scale, at times in alliances with reputable universities as 'pathway' intermediaries, and at times aggressively buying out other providers, including "Hoovering up institutions in the UK and Australia" (Roger King reported in Shepherd, 2008).

2.5.2 The process orientation of quality assurance in higher education

It is understandable that quality assurance (QA) in higher education has been process oriented. It is the organisation of inputs and processes that obtains the intended results and for which institutions can be held accountable for the things they do that make a difference. The QA perspective is one where output problems can be rectified through process improvement. Additionally, outputs and outcomes in higher education reflect a wider range of direct and indirect influences, and their qualitative assessment necessarily requires the exercise of professional judgement. The current QA model reflects a view that the onus of professional responsibility for determining, sustaining and attesting to academic standards should lie with the professional academic community. The QA audit function is seen as an independent verification that a university is applying purposeful ways and means to realise the aims it has set for itself.

In this vein the Australian Universities Quality Agency (AUQA), is required to report on the 'relative standards of the Australian higher education system' but "its focus on the processes of institutional level quality assurance does not provide for comment on standards across institutions or within fields of study... As an external body to the academy, AUQA is required to look at the ways in which institutions set and assess standards including moderation methods but it does not have a role in the ongoing and sustained process of determining and monitoring standards at system level" (James, McInnis & Devlin, 2002). Nor should it.

A preoccupation with QA process has been a concern for universities worried about compliance costs. It is not so much whether processes ought to be audited but how. The concerns are heightened when quality audits inspect areas of an institution's operations several steps removed from the delivery of higher education services, without prior assessment of risks. For their part, the quality auditors claim to look for systematic institutional planning, organisation, resourcing and evaluation deliberately designed to maximise educational effectiveness. But the relationships are not linear, and apparently well-designed processes do not necessarily lead to good learning outcomes.

At its worst, external quality auditing leads to a checklist approach to even-handed routinisation. This tendency has been observed among professional auditors and academic peer reviewers, even when there is a focus on the assessment of learning outcomes (Kushimoto, 2009). When reviewers are assigned a largely technical, standards-referenced role they tend to focus on the quantifiable indicators, putting their qualitative judgements to one side (Langfeldt et al. 2009). For this reason, paradoxically, an expansion of indicators and benchmarks, reflecting the interests of multiple stakeholders, could reduce attention to system diversity and excellence (Langfeldt et al. 2009). Nor is it clear that for all the evaluative activity there is greater public transparency of higher education quality:

"The promotion of quality assessment is often justified as a necessity to make higher education socially accountable. However, it is not clear if the current practices are making it more transparent to society or to bureaucratic demands. Moreover, many institutions wonder whether the level of complexity of current evaluation mechanisms are actually making institutional activities and their results more apparent to HE stakeholders and to society in general. There are fears that quality systems become entangled in a bureaucratic web of jargon, procedures and indicators that are neither intelligible nor useful for many of those individuals that government and government agencies are supposed to represent" (Teixeira, 2010).

The QA audit function is seen as an independent verification that a university is applying purposeful ways and means to realise the aims it has set for itself.

2.5.3 The tendency of quality assurance to reduce diversity and quality

The prevailing approach to quality assurance emerged from an industry-based context, geared to a manufacturing model of minimising defects in outputs, reducing rework, and improving the efficiency of production processes and organisation (Deming, 1982). Quality assurance was introduced more as a device for regulating the production process than as a check on output quality (Morley 2003) precisely because the processes were designed to produce outputs of uniform and consistent quality. The approach has questionable direct applicability to higher education, whose graduates are not expected to be identical, which is a less tangible and experience-based process, and where the learners are not simply consumers but are also active participants or co-producers, such that the effectiveness of the experience depends on the interaction of institutional offerings and student efforts. Indeed, the quality of higher education as a 'customer-input technology' derives in large part from the contributions that students make to the learning of others, such as through the probing questions they ask and the creative insights they offer (Rothchilds & White, 1995).

Nevertheless, the 'QA industry' has penetrated services worldwide, mainly providing a source of benchmarking information for provider performance improvement, and offering some guidance to consumers that processes comply with accepted industry standards. Its primary function has been to validate processes, working from the view that the suitability of a service is a function of how well a provider delivers to its stated undertakings in meeting the needs and expectations of customers.

