

# Australian Skills Quality Authority Self-Assurance Research Partnership

**Developing a self-assurance model for the VET sector through co-design:  
Final Report on Phase 2 Consultation Findings**

31 March 2022

# Contents

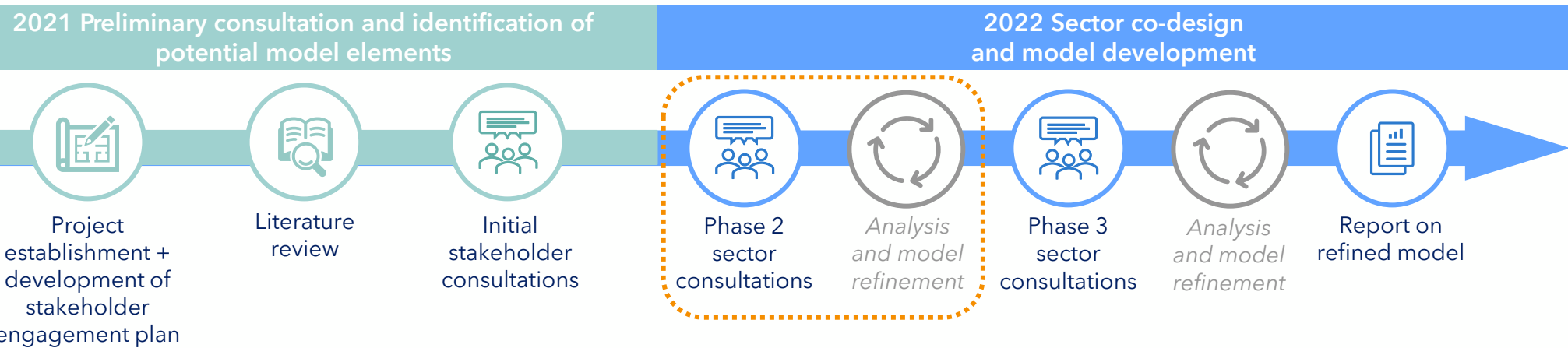
- 1 Project objectives and methodology
- 2 Context
- 3 Findings about the model
- 4 Regulating with a focus on self-assurance
- 5 Conclusions and next steps

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# Project objectives and methodology

# Overall research objectives and methodology

The key objective of the research is to co-design a shared model of self-assurance using input from RTOs and other relevant stakeholders. The aim of this round was to gather in-depth sector and provider feedback on a draft self-assurance model



# Sector consultations: Phase 2

## Providers

**72 representatives of RTOs** participated through:

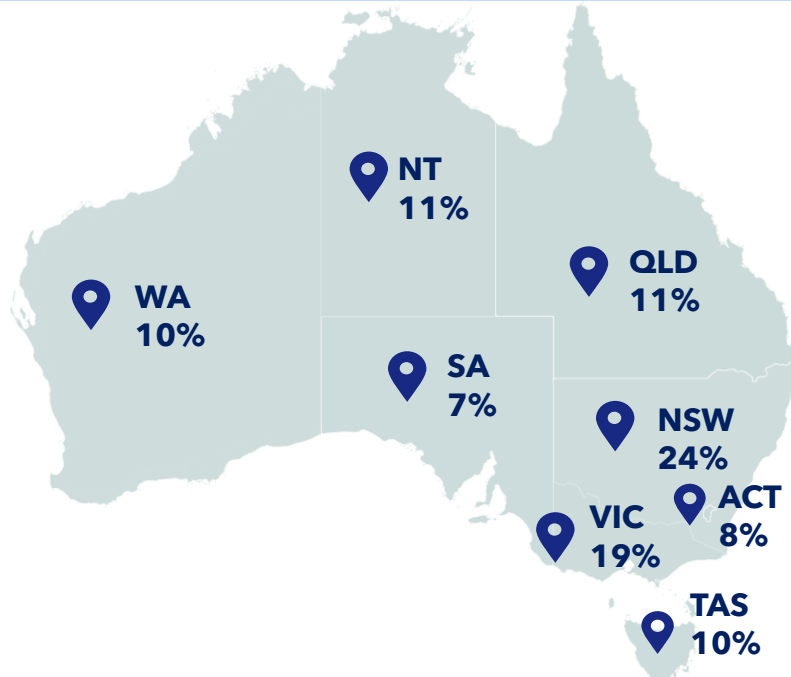
- 8 online focus groups
- 10 online interviews

