

Report to ASQA on Phase 3 of the VET sector consultations on provider self-assurance

Commissioned by ASQA to support the co-design of a model for provider self-assurance

15 July 2022



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Summary of findings

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Objectives and methodology

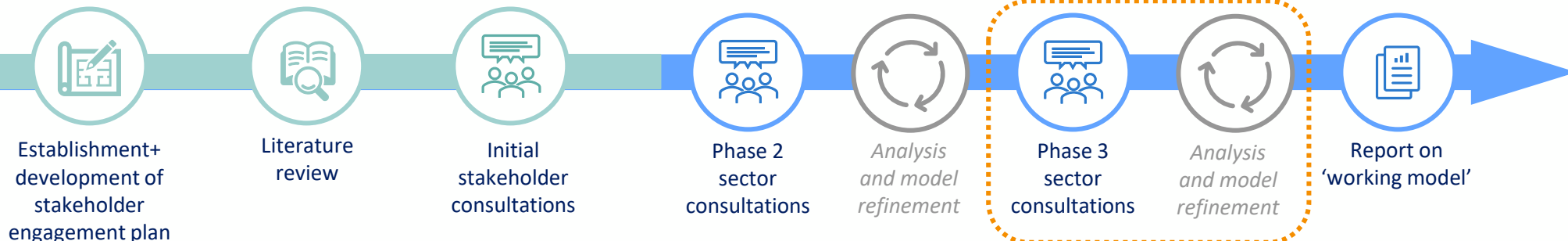
Overall research objectives and methodology

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 the draft self-assurance model** developed in Phase 2 as well as **supporting descriptions of the model and its elements**.



2021 Preliminary consultation and identification of potential model elements

2022 Sector co-design and model development



Sector consultations: Phase 3

Providers

96 representatives of RTOs participated through:

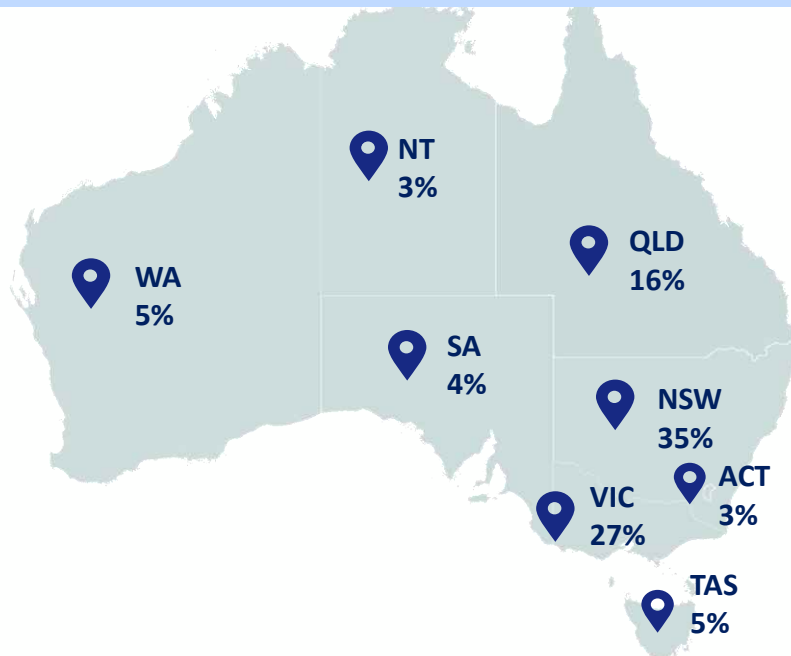
- 4 face-to-face focus groups
- 8 online focus groups – including a specific focus group for trainers and assessors
- 10 online in-depth interviews
- This builds on the previous phases which engaged 72 participants in focus groups and interviews

Stakeholders

Stakeholders participated:


- Workshops with Provider Round Table (PRT), Stakeholder Liaison Group (SLG) and VET Regulators


Profile of provider participants Phase 3



A range of different industries participated

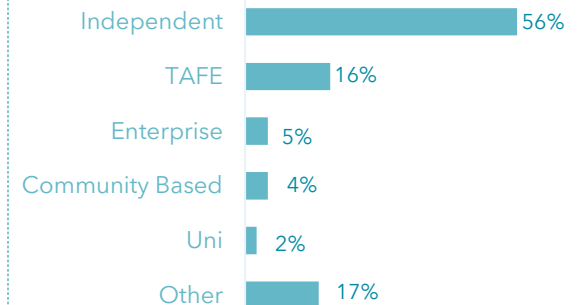
PROVIDER SIZE

19% 
Small (<100 students)

24% 
Medium (100-999 students)

56% 
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).



