

Report of External Evaluation and Review

Strategi Institute Limited

Highly Confident in educational performance

Highly Confident in capability in self-assessment

Date of report: 19 December 2012

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Purpose of this Report

The purpose of this external evaluation and review report is to provide a public statement about the Tertiary Education Organisation's (TEO) educational performance and capability in self-assessment. It forms part of the accountability process required by Government to inform investors, the public, students, prospective students, communities, employers, and other interested parties. It is also intended to be used by the TEO itself for quality improvement purposes.

Introduction

1. TEO in context

Name of TEO:	Strategi Institute Limited
Type:	Private training establishment
Location:	Corinthian Drive, Albany, Auckland
Delivery sites:	Hotel conference rooms and corporate training facilities depending on location
First registered:	9 July 2010
Courses currently delivered	Courses leading towards the National Certificate in Financial Services (Level 5)
Code of Practice signatory?	No international students and not a signatory
Number of students:	Domestic: 32.85 equivalent full-time trainees
Number of staff:	1.5 full-time equivalents
Distinctive characteristics:	<p>Strategi Institute Limited is the training arm of Strategi Limited.</p> <p>Strategi Limited also provides specialised investment advice to its clients and undertakes compliance and consultancy work for financial institutions.</p> <p>Since July 2011, authorised financial advisers had to have the National Certificate in Financial Services, or be deemed to have an alternative qualification and pass the compulsory unit standard.</p> <p>Strategi Institute Limited (Strategi) awards credits for some of the standard sets of the National</p>

Certificate in Financial Services. The industry training organisation, The Skills Organisation, awards the credits for the other standard sets of this qualification.

Strategi provides classroom and distance learning.

Strategi trains for all of the national certificate but assesses only part of it.

All trainers are employed on a contract basis.

Most of the learners are New Zealand European males aged over 50, reflecting the demographics of the financial services industry. They work full-time as employees or are self-employed.

Trainees are assigned mentors.

Courses can be customised for clients, enabling use of a company's own complaints procedure or investment statement, for example.

Recent significant changes: There has been a significant drop in trainee numbers since July 2011, when regulations required certain types of advisers to become authorised. The early strong uptake of training by all advisers was not sustained.

On 1 September 2012, Strategi took over responsibility for the candidates previously being trained by another training company, Adviserlink.

Previous quality assurance history: Strategi received a positive post-assessment moderation report from the ElectroTechnology Industry Training Organisation (now part of The Skills Organisation) in October 2011.

Other: The National Certificate in Financial Services has three strands of investment, insurance, and residential property lending.

In order to gain the national certificate, the trainee must gain a minimum of 50 credits, and achieves these by a combination of compulsory standard sets and standard sets from one of the three strands based on specialisation.

2. Scope of external evaluation and review

In accordance with NZQA policy, the mandatory focus area of governance, management, and strategy was included in the scope of this external evaluation and review. The other focus area selected was the courses for the National Certificate in Financial Services (Level 5) as these are the only courses delivered by the provider.

3. Conduct of external evaluation and review

All external evaluation and reviews are conducted in accordance with NZQA's published policies and procedures. The methodology used is described fully in the web document Policy and Guidelines for the Conduct of External Evaluation and Review available at: <http://www.nzqa.govt.nz/providers-partners/registration-and-accreditation/external-evaluation-and-review/policy-and-guidelines-eer/introduction>. The TEO has an opportunity to comment on the accuracy of this report, and any submissions received are fully considered by NZQA before finalising the report.

The external evaluation and review was conducted over two days by two NZQA evaluators at the Strategi office in Albany, Auckland. The evaluation involved interviews with:

- The managing director
- The manager
- Three trainers via phone
- Four trainees via phone
- Five stakeholders via phone

The evaluation also involved a review of relevant documentation such as course evaluation forms, facilitators' course review reports, a post-moderation report, self-assessment reports, and associated correspondence.

Summary of Results

Statement of confidence on educational performance

NZQA is **Highly Confident** in the educational performance of **Strategi Institute Limited**.

Strategi provides training for all the standard sets comprising the National Certificate in Financial Services and awards the credits for some of the standard sets. It has a reputation in the sector for providing high-quality training and this is endorsed by the high completion rates seen by the evaluation team. The courses enable financial advisers to acquire both the qualification and the financial sector skills they require. People using the services of financial advisers benefit as they know that the advisers have been through recent training, enabling them to provide comprehensive and up-to-date advice.

Strategi plays a leadership role in the industry. This role is assisted by best practice and compliance advisory services and consultancy work undertaken by other arms of the organisation. It publishes well-researched papers on issues in the industry and is currently heavily involved in the development of the new qualifications at levels 5 and 6. People in the industry commented to the evaluation team that they appreciated the way in which Strategi took over responsibility for the candidates previously being trained by Adviserlink. Strategi is closely involved with its stakeholders and has a particularly strong relationship with The Skills Organisation, which is the industry training organisation for the finance industry.