## Stakeholders

**Stakeholders** participated through:

- 8 interviews with State/Territory skills representatives
- Workshops with Provider Round Table (PRT), Stakeholder Liaison Group (SLG) and VET Regulators

## Profile of provider participants



A range of different **industries** participated

### PROVIDER SIZE

**21%** 

Small (<100 students)

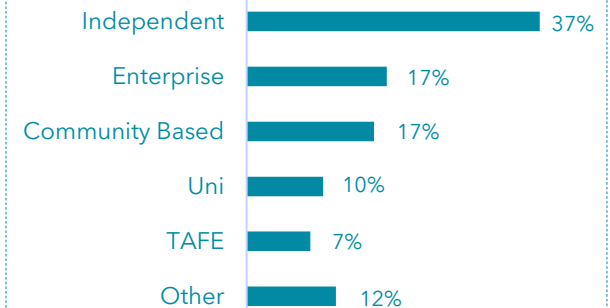
**31%** 

Medium (100-750 students)

**48%** 

Large (>1000 students)

### ORGANISATION TYPE



### REGIONALITY



# Understanding the findings



## Presentation of findings

The research was qualitative in nature and hence, the results and findings are presented in a qualitative manner.

The following terms used in the report provide a qualitative indication and approximation of size of the target audience who held particular views:



**Most** participants - refers to findings that relate to more than three quarters of the research.



**Many** participants - refers to findings that relate to more than half of the research.



**Some** participants - refers to findings that relate to around a third of the research.



**A few** participants - refers to findings that relate to less than a quarter of research.

The most common findings are reported except in certain situations where only a minority has raised particular issues, but these are nevertheless considered to be important and to have potentially wide-ranging implications / applications.



## Quality Assurance

This project was conducted in accordance with the **international quality standard ISO 20252**, the **international information security standard ISO 27001**, as well as the **Australian Privacy Principles** contained in the Privacy Act 1988 (Cth). ORIMA Research also adheres to the Privacy (Market and Social Research) Code 2021 administered by the Australian Data and Insights Association (ADIA).

A light green background diagram showing a circular flow of four icons: a bar chart, a speech bubble with four dots, a gear, and a circle with left and right arrows. Arrows connect the icons in a clockwise cycle.

# Context

# ASQA's definition of self-assurance

Most providers were **comfortable with ASQA's definition** - without prompting they identified having systems in place to measure performance against the Standards with a focus on quality and continuous improvement as essential



Self-assurance refers to how providers manage their operations to ensure a **focus on quality, continuous improvement** and ongoing compliance with the Standards.

It requires providers to have **systems in place to critically examine their performance against the Standards** and training outcomes, on an ongoing basis, to identify ways to continuously improve



# Awareness and understanding of self-assurance and reforms

While there was good awareness of self-assurance and the reforms among most providers, there were some key information gaps that ASQA can address through education and communications

## Self-assurance

- ✓ **Good awareness: 'self-assurance'**
- **Some misunderstandings:** e.g. same as compliance or simply a way to meet the Standards (i.e. lacking continuous improvement focus)
- **Other language** used by providers: 'quality management', 'continuous improvement' & 'quality assurance'
- Most providers were **comfortable with ASQA's definition**
- **No observed significant differences** between provider types

## Reforms

- ✓ **Good awareness of reforms.** A few providers aware of ASQA's commitment to self-assurance across multiple ASQA functions
- ✗ **Limited understanding of purpose / rationale** of reforms – for a few, this raised scepticism and limited trust in the reforms and ASQA
- ✗ Some **confusion:** how new model would **differ from current requirements**

## These findings indicate a need / opportunity for ASQA to continue to:

- Communicate a **definition of self-assurance** to ensure common understanding amongst all providers and ASQA
- Communicate to the sector that the **reforms will be happening** – as not all providers were aware
- Build understanding of self-assurance by **using participants' language**
- **Explain the rationale** for the reforms – to improve understanding of how the new approach is different from existing requirements and compliance; increase understanding of benefits; and build trust in ASQA and the reforms

# Current self-assurance behaviours and readiness

Most providers were generally confident that their organisation would be able to move to a self-assurance based regulatory model as they felt they already had self-assurance practices in place. However, some uncertainties and challenges were identified