Context

Sector perceptions of the benefits of self-assurance

Most providers remained **supportive of self-assurance** and agreed with the **benefits** for individual providers, as well as the broader sector, that stakeholders identified in previous research phases. While **a number of concerns** remained, many were **addressable** through the design and implementation stages.

Benefits

For individual providers:

- ✓ Increased **autonomy** and **flexibility**
- ✓ Enhanced **provider confidence**:
- ✓ **Improved quality and performance**:
- ✓ **Reduced regulatory burden**

For the VET sector:

- ✓ Improved quality = better **reputation**
- ✓ Encouragement of **innovation**

For students:

- ✓ Better **training outcomes** and experiences

For employers/ industry

- ✓ More skilled workforce that is **responsive to industry needs**

For ASQA:

- ✓ Improved **relationship** with providers

“Self-assurance is about getting better and better”- Provider

Risks / concerns

Sector and provider quality and reputational risks:

- ✗ Potential for poor performing **RTOs** to “slip through”
- ✗ Potential for “**fabrication**” of evidence
- ✗ Concerns that providers reporting own problems would be treated in a **punitive manner**
- ✗ **Reduced independent feedback** to providers:
 - ✗ Loss of learning opportunities
 - ✗ Risks of non-compliance going unaddressed for longer periods

Implementation and evidencing concerns:

- ✗ Unclear **expectations** / evidencing requirements
- ✗ Increased **regulatory burden**
- ✗ Lack of capability within **ASQA** to **process, interpret and respond** to evidence
- ✗ Concern about **inconsistencies** in ASQA’s:
 - ✗ Interpretation of evidence
 - ✗ Treatment of providers

A working definition of self-assurance

Most providers were **comfortable with the working definition** and reported that it **aligned with their understanding** of self-assurance. The recognition of self-assurance as a shared responsibility was included in the definition as a result of Phase 3 consultations



Self-assurance refers to how providers manage their operations to ensure a **focus on quality, continuous improvement** and ongoing compliance with the Standards for Registered Training Organisations (RTOs) 2015 (the Standards).

Under a self-assurance model, quality and continuous improvement are **shared responsibilities** through the different roles of individual providers, sector leaders and the national regulator.

It involves providers having **systems in place to critically examine their performance against the Standards** and training outcomes, on an ongoing basis, to meet obligations and to identify ways to continuously improve outcomes.

The slide features several background elements: a large, faint, light-blue line-art illustration of a person in a suit standing next to a bar chart, with a speech bubble above the person; a solid blue vertical bar on the right side of the slide; and a decorative pattern of overlapping blue and white curved shapes on the right side. The title text is enclosed in a white rectangular box with a thin blue border.

Findings about the working model

Principles to guide the development of the working model

There was **continued agreement and support for the principles** developed in Phase 2 of the consultation. It was also evident that the principles **provided important context** to providers about ASQA's initial thinking about self-assurance and **addressed potential concerns**.

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
- ✓ Encouraging and supporting providers to **fully integrate self-assurance** into their business ('organic' to operations)
- ✓ Simple and **easy to understand** for providers
- ✓ Valuable to providers and linked to a **reduction in regulatory burden**
- ✓ Backed by **effective support**, guidance and education by ASQA
- ✓ Reinforced and **validated by other regulatory activities** including ASQA's performance assessments and risk analysis

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 working model

The working model has been **iteratively developed and refined** through a co-design process with providers and other sector stakeholders. There was **strong support for the Phase 2 working model** and the refinements made based on feedback were found to further improve the model. The final Phase 3 working model will continue to evolve and be further refined over time.

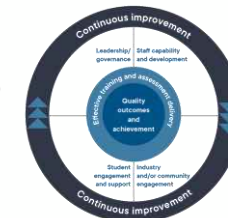
End of Phase 1



End of Phase 2



Phase 3



End of Phase 3



"It's very approachable and simple to understand. It shows how you can't have one [element] without the others"

- Provider

Effective as it:

- ✓ Included training and assessment – seen as key gap in previous version
- ✓ Visually represented model outcome and continuous improvement cycle
- ✓ Was simple and clear

Feedback from Phase 2 consultations indicated that **explanatory information was required to support the model**. Descriptions of the **model and model elements** were developed based on the literature review. These were tested and refined throughout the Phase 3 consultations based on feedback from providers.