The QA approach leads to auditing bodies applying similar criteria to different institutions and the institutions copying the practices that auditors commend. Thus it tends to recycle sameness. It may raise up the performance of some at the bottom to what is regarded as 'good practice' but it does nothing to encourage those at the top to excel. Hence the homogenising tendencies of QA are inimical to the systemic outcomes that are often proclaimed for higher education—diversification and the pursuit of excellence.

The QA approach also tends to generate process models and procedural codification. Inter-institutional collaboration in education and research is increasingly important, on a national and international basis, for addressing complex problems and opening opportunities for learning. The glue that holds collaborative relations together is trust based on confidence in shared values. In the academic sphere trust is built on integrity, reliability and quality as judged by peers. Over-codification of procedures by QA bodies, such as for alliance formation, can act to break down relations of trust.

The QA approach leads to auditing bodies applying similar criteria to different institutions and the institutions copying the practices that auditors commend. Thus it tends to recycle sameness.

2.6 The inadequacy of information available to students and others

In contemporary markets for higher education services, improved information for students as customers is necessary to help them avoid being inveigled. In this context prospective students seek assurance and guidance: assurance about the bona fides of providers, and guidance about the suitability of providers, particularly in relation to the fields of study of interest to them, and the orientations of programs that suit their circumstances and motivations. These are two very different information needs.

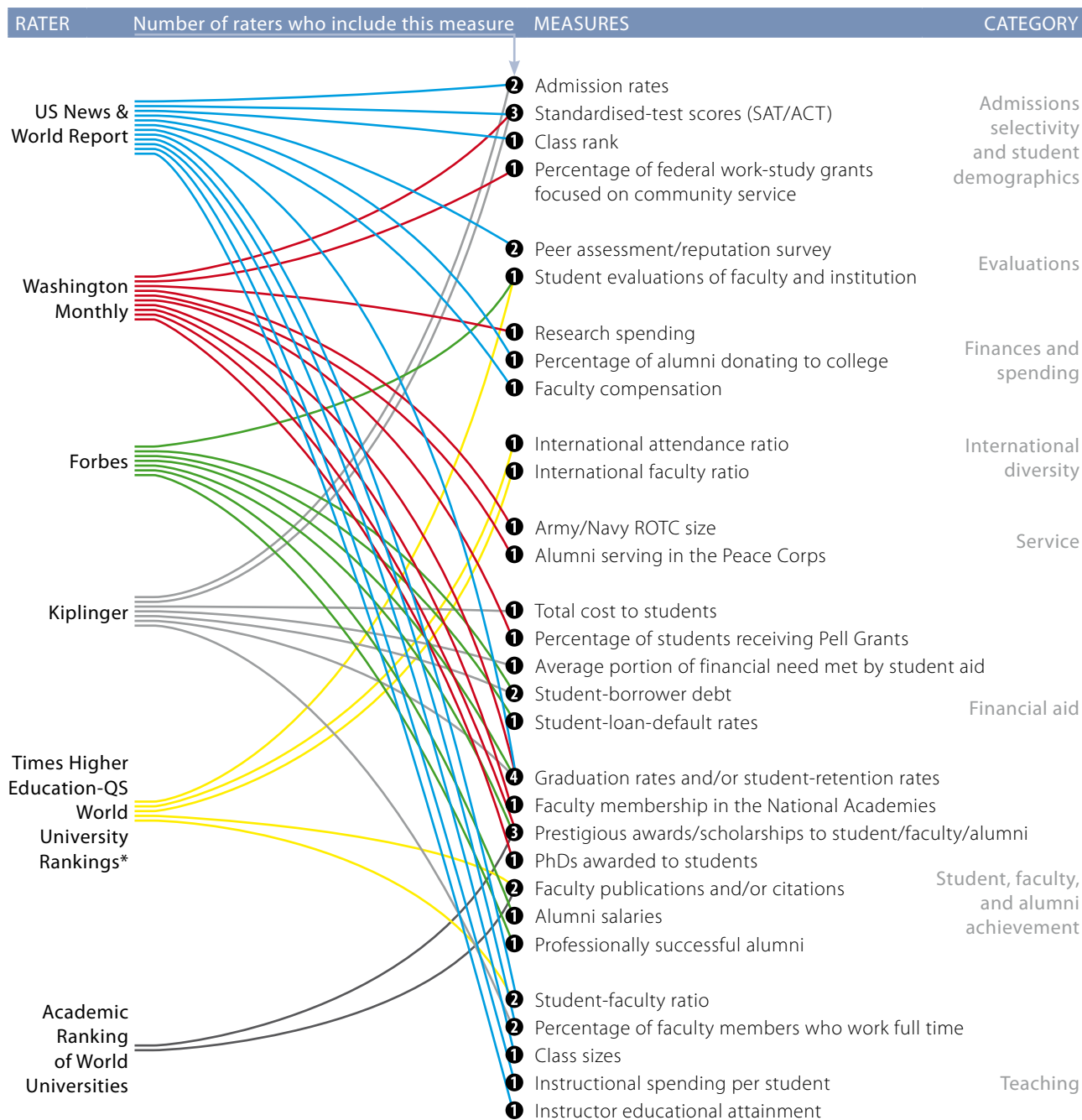
With regard to provider bona fides, the approaches of long-established public universities are not seen to be transferable to new for-profit providers or even to the commercial activities of some public universities. Hence there is seen to be a need for a transparent, national mechanism which assures a common floor level of acceptable threshold standards of educational qualifications across all higher education providers. It is not clear whether such thresholds can be set at an agreed level of appropriateness or whether they can be implemented at an acceptable level of effort.