**Most providers** reported that they were **currently undertaking self-assurance** / continuous improvement practices as it was a requirement of the Standards

- However, some providers felt that **not all providers were effectively undertaking self-assurance**



Many providers were **uncertain** if their **current self-assurance practices** and processes would **meet ASQA's expectations** and documentation requirements



Providers identified the following specific **challenges to self-assurance**:

- Staff PD and capability – lack of quality resources and programs available; staff unwilling / not open to ongoing development
- Industry engagement – low response rates from employers to consultations / surveys; Training Packages not meeting industry needs (which RTOs were unable to change)
- Student engagement – current student surveys perceived to be outdated / not relevant to all RTOs, although they are mandatory
- Governance – hard to establish good governance structures that match the RTO size e.g. micro providers

**Self-assurance activities that providers identified included:**

- Student surveys, gap analysis and tailored resource development
- Staff professional development – webinars, internal and external training, requiring current qualifications and industry experience
- Industry / employer engagement: surveys and ongoing professional relationships, advisory committees, forums and meetings with operational areas (among enterprise RTOs)
- Reporting requirements to Board of Directors
- Internal audits, external audits and the use of consultants to provide third party verification



# Perceptions of self-assurance

Stakeholders and most providers were supportive of self-assurance and identified benefits for individual providers as well as the broader sector. While a number of concerns were also raised, many were addressable through the design and implementation stages

## BENEFITS

### For individual providers:

- ✓ Increased **autonomy** and **flexibility** in operations and strategy / direction
- ✓ Enhanced **provider confidence**:
  - ✓ Reassurance in internal processes and systems
  - ✓ Early identification and rectification of issues (i.e. before non-compliance)
- ✓ **Improved quality and performance** through greater organisational focus on improvement (incl. by senior management):
  - ✓ Reputational benefits
  - ✓ Improved client and industry relationships and repeat business
- ✓ **Reduced regulatory burden** for providers able to demonstrate they are “doing right thing”

### For the VET sector:

- ✓ Improved quality = more trusted / better sector **reputation**
- ✓ Encouragement of **innovation**

### For students:

- ✓ Better **training outcomes** and experiences

### For industry:

- ✓ Better **quality graduates with skills** to meet employer needs

### For ASQA:

- ✓ Supports a more **positive** and less adversarial **relationship** with providers – demonstrates ASQA's commitment to capacity-building and greater willingness to trust in providers

## RISKS / CONCERNS

### Sector and provider quality and reputational risks:

- ✗ Increased potential for poor performing / **high-risk RTOs** to “slip through” was a concern raised by providers but **not by States/Territories**
- ✗ Concern that RTO evidence won't be triangulated with other data and potential for **“fabrication” of evidence**
- ✗ Concerns that providers reporting on problems they have identified and fixed would be treated in a **punitive manner**
- ✗ **Reduced independent feedback** to providers (i.e. less external audits) leading to:
  - ✗ Loss of learning opportunities;
  - ✗ Issues / risks of non-compliance going unaddressed for longer periods

### Implementation and evidencing concerns:

- ✗ Unclear or **poorly defined expectations** and evidencing requirements
- ✗ Increased **regulatory burden of evidencing** self-assurance – greater potential impact on smaller providers
- ✗ Lack of **resources** and internal capability within **ASQA** to **process, interpret and respond** to information provided
- ✗ Concern that there would be **inconsistencies** in ASQA's:
  - ✗ Interpretation of evidence
  - ✗ Treatment of providers (e.g. subsets of providers perceived to have greater privileges or input)

The slide features several background graphics. On the left, there is a large, light green line-art illustration of a person in a suit standing next to a bar chart. Above the person is a speech bubble icon. On the right side, there are several curved, overlapping bands in shades of blue and white. The title "Findings about the model" is centered within a white rectangular box that has a thin blue border.

