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Report of External Evaluation and Review

Strategi Institute Limited

Highly Confident in educational performance

Highly Confident in capability in self-assessment

Date of report: 8 September 2016

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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 (PTE)
First registered:	9 July 2010
Location:	Building E, 17 Corinthian Drive, Albany, Auckland
Delivery sites:	Strategi boardroom, conference rooms, corporate training facilities
Courses currently delivered:	Courses leading to the National Certificate in Financial Services (Level 5) and the New Zealand Certificate in Financial Services (Level 5)
Code of Practice signatory:	No international students and not a signatory
Number of students:	Domestic 2015: 46.5 EFTS (equivalent full-time students) including 1.0 Māori EFTS and 0.3 Pasifika EFTS International: nil
Number of staff:	Four full-time equivalents
Scope of active accreditation:	Consent to assess unit standards from the following Domains: <ul style="list-style-type: none">• Banking Functions (to level 5)• Financial Advice (to level 4)• Financial Markets (to level 5)• Financial Services - Administration (to level 5)• Financial Services - Organisational Skills (to level 5)• Financial Services - Professional Practice (to

level 5)

- Financial Services - Relationship Management (to level 5)
- Interpersonal Communications (to level 5)
- Mortgage Broking (to level 5)

Plus consent to assess the following unit standards: 7455, 25649, 25644, 25648, 25642, 25654, 25647, 25646, 25645, 25643, 23397

Approved training scheme: Standard Set B (Training Scheme) (Level 5)

Distinctive characteristics: Strategi Institute is a relatively small provider delivering training to the financial services industry. The training is largely focused on enabling students to meet regulatory requirements, and providing professional development to those in the industry. Consequently, qualification completion is not the aim of most students.

Training can be classroom-based, distance or accessed online and is delivered by contract staff. All students have a mentor appointed to support them through the course.

There is an increasing number of students with English as a second language, and only a small proportion of students are Māori or Pasifika. All students are part-time and most are in full-time employment or self-employed.

Recent significant changes: In 2015, Strategi Institute developed an online learning platform and students can now access many of the courses offered online.

Student numbers increased significantly in 2015 when demand for the residential property lending course increased because of industry accreditation requirements.

In response to the listing of the New Zealand Certificate in Financial Services, a new course bridging the gap between it and the old National Certificate has been developed.

Previous quality assurance history: NZQA conducted the last external evaluation and review of Strategi Institute in October 2012 and released the report in December 2012. The statements of confidence were Highly Confident in

educational performance and Highly Confident in capability in self-assessment. There were no recommendations.

The Skills Organisation regularly conducts post-assessment moderation. This moderation has consistently provided the industry training organisation with confidence that Strategi is applying best practice assessment principles to the unit standards The Skills Organisation manages.

Other:

Strategi Institute is the training arm of a group of two companies. Strategi Limited provides compliance and consultancy services to the financial sector. The close association of these companies is used to inform Strategi Institute about up-to-date industry information in both compliance and service provision.

2. Scope of external evaluation and review

The scope of this external evaluation and review was governance, management and strategy (mandated by NZQA) and financial services courses, which cover the full extent of courses delivered by Strategi.

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 one and a half days by two evaluators at Strategi's Albany offices. The process involved the review of relevant documentation such as moderation reports, student evaluation forms, enrolment documentation, a self-assessment report and background papers. Interviews were held with:

- The managing director
- The manager
- Three trainers/mentors/assessors (two via telephone)
- Four students via telephone
- One graduate
- Four stakeholders via telephone

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Summary of Results

Statement of confidence on educational performance

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

Strategi Institute has effective leadership and clear purpose and direction which provides a good base for operations and are fundamental to the open, inclusive environment observed in the organisation.