Many of the courses run by Strategi are customised to meet the needs of the companies employing the trainees. This enhances the relevance of the courses and ensures that Strategi is in constant contact with the sector. The written feedback from the trainees' evaluation forms is very positive, as is the verbal feedback from the client companies. There is a good combination of classroom and distance education, and the facilitation styles using the backgrounds of the trainees are appreciated. Particular mention was made of the excellent support provided by the mentor assigned to each trainee.

Statement of confidence on capability in self-assessment

NZQA is **Highly Confident** in the capability in self-assessment of **Strategi Institute Limited**.

Strategi has widespread contacts overseas and uses these as a way of benchmarking its own performance. Its recent acquisition of Adviserlink's trainees has also given it an opportunity to benchmark its material and approach. The result of this self-assessment was an endorsement of its own standards and a decision to upgrade the material previously being used by Adviserlink.

However, the most effective form of self-assessment used by Strategi is the course evaluation questionnaire completed by the trainees at the end of each course. This

provides scores on a ten-point scale for different aspects and comments about strengths and areas for improvement. Strategi responds to the comments appropriately. When comments were made, for example, that too much time was spent writing, Strategi introduced different ways of checking that the material was understood and is continuing this process by investigating the use of group observation.

Strategi's commitment to self-assessment is well illustrated by the inclusion of a question in the course evaluation questionnaire about how the advisers will change the way they work as a result of what they have learned. This is an ambitious question considering Strategi's experienced clientele, but the answers include comments such as, 'less product focus, more listening' and, 'be more thorough about full risk appraisal, not just an insurance solution'. Such answers reveal that the courses are having a positive impact and that Strategi is serious about evaluating them.

Findings¹

1.1 How well do learners achieve?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Good**.

Strategi provides training in a small niche market and only awards the credits for part of the National Certificate in Financial Services. Standard Set A of the certificate comprises three unit standards worth a total of 15 credits. Out of the 352 enrolments with Strategi in this standard set since March 2010, all those who wanted to complete did so. A few of the enrolments were by people such as business development managers who attended for information only and never intended to complete, and Strategi was informed by some employing companies that other people were not continuing with their studies as they were in the process of changing jobs. Other people decided not to complete when a minor change in the regulations meant they were no longer required to do so. The adjusted figures equate to a completion rate well above 90 per cent.

The significance of this high completion rate is enhanced by the skills acquired in the process. The trainees are all working full-time in the financial services industry and consequently are improving skills that are relevant to the sector. The feedback to the evaluation team by stakeholders was that the leadership of Strategi sets the bar at a high level. Following the recent acquisition of Adviserlink's trainees, the course material was changed.

The paucity of comparable achievement data here and overseas means that Strategi is limited to some extent in its ability to fully assess its own educational performance. Strategi is the market leader in the provision of this type of training and takes this role very seriously. The managing director is heavily involved and is the trainer on some of the courses. He maintains a network of contacts overseas, such as the Financial Planning Association (USA), Moonstone (South Africa), and the Australian and New Zealand Institute of Insurance and Finance (Australia). These organisations provide Strategi with a form of benchmarking. Since September 2012, Strategi has undertaken some more benchmarking in the form of learning from the experiences of the trainees who previously studied with Adviserlink.

¹ The findings in this report are derived using a standard process and are based on a targeted sample of the organisation's activities.

1.2 What is the value of the outcomes for key stakeholders, including learners?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

A considerable portion of Strategi's training is connected to the regulatory demands on the financial services industry. Advisers are required to undertake the training in order to become authorised, and consequently the outcomes are valuable to the learners. All the people who gain advice from this industry also benefit from Strategi's training as so much emphasis is placed on empowering the advisers to give better financial advice. The evaluation team saw evidence of positive feedback, endorsing the notion that that the trainees become 'better advisers'. The level of expertise is enhanced by the access that the trainees are given to the highly skilled trainers and experts employed by Strategi.

Strategi has a central role in the industry. It is in frequent contact with the industry regulator and works closely with The Skills Organisation. The level of engagement is increased by Strategi's provision of continuing professional development that is part of the mandatory 20 hours of professional development each adviser has to undertake each year. Such development is being provided by Strategi to a well-educated audience. Emphasis is placed by Strategi on ensuring that added value is always being produced. One of the ways it does this is to involve the stakeholders in the process of programme development as much as possible, thereby increasing the value of the outcomes. The close engagement with stakeholders is evident at the local, national, and international levels.