Overall feedback from the sector	Refinements identified by the sector
<ul style="list-style-type: none">✓ Descriptions were clear, well-understood and relevant:<ul style="list-style-type: none">✓ model descriptions aided understanding of intent, relationships, linkages and outcomes✓ element descriptions provided necessary and useful context, and supported understanding and translation into providers' practices✓ Flexibility and provider choice / options essential – demonstrated through description (e.g. 'providers have the opportunity to choose the mechanisms they use to self-assure based on what suits their organisation')✓ Providers could identify activities and practices that they currently undertook that aligned to the elements✗ While specific self-assurance practices and activities for each element were discussed and helped providers understand the model, including a list of self-assurance activities as part of the model risked being perceived as too prescriptive and inconsistent with the model principles<ul style="list-style-type: none">○ However, providers were seeking and appreciated examples of activities and practices to provide guidance and felt that they were important to provide in some form.	<ul style="list-style-type: none">• Language and content refined to align with the Standards - however, providers felt that language and content will need to be aligned with revised Standards (when available)• Terminology refinements and improvements:<ul style="list-style-type: none">○ improved consistency and relevance of terms to refer to stakeholders and employers making them more meaningful to broader range of provider contexts (e.g. 'industry and / or community stakeholders' + 'employer / workplace')○ removed or defined subjective terms where possible (e.g. effective, appropriate)• Addressed content gaps: included compliance with the Standards in overall model description
	<div>Further opportunity for refinement identified by the sector</div> <div>How to support the sector to better understand self-assurance practices and how they align with the model elements, in order to assure compliance with the Standards</div>

Working model for self-assurance - model description

The **working model overview** and **descriptions of the model outcomes and elements** are presented in the following slides. A stimulus was developed to **present the working model holistically** with the model and descriptions in one document, based on feedback from providers wanting to have all the information together. Overall, the **descriptions** were found to **enhance providers' understanding, interpretation, trust and application of the model**. There is still further work to be done to **operationalise** the model and what it means in terms of **provider self-assurance vs the self-assurance activities of the regulator**.

WORKING MODEL FOR SELF-ASSURANCE

This self-assurance model provides a framework for the systems and practices providers can undertake to monitor quality and compliance and **continuously improve** their performance against the Standards.

It outlines four foundational elements for self-assurance / continuous improvement activities— **leadership / governance; staff capability and development; student engagement and support; and industry and/or community engagement**.

These elements lead to **effective training and assessment delivery**, which supports **quality outcomes and achievement**.

The intention is to **build providers' capacity and desire to measure and improve their own outcomes** and identify and address emerging risks. Providers have the opportunity to **choose the mechanisms they use to self-assure** based on what suits their organisation.

Refined self-assurance model descriptions

Starting from the centre of the model and using the literature review as a base, we developed the **descriptors for the outcomes** which were tested and refined throughout the consultations. The descriptors needed to **remain appropriate for all providers regardless of size, type, operating context and self-assurance maturity**. We are continuing to develop these descriptors in consultation with the sector.

QUALITY OUTCOMES & ACHIEVEMENT

Improving learning and meeting student and stakeholder (industry and community) needs.

Key areas of focus **may** include:

- student achievement and development;
- meeting stakeholder needs and purposes; and
- adapting training to changing stakeholder needs.



EFFECTIVE TRAINING & ASSESSMENT DELIVERY

Enabling learners to meet training requirements and gain industry-relevant skills and knowledge.

Providers are **encouraged to choose the self-assurance activities** that **best suit their organization**, in order to **assure themselves** they are meeting their **obligations under the Standards** and continuously improving.

Refined element descriptions

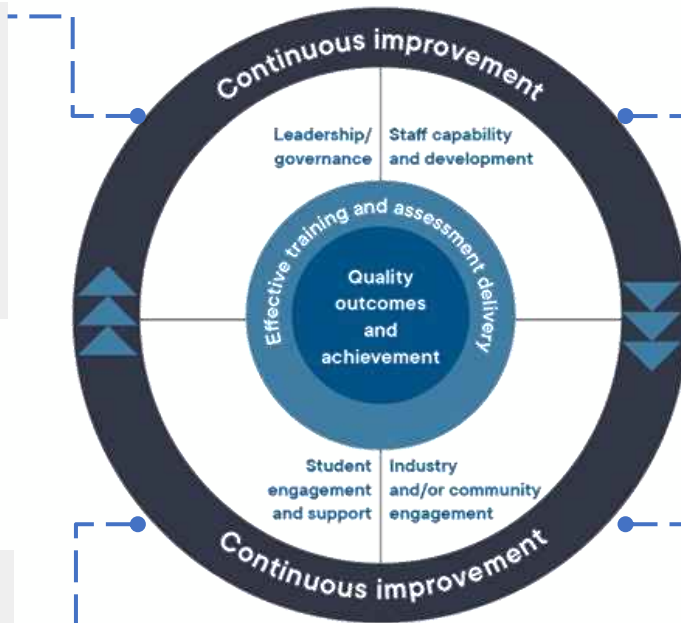
We then consulted on the **four elements of the model** and their **descriptions**. We began to **identify some practices and activities** against each element, however this was starting to look like a prescriptive list of tasks, which was inconsistent with the agreed principles for co-design.