Student achievement of the credits they require is high, and this is validated by external moderation and robust internal moderation. The courses provided enable students to meet regulatory requirements (for example, becoming an Authorised Financial Advisor) and other industry educational requirements (for example, meeting industry requirements for residential property lending advisors). This provides value for the students (employment and salary increases), employers (regulatory compliance and credentialed staff) and the public (confidence in the sector). Strategi Institute also adds value through its leadership and the high level of engagement it maintains with the financial services sector. This is evident through the comments of stakeholders and activities such as the managing director's membership of the Financial Disputes Resolution Panel and publication of papers. Strategi Institute's very good connections with the financial services sector are well used to identify needs, and the evaluators saw many examples of the organisation responding effectively to these.

Teaching is very effective. Delivery of content is flexible to meet the needs of students, many of whom are in full-time work. Courses can be studied as classroom-based, distance or online, although in some cases this is restricted by industry requirements. Excellent support is provided by mentors assigned to each student to support them during their period of study.

Statement of confidence on capability in self-assessment

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

There is a clear commitment to improvement through self-assessment at all levels of the organisation.

Strategi Institute has relatively small numbers of students and has effective systems in place that enable the PTE to monitor and understand achievement and to identify and respond to needs on an individual basis. This approach serves students well and is the basis for high achievement. Self-assessment could be strengthened by a further development of systematic analysis of cohort achievement, graduate outcomes and systems to understand student needs at enrolment and across all modes of delivery.

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The level of engagement with the sector provides a very effective mechanism for gathering valuable information and developing an excellent understanding of industry requirements. This has resulted in numerous worthwhile improvements across the full range of Strategi Institute's activities. For example, course content has been changed to reflect future needs of the sector, courses have been adapted to meet the needs of specific employers, new courses have been developed with input from the sector, and online delivery has been developed.

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 Institute provides training in courses that lead to the National Certificate in Financial Services (Level 5) and the New Zealand Certificate in Financial Services (Level 5). Students are mostly in relevant employment, and gaining the required unit standards is a condition of employment. This is a significant motivation for their study. All students are studying part-time. There are no international students, although there is an increasing proportion of students with English as a second language. For most students, the aim is to gain the unit standards required to obtain the authorisation required by the industry rather than to complete the qualification. For this reason, qualification completion is not seen by the provider as a relevant performance measure, although some students do complete qualifications. Course completion rates are high, as shown in Table 1.

Table 1. Course completions 2013-2015

Year	EFTS			Successful course completion		
	2013	2014	2015	2013	2014	2015
All students	11.7	16.3	46.5	85%	81%	97%
Māori students	0.9	0.6	1.0	85%	100%	100%
Pasifika students	0.4	0.2	0.3	100%	100%	100%

Although Māori and Pasifika make up a very small proportion of students, their achievement is at least as good as other students. External post-assessment moderation and robust internal moderation validate the high achievement rates. For example, external post-assessment moderation by The Skills Organisation has provided the industry training organisation with the assurance that best practice principles are being applied to the assessment of the unit standards they manage.

Achievement is closely monitored at the individual student level. Strategi Institute is aware of the reasons for non-completions, which are almost always related to changes in employment circumstances. In cases where students encounter difficulty, Strategi Institute provides effective additional support and flexibility in the time allowed for completion. With the growth in student numbers, self-assessment could be strengthened by developing a better understanding of cohort completion rates.

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**.

Strategi Institute is a specialist provider of training courses designed to meet the regulatory and continuing professional development requirements of the financial services industry. Many students are studying to gain regulatory authorisation or to meet other requirements mandated by their employment, and successful completion provides direct employment benefits to them. Strategi Institute assesses the impact of the training through end-of-course evaluations and by ongoing contact with students in the workplace. It was evident, both through these evaluations and the evaluators' discussions with students, that the training provides valuable skills and knowledge. In addition, students and graduates can access Strategi Institute templates and documentation that they can use directly in their work post-study.