# Findings about the model

# Principles of the model

The model principles were progressively refined throughout the research. By the end of Phase 2 sector consultations there was strong agreement and support for the principles among stakeholders and providers

## A model should be...

- ✓ **Flexible** to be appropriate for all providers regardless of size, type, operating context and self-assurance maturity
- ✓ **Aligned with RTO standards** and **supporting other requirements** including State/Territory where possible
- ✓ Focussed on **continuous improvement** rather than merely compliance
- ✓ Reinforced and **validated by other regulatory activities** including ASQA's performance assessments and risk analysis
- ✓ Encouraging and supporting providers to **fully integrate self-assurance** into their business ('organic' to operations)
- ✓ Valuable to providers and linked to a **reduction in regulatory burden**
- ✓ Backed by **effective support**, guidance and education by ASQA
- ✓ Simple and **easy to understand** for providers

## A model should avoid...

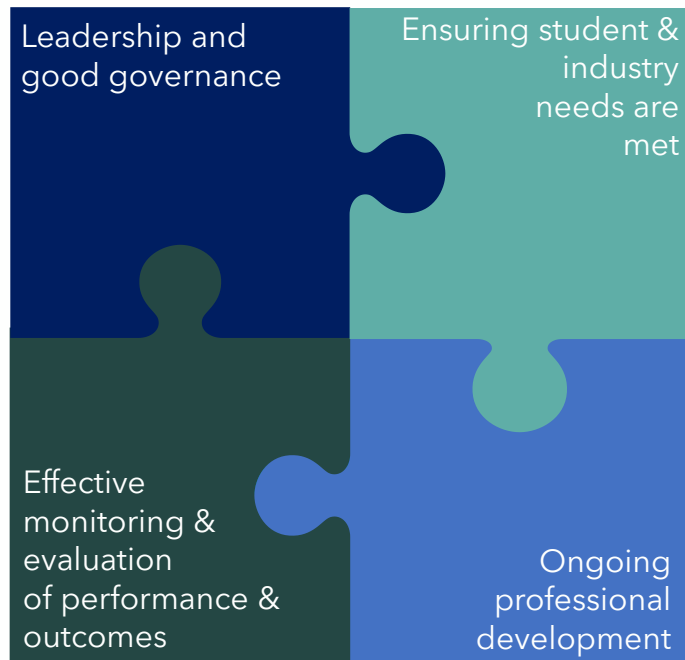
- ✗ Being overly **prescriptive**
- ✗ Encouraging providers to just '**tick the box**' / achieve the minimum requirements
- ✗ Causing self-assurance to become an **additional business process** for providers
- ✗ **Duplicating existing requirements** of providers