The importance of the value of the outcomes to Strategi is well illustrated by its commitment to assessing the effectiveness of the outcomes to the trainees. Two of the eight questions on the course evaluation questionnaire completed by the trainees after each course emphasise this issue. The trainees are asked to rate the practical application of each course on a ten-point scale and the scores are nearly always between seven and nine (ten is excellent). The next question asks the participants to explain what they will do differently in the workplace as a result of what they have learned. This is an ambitious question as most of the trainees are experienced financial advisers who could be forgiven for taking a cynical approach to the mandatory requirements of the training. However, their answers include that they will have 'less product focus, more listening', and 'be more thorough about full risk appraisal, not just an insurance solution'. These responses reveal that the courses are having a positive impact and that Strategi is serious about evaluating them.

1.3 How well do programmes and activities match the needs of learners and other stakeholders?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

Strategi's training clearly matches the needs of the learners and the industry as so much of it is connected to regulatory demands. The rest of the training consists of courses designed to meet the expressed needs of different sectors in the industry. The consultancy arm of Strategi Limited helps in this regard as it undertakes research which can lead to courses, such as those dealing with gaining access to overseas pension schemes for migrants.

The training is designed to meet the specific needs of the financial sector. The teaching style, for example, utilises the experienced backgrounds of the trainees and in such ways is adapted to suit the learners and their levels of competence. The feedback to the evaluation team revealed a strong preference for classroom-based courses as they allow the participants to meet other people in similar positions and to share ideas with them. Strategi appreciates the importance of matching this need and endeavours to provide classroom-based courses as much as possible.

Strategi is in constant contact with its clients, and particularly with the person responsible for the training. Special courses are customised for corporate clients. In these, the client's own complaints procedure and investment statement can be used, and case studies relating to the company's experiences can be the basis for sessions. In these ways, Strategi ensures that its training is matching the appropriate needs.

Strategi provides advice about suitable courses to trainees and ensures that the programmes are relevant. It also works closely with The Skills Organisation to ensure that the specific needs of trainees are met. For example, when issues have arisen with trainees who are experienced financial advisers but who lack some information technology skills, The Skills Organisation has been alerted and other provisions made.

The close link with The Skills Organisation is also an example of the way in which Strategi systematically addresses the needs of learners and employers. It is always in contact with the trainees and the companies employing them, checking that the programmes are matching their needs, and making adjustments when required. It advises on ways in which electives can be clustered more effectively so that needs are matched more closely. Strategi recognises that its existence depends on such close matching of needs and constantly checks this is happening so that the value of the outcomes is being maximised.

1.4 How effective is the teaching?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

Strategi offers both classroom-based and distance learning. It appreciates that most of the trainees prefer the former, but when trainee numbers make this impractical, distance learning using printed material is effective as the course material is so well structured. High-quality resources are used and Strategi is praised for its professional image. The overall average evaluation score of eight and above for the trainers on a ten-point scale shows the high regard in which the teaching is held.

All Strategi's trainers are experienced and have a level 4 National Certificate in Adult Education and Training. The course evaluation questionnaire revealed that the trainees thought the teaching styles suited the learners and that in particular the trainees appreciated the use of relevant case studies and the participants' own backgrounds. The person in charge of training for a well-known financial organisation participated in a workshop on Standard Set B and sent an email to Strategi's trainer in which she stated that she, 'really enjoyed your presentation style and thought the accompanying knowledge check tools were excellent'. This was typical of the feedback seen by the evaluation team.

Strategi ensures that the assessment methods are fair and suited to individual needs and to industry requirements. The 2011 post-assessment moderation report undertaken by The Skills Organisation stated that the marking was 'consistent and to a high standard', and praised the 'well laid-out assessments and clear referencing to candidate evidence'. The lead assessor of The Skills Organisation praised the quality of Strategi's assessors and the extent to which they are prepared to go to help trainees apply the material to their workplaces.

The course evaluation questionnaire is used well by Strategi to assess the effectiveness of the teaching. Both the trainer and the course material are assessed. The results are collated for each course and are used as the basis for a discussion between the trainer and the Strategi manager in conjunction with the trainer's course review report. The average evaluation scores are checked and feedback from the markers is also used. The positive comments section included such comments as, 'good discussion' and, 'great presenter', and praise for the case studies.

Suggestions for improvement are considered and changes made when appropriate. When the lead assessor from The Skills Organisation, for example, recommended that a Strategi assessor express himself more precisely and clearly, a change was quickly noticeable. Feedback from two insurance courses conducted in September 2012 indicated that more time was needed on some sections, so adjustments were made to speed up knowledge checking. Further comments were made that there was too much writing, so more use is now being made of flash cards and matching

specialist financial terms with definitions from a list. Strategi is also now considering ways in which it can use group observation rather than written assessments for some tasks. Self-assessment is therefore being used to make some worthwhile improvements.