Students and industry stakeholders valued the templates and documentation provided. The evaluators also saw evidence that some students gain professional and salary advancement opportunities through qualifying as an Authorised Financial Adviser. For those not currently employed, the training provides the opportunity for them to enter the financial services industry. Stakeholders spoken to endorsed the value of the training. For example, a stakeholder recommends to all of its lending advisors that they contact Strategi Institute to complete the training required for residential property lending advisors.

Other stakeholders described the training as opening the eyes of trainees and leading to improved workplace practices such as compliant documentation and improved communication with clients. This is aligned with the benefits identified by students in their evaluations. Self-assessment could be strengthened by the systematic collection and analysis of the value of learner outcomes, and this is being addressed with the development of a programme for the recently listed New Zealand qualification.

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 **Good**.

A strong connection with the financial services sector ensures that the industry's training needs are clearly identified by Strategi Institute. This connection with industry is strengthened through the close relationship between Strategi Institute and the other Strategi company providing services to the financial services sector, enabling current best practice and industry needs to be identified and solutions to be tested before being incorporated into training materials. Training materials are regularly updated to keep up with the changing regulatory environment. The evaluators heard examples of students taking recent changes back to the workplace, and some stakeholders confirmed that they often looked to Strategi Institute for information about changes to the regulatory environment and up-to-date forms and documentation.

The high level of engagement with industry enables the organisation to effectively identify industry needs, and this information is used to improve and develop courses. Stakeholders described how they were consulted on the development of new courses and how their input was incorporated into the courses. The evaluators noted several instances where Strategi Institute has responded with initiatives that met industry or student needs. Examples include:

- Development of a course to bridge the gap between the old level 5 qualification and the new one
- Use of flexible methods of delivery to match the needs of part-time students who were in employment
- Customising courses for specific employers by using the employer's policies and documentation
- Providing training in giving financial advice to people with impairments.

Since Strategi Institute is a small provider, student needs have been effectively identified and responded to on an individual basis, but this becomes more difficult as numbers increase. Student evaluations also provide useful information on the student learning experience and the value of the training. However, the response rates from both distance and online students are negligible. With the recent introduction of online delivery and the potential for it to grow, the poor response rate is a weakness in current self-assessment. Strategi Institute recognises this and is seeking ways to address it. Additionally, the increase in numbers of students with English as a second language may warrant some strengthening of the identification of language levels at entry to ensure students have the English language skills to complete the programme.

In addition to the direct benefits from the training, Strategi Institute also adds value to the sector by its leadership in some areas. For example, in response to an identified need, Strategi Institute worked with industry to develop a Mortgage Advisory Lending Code of Conduct. In response to industry need, the Code of Conduct is now included as a non-assessed component of the level 5 Residential Property Lending strand, and separate assessed training is available online. Another example of added value is the support and materials provided for free financial literacy courses.

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**

Teaching is very effective. This is attested by the high pass rates which are validated by robust moderation. For the unit standards they assess, The Skills Organisation has confidence in both the standard of assessment by Strategi Institute and the level of performance of their students. This confidence has resulted in The Skills Organisation delegating authority to Strategi Institute to assess capstone unit standards without the required validation.

Once students have attended face-to-face sessions or received distance or online materials, they are assigned a mentor and marker to facilitate completion of the assignments. From examples of student assessments, it was evident that students receive very good formative feedback, and this makes a strong contribution to student learning and achievement.

Teaching staff are contractors who maintain their currency through industry involvement and professional development provided by Strategi Institute. Staff are required to hold or be working towards adult teaching qualifications. An effective induction is provided for new employees, and marking in the first year has additional moderation to ensure students are reaching the appropriate standard. It was also observed that this mechanism provides useful guidance on the expected standards to new teachers. The quality of the provision is reflected in students' high regard for the skills and knowledge of their teachers and mentors that was evident in the feedback from students interviewed and the course evaluations provided. Industry stakeholders also held staff in high regard.