*"The principles provide a comprehensive list."*  
- Stakeholder

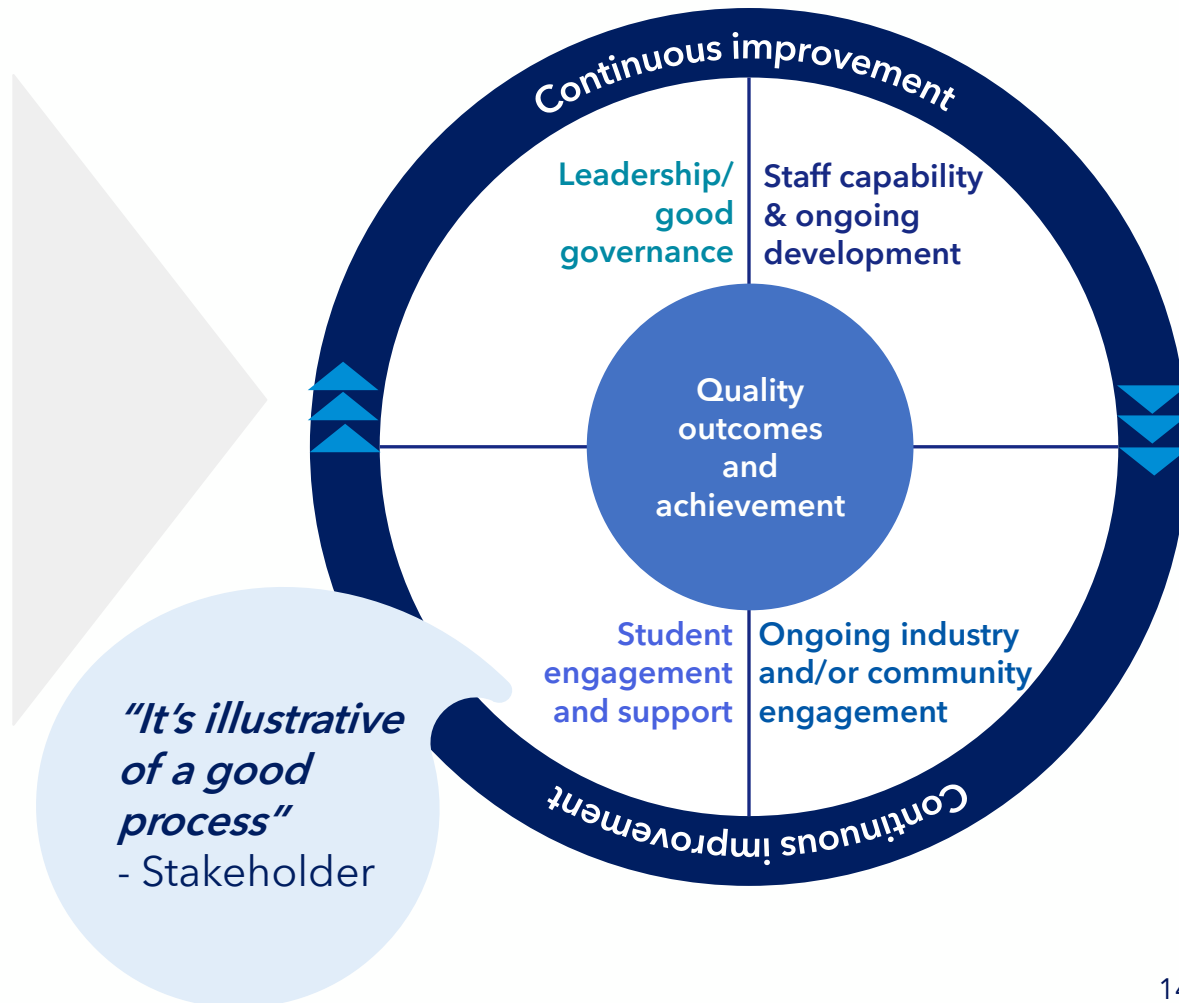
*"The principles look great. There's nothing missing."*  
- Provider

# Evolution of the model elements

The model elements were progressively refined throughout the research. By the end of Phase 2 sector consultations there was strong agreement and support for the elements among stakeholders and providers, with most feeling that the categories were appropriate and covered the key areas that would ensure quality and compliance with the Standards



## Refined model elements: End of Phase 2



# Refinements to the model elements

Refinements made to the model elements throughout the research are detailed below.  
Further refinements and improvements were also suggested

## Refinements made to date

- ✗ **Student and industry needs:**
  - ~ Separated, as both considered important and different enough to warrant own element
  - ~ Language refined to clarify meaning and align better with the Standards and provider experiences
- ✗ **Professional development (PD):** expanded to incorporate all staff (not just trainers) and recognise the importance of existing capability and skills, as well as ongoing development
- ~ **Effective monitoring & evaluation of performance and outcomes:** removed as seen as part of good governance
- ~ **Language refined** to better capture literature review findings
- ~ **Gaps addressed:**
  - ~ Depiction of continuous improvement as a feedback loop
  - ~ Overarching quality outcome added

## Feedback for further potential refinement

- ✗ **Explanatory information** - most felt that further detail was required for the model, including an overall explanatory statement and further detail about the composition of each element
- ✗ **Linkages** - a few felt that the model could better capture the link between better quality graduates meeting industry needs
- ~ **Training and assessment** - some felt that it should be included as its own element in the model
- ~ **Graphical representation** - a few felt the relationship between the elements and the outcome could be highlighted by including arrows



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## Regulating with a focus on self-assurance

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# ASQA's roles and responsibilities

There was strong support amongst providers and most stakeholders for ASQA's move to a more collaborative, capacity-building role, and for ASQA to have a role in educating as well as monitoring / enforcing

## Educate

Most providers felt it was the role of **ASQA / government to provide education and resources about self-assurance**:

- To maintain control of the resources and ensure quality of education / resources
- To ensure education / resources remained free and easily accessible to all