1.5 How well are learners guided and supported?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Good**.

Strategi provides excellent support to its trainees. The most effective is widely considered to be the mentor who is specially selected to work with each trainee. This person is usually the marker of the assessments as well and so has a good basis for the provision of support. The mentor is well supported by the very able staff at Strategi and the trainers themselves. One-to-one coaching is frequently provided. One trainee was very appreciative of how her trainer, 'made some time for me and showed me over things I was struggling with'. This typifies the positive feedback received by the evaluation team.

The trainees have good access to their trainer and their marker and can rely on them to provide guidance when required. Reader/writers have been used for assessments, extensions have been granted to deadlines, and opportunities have been provided for re-sits. The positive trainee feedback shows satisfied learners, whose needs are being well met by a network of support.

Strategi relies on informal methods such as emails and conversations to gain feedback on the effectiveness of its support. These methods work well as so much of the support is delivered on a case-by-case basis. However, there is no guarantee that in all cases the support is as effective as it could be. The inclusion of a relevant question on this topic at an appropriate stage would alleviate this minor concern.

1.6 How effective are governance and management in supporting educational achievement?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

The key to the high level of effectiveness of governance and management is the way in which Strategi is in such close touch with the market through the three arms of Strategi Limited. Its compliance and auditing role complements the training role. Strategi has an excellent understanding of the industry and is widely recognised as a leader. It provides free, well-researched, and professional communication to the sector. At the beginning of October 2012, for example, Strategi distributed a paper arguing for a consolidation of key services, 'to reduce duplication of effort, staff,

content and software'. Strategi hopes the end result will be, 'a better trained industry that is better prepared to deliver advice to New Zealanders'.

Strategi always plays an active part in the industry. It is currently playing an important role in the development of the new courses for levels 5 and 6. Although these will benefit the whole financial services industry, Strategi sees them as fitting in with its aim of ensuring profitable growth without compromising quality.

Strategi's leadership ensures that it is fully supportive of the trainers and the courses being run. The programmes are well resourced around the country and there is excellent communication between management and staff. Staff members feel valued and there is a staff development plan in operation. The trainers are involved in developing course material and described how they enjoyed being part of a team. They are encouraged to network and keep up to date with industry requirements by participating in specific workshops, conferences, and forums. These are effective ways of promoting educational achievement.

The course evaluation questionnaire invites trainees to contact Strategi directly if they want to discuss possible improvements to the training. This illustrates management's commitment to improvement. Strategi's central role in the industry and the continuous contact with stakeholders provides valuable feedback. Stakeholders are aware of the gap that exists between the unit standards and the actual requirements of the financial services industry. They appreciate Strategi's part in filling that gap.

Focus Areas

This section reports significant findings in each focus area, not already covered in Part 1.

2.1 Focus area: Governance, management, and strategy

The rating in this focus area for educational performance is **Excellent**.

The rating for capability in self-assessment for this focus area is **Excellent**.

2.2 Focus area: Courses for National Certificate in Financial Services (Level 5)

The rating in this focus area for educational performance is **Excellent**.

The rating for capability in self-assessment for this focus area is **Excellent**.

Recommendations

There are no recommendations arising from the external evaluation and review, other than those expressed or implied within the report.

Appendix

Regulatory basis for external evaluation and review

Self-assessment and external evaluation and review are requirements of programme approval and accreditation (under sections 249 and 250 of the Education Act 1989) for all TEOs that are entitled to apply. The requirements are set through the Criteria for Approval and Accreditation of Programmes established by NZQA under section 253(1)(d) and (e) of the Act and published in the Gazette of 28 July 2011 at page 3207. These policies and criteria are deemed, by section 44 of the Education Amendment Act 2011, to be rules made under the new section 253.

In addition, for registered private training establishments, the criteria and policies for their registration require self-assessment and external evaluation and review at an organisational level in addition to the individual programmes they own or provide. These criteria and policies are also deemed, by section 44 of the Education Amendment Act 2011, to be rules made under section 253. Section 233B(1) of the Act requires registered PTEs to comply with these rules.

NZQA is responsible for ensuring non-university TEOs continue to comply with the rules after the initial granting of approval and accreditation of programmes and/or registration. The New Zealand Vice-Chancellors' Committee (NZVCC) has statutory responsibility for compliance by universities.

This report reflects the findings and conclusions of the external evaluation and review process, conducted according to the EER process approved by the NZQA Board.

The report identifies strengths and areas for improvement in terms of the organisation's educational performance and capability in self-assessment.

External evaluation and review reports are one contributing piece of information in determining future funding decisions where the organisation is a funded TEO subject to an investment plan agreed with the Tertiary Education Commission.

External evaluation and review reports are public information and are available from the NZQA website (www.nzqa.govt.nz).

Information relevant to the external evaluation and review process, including the publication Policy and Guidelines for the Conduct of External Evaluation and Review, is available at: <http://www.nzqa.govt.nz/providers-partners/registration-and-accreditation/external-evaluation-and-review/policy-and-guidelines-eer/introduction/>

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