However, with regard to information about appropriate study options, the prospective learner's basic need is not so much to see what providers have in common, or even how they compare against common benchmarks, but rather to see how the available provider offerings differ. Students seek various forms of information, including information about course offerings, admission requirements, institutional facilities, teaching staff, student mix, social and cultural opportunities, tuition and other prices, and indicators of graduate destinations and satisfaction.

Annual commercial guides and university web sites offer such information, by field and place of study. In August 2010, *The Chronicle of Higher Education* began a series of special 'measuring stick' reports on higher education quality, pointing to the absence of information about "what colleges do directly for their students—what knowledge, skills, job prospects and habits of mind I am likely to acquire (at College X) rather than College Y or if I hadn't gone to college at all" (Glenn, 2010). It is noted that the six available ratings (see chart below) do not include such information, and concluded that "colleges have been able to evade accountability for the quality of their most important missions" (Glenn, 2010):

"The lines below connect raters to each of the measures they take into account. Notice how few measures are shared by two or more raters. That indicates a lack of agreement among them on what defines quality. Much of the emphasis is on 'input measures' such as student selectivity, faculty-student ratio, and retention of freshmen. Except for graduation rates, almost no 'outcome measures,' such as whether a student comes out prepared to succeed in the workforce, are used" (Richards & Coddington, 2010).

Chart 1: Indicators used by commercial raters



* Published in a partnership between these two organisations through 2009.

Note: In some cases, separate measures shown here are combined to create a single variable used for ranking colleges. In some cases, separate measures shown here are combined to create a single variable that is assigned its own weight.

Additionally, there is a tendency to mistrust the marketing claims of institutions in competitive environments, where they can all produce indicators putting them ahead of others on one dimension or another. Existing ratings and rankings of higher education institutions and programs, such as the USA News & World Report, the Times Higher Education World University Ranking, QS World University Rankings and the Shanghai Jiao Tong World University Rankings, tend to neglect information on learning outcomes. Instead, they focus on inputs, activities and research outputs, such as resources used, classes taught, and articles published. In some cases, the rankings include purported reputational indicators, typically based on low and/or skewed response rates to opinion surveys.

Such aggregated performance indicators provide no measurement of the degree to which institutions actually develop the knowledge and skills of their students. Hence, these ratings and rankings are considered to be ill-suited to inform governments, students and the general public about teaching and learning quality. But in the absence of comparable learning outcomes assessment across providers, ratings and rankings are widely used as proxies for relative educational quality. They have attracted extensive media attention and they apparently influence public perceptions of institutions and their graduates, despite their deficiencies (Marginson, 2008; Marginson & van der Wende, 2007). Concerns have arisen in Britain over instances of universities pressuring students to give their institutions high scores in the student experience survey, as a means of boosting their rankings in university league tables. The Higher Education Council for England has queried eight universities where students complained that they were encouraged to give high scores for satisfaction with their courses (Kenber & Taylor, 2010).