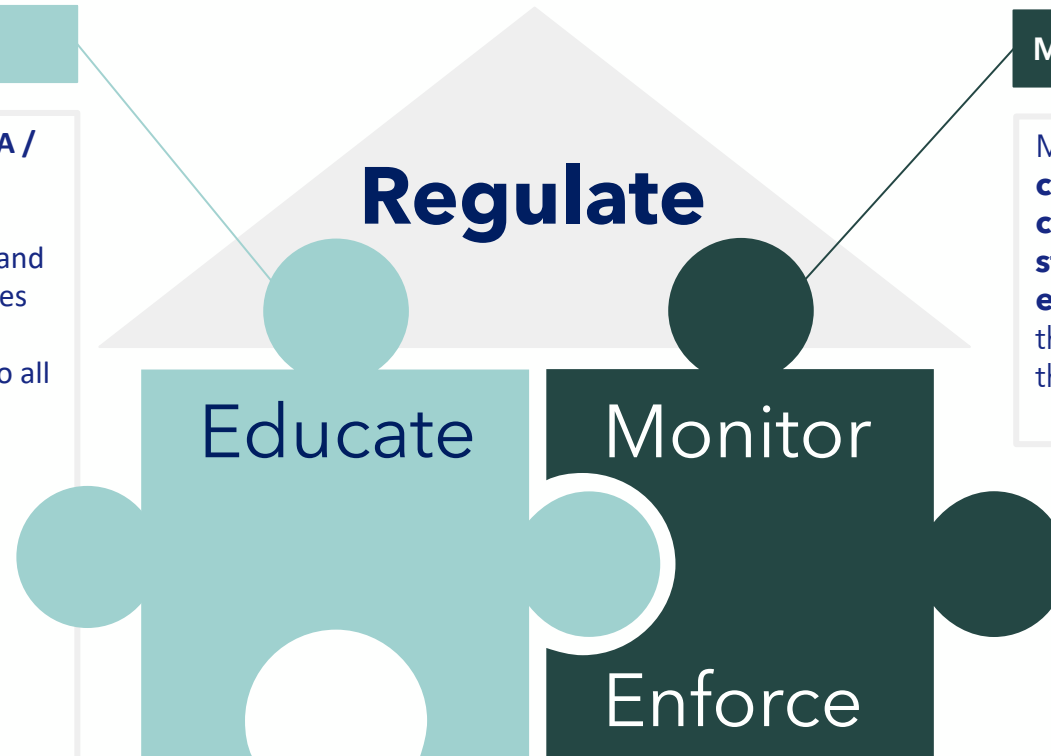
Providers felt that **peak / industry bodies** could play an important role in education (e.g. sharing examples of good practice, training etc)

A couple of stakeholders noted the importance of **defining what ASQA's education role entailed**. They were concerned that it could:

- Duplicate the roles of other bodies; and / or
- Lead to increased regulatory fees – which was perceived to be “unfair” for providers who didn't need the education / resources

## Monitor/ Enforce

Most providers felt it was **critical for ASQA to continue to maintain a strong monitoring and enforcing role** – to ensure the quality and integrity of the sector



Some providers felt that it would be **challenging** for ASQA to **balance** its **educating and monitoring / enforcing roles**.

# Evidencing self-assurance

Overall, providers expected that they would need to evidence their self-assurance activities to ensure all RTOs were actively self-assuring. Providers felt this would ensure quality in the sector. However, most providers were confused as to how they would provide evidence, and therefore wanted clear guidance

## Providers prepare evidence



Most providers expected to provide evidence, and suggested:

- Providing evidence **through existing processes** (e.g. by expanding the annual declaration)
- Allowing for **open-ended comments** - to give context and explain reasons for poorer performance / areas for improvement
- Allowing **flexibility** in what can be provided as evidence
- Providing **guidance and examples** from ASQA about how to submit evidence (e.g. content and format)
- Providing providers with an opportunity to give ongoing input to improve the system as it develops