LEADERSHIP / GOVERNANCE

Established systems and processes that ensure that the self-assurance process is visible, operating effectively and leads to a focus on quality service delivery and continuous improvement.

STUDENT ENGAGEMENT AND SUPPORT

Measures to enhance the learning experiences and outcomes for students by focusing on how well students are supported and encouraged.



STAFF CAPABILITY AND DEVELOPMENT

Practices to ensure training and assessment is provided by proficient trainers and assessors with currency and skills in their training and industry qualifications, knowledge and experience. Other RTO staff (including administrative and support staff) have appropriate opportunities to participate in professional development.

INDUSTRY / COMMUNITY ENGAGEMENT

Established mechanisms to ensure engagement and alignment of training with industry and/or community.



Exploring provider self-assurance practices

Exploring provider self-assurance practices

Overall, **most** providers **indicated** that they undertook a range of activities that **were aligned to the practices and activities initially tested alongside** the model descriptions as examples. This reassured most that they would be able to meet the requirements of the Standards.



Most providers:

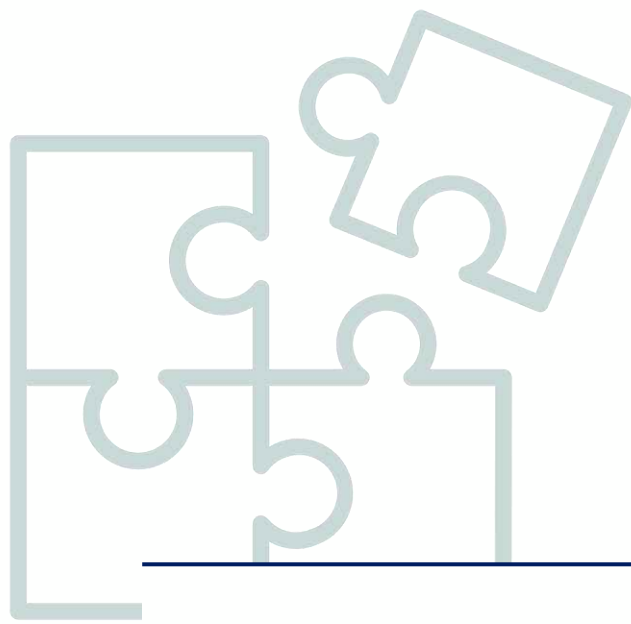
- Could identify current self-assurance practices against each element – however, some practices were more focused on risk-management and compliance, rather than continuous improvement.
- Had some form of assurance to support these practices.
- Accepted the need to provide some examples of their self-assurance practices to ASQA for validation purposes.
- Concerned that ASQA will have specific requirements of their self-assurance systems and practices, that they will be unaware of or unable to meet.
- There remains a provider perception that the focus remains on assuring ASQA, rather than assuring themselves that their RTO has systems in place to critically examine their performance against the Standards.

The next phase of the research will identify whether these activities form part of their broader systems, practices and policies that drive a strategic approach to continuous improvement.



Additional challenges for small/ micro providers:

- Evidence and documentation more difficult to provide as:
 - Less systematic approach to continuous improvement
 - Less likely to have dedicated role for compliance/ quality – often being performed by someone with competing priorities (e.g. CEO)
- More reliant on external advice, templates and tools less internal capability to develop own systems and processes



Summary of findings

- Overall, ASQA's engagement with the sector to **co-design a working model for self-assurance** has been positively received
- The engagement enabled the creation of a working definition of self-assurance that was supported by the sector, as well as **principles** to guide the development of a model for self-assurance, the working model and its **descriptors**
- Through the consultation process, ASQA was able to identify self-assurance practices that some providers already had in place, and how they related to each of the model elements
- There was strong support from the sector for ASQA's intent to incorporate guidance on self-assurance into ASQA's educative practice
- The engagement with the sector allowed ASQA to test some preliminary thinking regarding the **Annual Declaration on Compliance**. Further activity will be undertaken to support the revision of this activity to align it with regulatory practice that is informed by self-assurance
- **Key success factors identified by the sector to enable the implementation of self-assurance include:**
 - the application of a capability building approach;
 - continued building of trust between ASQA and providers; and
 - clear, simple, timely, approachable and responsive communications and engagement