It is not clear how much students seek information “assuring and demonstrating standards”. There is an absence of evidence in support of the assumption that students and prospective students especially want to know about the absolute or relative quality of learning outcomes on an institutional basis.

Employers may also seek more precise information about learning outcomes to assist in graduate hiring, especially where candidates present with similar academic records from different institutions, or where the sources of job applicants’ qualifications are unfamiliar. However, there is also an absence of evidence about the information that employers seek and use.

Information about learning outcomes seem to be most wanted by governments for accountability purposes, to be satisfied about the value for money of their investments, and to be assured that students are learning effectively. Governments may also seek comparative information about learning quality in order to identify the width of the gap between the best and worst performing institutions in the system, so that they can take steps to improve the latter. But these are different purposes from that of informing students as consumers.

The Spellings Commission, as noted earlier, put particular emphasis on the need for the community to be assured that higher education institutions are effective in producing graduates with the skills they need to find rewarding jobs. Such a concern suggests the need for institutions to (a) indicate how their course objectives and curricula relate to particular opportunities for work and further learning, (b) demonstrate that student attainment meets at least acceptable minimum standards for a given qualification. It does not necessarily imply a need for comparability of differences in learning.

There is an absence of evidence in support of the assumption that students and prospective students especially want to know about the absolute or relative quality of learning outcomes on an institutional basis.

In discussing options for improving institutional accountability and information to guide student choice in the US, following the challenges of the 2006 Spellings Commission and President Obama's 2009 goal of raising postsecondary attainment, Kelly & Aldeman (2010) identify a range of needs. Interestingly, they focus on offerings, expectations and labour market or further education outcomes, but not direct learning outcomes:

"...a system that relies on consumer choice to unleash market accountability needs to give consumers the information they want, the way they want it. And while different people come to college wanting different things, in general all consumers are interested in (a) price, specifically actual out-of-pocket costs, and (b) service, in particular the quality of teaching, expectations for learning and degree attainment, and the likelihood of success in further education and the job market. Consumers also need this information to be provided in a way that facilitates choice, where they can easily compare how institutions differ from one another on important characteristics" (Kelly & Aldeman, 2010).

"Consumers also need this information to be provided in a way that facilitates choice, where they can easily compare how institutions differ from one another on important characteristics."

However, the UK House of Commons select committee on universities expressed particular concern that, in the absence of comparable benchmarks of student learning, there could be systematic discrimination against certain classes of students who obtained their degrees from institutions that others regarded as inferior (House of Commons, 2009). This concern, which also raises issues beyond the threshold level of minimum acceptable attainment, invites consideration of ways and means of improving community understanding of the 'comparability' of attainment within a diverse system. This more complex matter is discussed in Part 4. At this stage it should be noted that it is curious, given the growing complexity and diversity of higher education, and the varying information needs of students, let alone the needs of other stakeholders, that political pressure is being applied to require higher education institutions to give most attention to reporting on the least reducible aspect of their work—the quality of learning—through simple metrics and simplistic comparisons. The times call for more sophisticated transparency tools (CHERPA-Network, 2010).

These considerations allow us to see several different perspectives on the importance of improving information and transparency. One is primarily a government interest, albeit one shared by employers (the Spellings focus) in effectiveness: how well are students learning? A second is primarily an employer interest, albeit one shared by graduates, (the House of Commons focus on comparability): how much do graduates of one institution have in common with those of another? A third is primarily a student interest, albeit one shared by governments, what information can help students decide about what to study and where to learn?

There is an onus on provider institutions (a) to make clear (i) what they offer—the objectives and learning experiences of programs, and (ii) what they expect of students—by way of readiness and during the program, and (b) to deliver what they promise. Clearly, this kind of information goes beyond the threshold of minimum standards; it is about defining distinctiveness. Accountability in this respect is about institutions demonstrating that they have fulfilled their side of the contract with students and the community.

2.7 Increasing the responsiveness of higher education

The final set of drivers involves various motives for increasing the responsiveness of higher education institutions to the varying needs and circumstances of students and employers. This assertion of demand interests over supply interests can relate to the need for 'adaptable skills' in modern work places, (as discussed at 2.4 above), the democratisation of access for learners, 'seamlessness' in learning pathways and the accumulation of credit, and the 'comparability' agenda.