Teaching is enhanced by the open, inclusive environment fostered by Strategi Institute which enables informal observation of teaching and the provision of feedback. More formal opportunities are also provided regularly for the discussion and sharing of teaching and assessment practices. Teachers complete post-course reports that reflect on student feedback and their own observations, and that identify any changes required. These reports provide a useful basis for course improvement. The increasing proportion of students with English as a second

language is a challenge that is being responded to in a variety of ways. For example, one-to-one support is provided and some materials are being translated into Mandarin. The maintenance of the pass rate is an indicator that the language issue is being responded to adequately.

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**.

Highly effective student support underpins the high achievement rates of the students at Strategi Institute. Each student is assigned a mentor who is also the marker and consequently well placed to provide effective one-to-one support. Students confirmed the value of the support given and appreciated the accessibility and promptness of responses from the mentors. This is important as students are part-time and the mentoring process forms a significant component of their engagement with the provider. When required, additional support is provided by other Strategi Institute staff. There is also a range of external sources of support that students can be referred to.

Self-assessment of the effectiveness of support is based on informal information. It may be beneficial, as cohort numbers increase, to strengthen the information gained before enrolment about student learning needs and previous study to improve initial guidance.

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**.

Strategi Institute has effective leadership and a clear purpose and direction. The managing director proactively keeps abreast of developments in the financial services industry through his membership in a range of committees that inform the industry's strategic development. Although the managing director has an important role in industry engagement and delivery of some courses, there is none the less a clear distinction between governance and management which supports the effectiveness of the operation.

As indicated in Findings 1.4 above, the organisation has been successful in creating an open, inclusive culture that enhances communication and ultimately learning.

Ensuring that training is responsive to sector needs, current and anticipated change is achieved through a very high level of engagement with industry that is

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strengthened by the synergy between the related Strategi companies, as identified in Findings 1.3. Industry stakeholders regard Strategi Institute as a leader in the sector. For example, one stakeholder described Strategi Institute as their go-to place for training and advice and that they are 'ahead of the field' in their understanding of new developments in the financial services sector. This knowledge informs course content and is regularly shared with the sector through a variety of methods, such as newsletters, published articles and conference presentations.

Training is well resourced, and teachers (including mentors and assessors) indicated that they were well supported in their roles. There are appropriate opportunities for professional development. Staff are also encouraged to remain engaged with the industry and keep up to date and use their new knowledge to inform delivery.

The evaluators saw several examples of Strategi Institute effectively responding to industry, employer and student needs, and it was apparent that this occurs because of a governance and management focus on the quality of education provided.

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: Financial Services courses

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.

Appendix

Regulatory basis for external evaluation and review

External evaluation and review is conducted according to the External Evaluation and Review (EER) Rules 2013, which are made by NZQA under section 253 of the Education Act 1989 and approved by the NZQA Board and the Minister for Tertiary Education, Skills and Employment.

Self-assessment and participation in external evaluation and review are requirements for maintaining accreditation to provide an approved programme for all TEOs other than universities. The requirements are set through the NZQF Programme Approval and Accreditation Rules 2013, which are also made by NZQA under section 253 of the Education Act 1989 and approved by the NZQA Board and the Minister for Tertiary Education, Skills and Employment.

In addition, the Private Training Establishment Registration Rules 2013 require registered private training establishments to undertake self-assessment and participate in external evaluation and review, in accordance with the External Evaluation and Review Rules (EER) 2013, as a condition of maintaining registration. The Private Training Establishment Registration Rules 2013 are also made by NZQA under section 253 of the Education Act 1989 and approved by the NZQA Board and the Minister for Tertiary Education, Skills and Employment.

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 External Evaluation and Review (EER) Rules 2013.

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).

The External Evaluation and Review (EER) Rules 2013 are available at <http://www.nzqa.govt.nz/assets/About-us/Our-role/Rules/EER-Rules.pdf>, while information about the conduct and methodology for external evaluation and review can be found at <http://www.nzqa.govt.nz/providers-partners/external-evaluation-and-review/policy-and-guidelines-eer/introduction/>.

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