## ASQA receives evidence

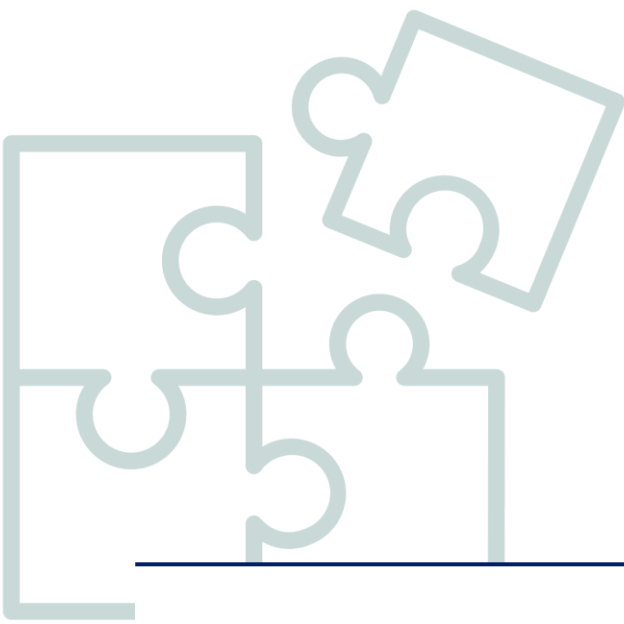


Many providers **expected to receive meaningful feedback** from the evidence they provided to ASQA and felt this would reassure them that their approach was good and / or provide advice for improvements. For example:

- **Feedback / validation** from ASQA **based on other data sources** (e.g. risk assessments and performance assessment)
- **Sector-level feedback:** insights, good practices and potential improvements
- **Benchmarks** to compare to other RTOs within relevant sectors (however, a few were concerned that these would become a proxy for minimum requirements or be made public)

However, some **providers were concerned about how this would work in practice**, particularly that ASQA wouldn't have the resources and/ or skills to process, interpret and respond to the evidence

Based on their own experiences, a few State /Territory stakeholders noted the need to balance flexibility with clear guidance and tools to avoid interpretation challenges and increased workload for ASQA and providers



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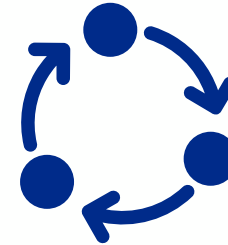
## Conclusions and next steps

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# Conclusions:

Overall there was strong agreement amongst most providers with:

- **ASQA's definition** of self-assurance
- **The principles** for the co-design of a self-assurance model
- The **refined model** and its **elements**



The refined model and its elements are broadly consistent with the literature review. Further refinement and articulation will be required in the next research phase.

The need for **flexibility** has been identified as a key principle to ensure the model is appropriate for all providers regardless of size, type, operating context and self-assurance maturity. Getting this right will be critical to provider confidence and successful implementation.

The co-design consultation process has been **very positively received, building trust** and **confidence** in the approach and ASQA, and reinforcing the need for providers to hear from other providers.

ASQA is continuing to implement the reforms outlined in the Rapid Review and implementing cost recovery and their digital roadmap. It is important that ASQA staff involved in these reforms adopt a self-assurance approach in implementing these changes.

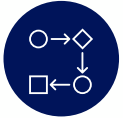
States and Territories are **supportive overall** of ASQA's adoption of a self-assurance approach and are keen to work with ASQA as the model is developed and implemented. While their approaches focus on contractual obligations, those who have moved down a self-assessment pathway have incorporated key areas identified in the Standards.

Overall Phase 2 of the research reinforced the need for a **balanced, holistic and provider focused** approach to self-assurance to be most effective.

## Proposed focus of Phase 3 sector consultations:



Development and refinement of detail for the overall model and each element. Including an overall explanation about its purpose



Explore guidance and information requirements by model element / sub element



Identify providers' evidencing expectations and capacity by model element



Identify expectations and preferences for ASQA's role in provision of education – make clear the role of others



Identify additional tools or resources required, based on further model development

## Proposed focus groups

Based on ORIMA's analysis of provider data we suggest a combination of 12 face-to-face and online focus groups for the next phase of consultation

### Face-to-face focus groups



1. Small providers in Metro Sydney
2. Medium providers in Metro Sydney
3. Large providers in Metro Melbourne
4. Regional Providers in Wagga Wagga

### Online focus groups





5. TAFEs
6. Independent providers
7. Human service providers
8. Digital providers
9. High risk industry providers
10. Small providers
11. Large providers
12. Trainers and assessors

**A survey of all providers** will also be taking place in April/May 2022

# Thank you

*We would also like to acknowledge and thank all the participants who were involved in the research for their valuable contribution and input.*

 Communication, marketing and community research

 Organisational, stakeholder and client research

 Client and stakeholder research

 Consultation and submissions

 Portals

 Data analytics and compliance

 Online surveys and ballots

 First Nations research

 Disability services research