2.7.1 The 'democratization of access' agenda

A student-driven approach to higher education policy is predicated on a view that demand should shape supply, that providers of higher education services should be responsive to the varying needs and circumstances of their student clientele rather than provide what suits their own preferences. Lauder (1991), drawing on public choice theory, defined 'provider capture' initially as "the ability of specific groups to insulate themselves from market disciplines and consequences by exerting political pressure", which can be expressed as a form of rent-seeking behaviour by monopolies. Contemporary usage has extended from the economic to the cultural domain, whereby provider capture is seen as "schooling controlled by the people who produce it rather than the people who consume it" (Ward & Egan, 2009) For instance, teacher (or teacher union) resistance to comparing institutions on the basis of student performance on standardised tests, is seen as protecting under-performing providers, denying students and parents the information they need to make informed decisions about obtaining the most cost-effective education, and preventing governments from allocating resources in ways that will achieve the most good.

A particular variant of the attack on 'provider capture' flows from post-Fordist assumptions, an imperative to remove arbitrary obstacles to learning, and a desire to have informally developed skills recognised as part of the formal acquisition of competencies and qualifications (Misko, 2006). European ministers for education and employment, for instance, are reported to be motivated to develop comprehensive national qualifications systems as a reform tool that "can support the implementation of more coherent lifelong learning policies and practices, remove barriers between institutions and sub-systems of education and training (for example, vocational education and training, general education, higher education and adult learning) and facilitate access, transfer and progression" (Grm & Bjornavold, 2010).

Educational suppliers through their control over qualifications and the routes to achieving them can be seen to have captured the market, thereby creating inefficiencies and blockages for learners (Raggat & Williams, 1999). The trend towards learner-centred education and generic criteria for all qualifications is presented as fairer for all and supports widening participation and lifelong learning, on the assumption that anyone can reach the highest levels when freed from the restrictive constraints of institutions. This view has been portrayed in the following terms:

"Qualifications in an 'institutional' model set limits on the range of decisions open to learners once they decide which qualifications they want to obtain. Furthermore, they assume that it is the existing organisation of knowledge as expressed in the curricula of institutions and in the examinations set by professional associations that define the distribution of access, the requirements for entering a programme, and the criteria for being recognised as qualified... Once qualification outcomes are 'freed' from the institutions through which the outcomes are achieved, education systems will become more flexible, qualifications will become more portable and transparent, and recognition and accreditation can be given to informal and work-based learning" (Young, Allais & Raffe 2009).

In Australia, a long-standing, equity-driven campaign has been directed to broadening the criteria and procedures for entry to higher education. The objective is to enable rather than obstruct learning opportunities for the people who have been disadvantaged by the established education system. They need incentives to learn, including recognition of what they have learned despite the system, and attractive opportunities to develop to their potential. A major purpose of the national qualifications framework has been to improve seamlessness across the education and training sectors, primarily through recognition of prior learning, credit transfer and dual sector awards (Keating, 2003).

2.7.3 The 'seamlessness' agenda

Australia's intergovernmental Ministerial Council for Tertiary Education and Employment (MCTEE) agreed at its inaugural meeting in September 2009 that at the heart of its policy agenda will be "creating a tertiary education system that works seamlessly across sectors and with other areas of government delivery to meet the needs of learners and employers" (MCTEE, 2009).

Pathways to tertiary education have become increasingly diverse. Learning pathways for higher education students are facilitated when they are granted some credit for previous tertiary study. However, the passage for many students through the labyrinth of tertiary education has been found to be unpredictable, complicated and difficult, and acts as a deterrent to lifelong learning (Walls & Pardy, 2010).

A study of the vocational education and training systems of Australia, England and Germany, found that Australians are engaged in further education and training throughout their lifetimes to a greater extent than their German and United Kingdom counterparts: "this is especially facilitated by flexible movement through the pathways across secondary, vocational and higher education sectors" (Misko, 2006). Nevertheless, the researcher suggested that Australia could improve the processes for students and employers by adopting a variant of the European diploma supplement:

"European strategies like the certificate supplement, which describes the nature and content of studies undertaken and attached to diplomas and certificates, may also help to improve the transparency of training package qualifications and make it easier for employers, as well as universities, to understand the nature of the learning associated with the qualifications" (Misko, 2006).

Others point to the subjective, arbitrary, and possibly prejudiced, nature of credit transfer decisions (see Box 8) and see the need to create a framework for more structured 'equivalence' tied to credit points in a strengthened Australian Qualifications Framework (AQF):

"Seamless movement from VET to higher education learning contexts will only be achieved through the adaptability of educators, administrators and institutions and by VET providers describing and explaining the detail of the learning content to higher education staff. A strengthening of the AQF may also redress issues of parity in credit transfer and articulation. In future AQF policy the volume of learning required for specific qualifications will be defined and a credit point formula established (Australian Qualifications Framework Council 2009). An initiative such as this would allocate students a certain value of credit for their learning and facilitate student mobility" (Walls & Pardy, 2010).

Such a system could only be automatic, if accumulated credits were recognised to have the same value across all forms of higher education, at all levels and by all providers. Such a model might be

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perceived as conferring entitlements to learners seeking access to further study. However, even at the threshold level of a 'pass' in cognate fields, these assumptions do not necessarily hold, because of the differences in conceptual and contextual approaches to curriculum. Nor do they hold for different fields or for programs where participating students excel beyond 'pass'. As a 'policy' requiring institutional compliance, it could have perverse consequences as discussed later in relation to the AQF Council's proposals for credit transfer.

However, as a 'guideline' enjoining institutions to reverse the present onus of proof, it could facilitate easier access through learning pathways. Within a system where minimum attainment standards are assured, the working assumption, for a given field of study, would be that a student having passed a diploma ought to have access to a degree program, and should not be required to repeat learning what they already know. Rather than the student having to prove how s/he satisfies a university's entrance requirements for a given program, the university would have to demonstrate why the student would be unable or unlikely to benefit from admission. The university would have to show where and how, for instance, its program requires a different level of readiness than a transferring learner can demonstrate. A more comprehensive set of AQF descriptors, which more clearly defined the nature of learning expectations for different qualification types, could help different institutions improve their credit transfer assessments. It would also necessarily give rise to institutions developing and publishing more explicit criteria for differentiating qualitatively between programs whose standards are claimed to be above the minimum threshold.

Box 8. Crediting vocational education and training for learner mobility

Institutional arrangements determine credit transfer and articulation between providers. According to Harris, Rainey and Sumner (2006), the complexities of these arrangements are better described as 'crazy paving' than as a seamless pathway, and the causes of this are as much cultural as they are systems weaknesses. The data suggest that many credit transfer determinations are based on individual subjective judgments of the learning achieved and, in particular, relate to the differing positions of those involved in granting credit. The hierarchy of the Australian tertiary education system, reinforced in policy structures such as the AQF, is another cultural consideration. Equivalence of content and pedagogy can only be established if perceived hierarchies and vested interests are set aside.

We find further complexity in the blurring, in some instances, of the sectoral boundaries between VET and higher education. This places the educational sector as secondary to the qualification itself, with learner mobility achieved purely through the attainment of a higher-level qualification, irrespective of whether it is from a VET or higher education institution. In addition, qualifications are not pure-bred, with many differing formats of training package qualifications existing at the diploma level. Another complexity results from the tertiary education sector's now being more strongly organised according to market principles, meaning that providers in both parts of the sector are potentially competing for the same students. All of these factors contribute to the problems arising with credit transfer and articulation and to understanding the VET–higher education interface.

The issue of reconciling the skills-based competencies of VET with the codified knowledge of higher education in order to more clearly navigate the boundaries—or the crazy paving—remains complicated. In practice it is learning equivalence that remains the point of impasse for achieving equitable credit transfer arrangements. A means for establishing equivalence is imperative to ensuring that credit is recognised and awarded without prejudice.

Walls, A. & Pardy, J. (2010).

2.7.4 The 'comparability' agenda

How similar or dissimilar are higher education standards in different institutions, and to what extent does the community expect them to be consistent? Is it sufficient to require a nationally acceptable minimum threshold standard for a given qualification, or should there be greater commonality in like areas of learning? Is it necessary to reveal qualitative differences in educational attainment?

The 'comparability' of higher education and qualifications standards has been a subject of discussion much more in the UK than in Australia and the US. Britain's initial interest between 1965 and 1992, was expressed in the efforts of the then Council for National Academic Awards (CNAA), responsible for the standards of awards offered in the polytechnics and public sector institutions, to ensure that their (CNAA) degrees were comparable in standards to those of the universities (Brown, 2010b).

Comparability was established through the use of academic staff from the existing universities in the approval and review of courses provided by the polytechnics. The CNAA's use of staff from existing university institutions established an important principle, that "ultimately the only judges of the appropriateness of standards are academic peers in the discipline concerned, and that the way in which these judgements are formed and refined is through a collective process of peer group review, where tacit values and assumptions may be as or more important than open and explicit ones" (Brown, 2010b).

...there is a call for the judgement of academic performance to be made explicit.

Now, in Australia as well as Britain, there is a call for the judgement of academic performance to be made explicit (James, 2010; House of Commons, 2009). The main argument for making explicit what have been implicit judgements is the need to reduce opaqueness, inconsistency and arbitrariness in the assessment of student work (Meyer et al. 2010). As changes to the organisation of knowledge and academic work have meant some loss of former processes of socialisation into the assessment function, the need is seen to arise for codified references for the exercise of judgement:

"The higher education system currently lacks adequate and explicit mechanisms for knowing about the standards of degrees. This has come about as the informal conversations that once guided notions of standards within disciplines have been eroded by pressures on academic work, the changing nature of disciplinary bases, and the sheer diversity and complexity of the current system. This situation has the potential to diminish domestic and international confidence in Australian higher education. The traditional standards or 'touchstones' of the academy need to be more systematically articulated and disseminated" (James, McInnis & Devlin, 2002).

However, to what extent can tacit judgements about academic quality be made explicit? By doing so is there necessarily a loss of plurality of perspective? How codifiable is tacit knowledge? If the explicit must be measurable and replicable might it fail to cover qualitatively important aspects? And while defined standards and related rules may help to improve assessment consistency, might they not limit the diversity in assessment that has been found to be associated with learning improvement (Craddock & Mathias, 2009)?

Contemporary pressures on comparability arise as a consequence of national policies to expand the system, diversify provision, increase efficiency, make the curriculum more responsive to the economy and, enlarge student choice. At the same time "resources have been under pressure, research has continued to have priority over pedagogy in many institutions, and market competition has become much more important" (Brown, 2010a). In particular, "there is substantial evidence over many years about insufficient professionalism by institutions, departments and academic staff in the practice of assessment leading, inter alia, to significant variations in the levels of achievement aimed at and realised by students—that is to say, inconsistent standards" (Brown, 2010b).

Coming from a different perspective, the Vice-Chancellor of The Australian National University has challenged the assumption of 'parity of esteem' of awards across different higher education institutions, suggested that quality assurance processes validate mediocrity rather than induce qualitative improvement, and called for benchmarks for differences in graduate attainment (See Box 9).

Box 9. A minimum acceptable standard for a degree and benchmarks for differences in graduate achievement

"In Australian higher education, we have a process of quality auditing that assesses processes but does not necessarily assure acceptable standards. It could even, by dint of the process, validate mediocrity, especially when the criteria are referenced only to national norms.

Evaluating standards is inherently difficult, and that is probably why most of the higher education quality assurance industry treats quality of process as a proxy for quality of outcomes. Standards-referenced evaluation requires a focus on how well students learn and how institutions assess this, rather than a preoccupation with how well the paperwork is prepared and the records kept.

It is time to establish a minimum acceptable standard for a degree and to develop benchmarks for differences in performance standards achieved by graduates. There are various options available, such as comparisons of student work assessed at different grades across institutions in comparable areas of study, as well as examinations of the kind used in other countries, such as the Graduate Record Examination in the United States. We have responsibilities to our graduates to safeguard the reputation of Australian qualifications in the international market."

Ian Chubb, (2008). Higher education: it's time...(to change the policy framework). ANZSOG Public Lecture. The Australian National University. Canberra.

From this perspective it is not sufficient to assure that all accredited higher education providers can attest to threshold minimum acceptable standards for the qualifications they award; it is also necessary to be able to demonstrate and validate the extent to which different providers excel beyond the threshold. In similar terms James has suggested that attention should not focus solely on the regulatory function of standards but also on their role in increasing the public transparency of institutional assessments (James, 2010). When standards are linked to assessment they fall squarely within the academic domain of responsibility, and are necessarily tied to the educational objectives of each higher education institution. That is, they are inherently more customised than common, and they are beyond the province of central regulation. The matter of comparability is discussed in more detail in Part 4. The balance between common and customised expectations and measures is considered in Part 5.