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External Evaluation and Review Report

Strategi Institute Limited

Date of report: 8 December 2020

About Strategi Institute Limited

Strategi Institute Limited (Strategi Institute) is one of three New Zealand providers offering the New Zealand Certificate in Financial Services (NZCFS). The organisation also offers training and continuous professional development courses to the broader financial services sector.

Type of organisation:	Private training establishment (PTE)
Location:	Building E, 17 Corinthian Drive, Corinthian Office Park, Albany, Auckland
Code of Practice signatory:	No
Number of students:	Domestic: 207.45 full-time equivalents (1200 students) European/Pakeha 69.42 per cent; Asian 15.07 per cent; Indian 10 per cent; Māori 2 per cent; Pasifika 2 per cent; other/not disclosed 1.51 per cent
Number of staff:	15 full-time equivalents
TEO profile:	See NZQA: Strategi Institute Limited
Last EER outcome:	Highly confident in educational performance and capability in self-assessment in 2016
Scope of this evaluation:	<ul style="list-style-type: none">• New Zealand Certificate in Financial Services (Residential Property Lending strand) (Level 5)• New Zealand Certificate in Financial Services (Life, Disability, and Health Insurance strand) (Level 5)
MoE number:	7963
NZQA reference:	C39383
Dates of EER visit:	29 and 30 September 2020 (virtual)

Summary of results

Strategi Institute maintains high quality standards and effectively supports students to attain the requirements needed for industry. Strategi Institute is forward thinking, agile and responsive to the ever-changing needs of the financial services sector. Self-assessment activities produce increased adaptability and performance. Ongoing analysis of data informs change and improvement across the PTE.

Highly Confident in educational performance

- Strategi Institute maintains strong achievement rates despite external factors driving enrolments and completions. Students acquire useful skills and knowledge which enhance their capability as financial advisers.
- Strategi Institute is extremely well connected to and influential in the financial services sector as advocates of the regulatory body. Strategi ensures networks are fostered for students and industry.

Highly Confident in capability in self-assessment

- There is clear alignment of the programme learning outcomes with both unit standard evidence requirements and qualification graduate profile outcomes.
- Student support is effective and appropriately streamlined to respond promptly to student queries and any issues arising.
- The establishment of the board of directors and a management structure has provided Strategi with the capability to meet current and forecast demand.
- Strong processes and procedures throughout the organisation enable strong daily self-assessment activity, maintenance of high standards and collaborative staffing. Forward thinking combined with data analysis informs change.
- Regular monitoring and reporting on compliance activity ensures that important compliance accountabilities are effectively managed.

Key evaluation question findings¹

1.1 How well do students achieve?

Performance:	Excellent
Self-assessment:	Excellent
Findings and supporting evidence:	<p>The financial advisers' Code of Professional Conduct requires members of industry to have a minimum competency of skills before they can provide legal advice. This is either the level 5 qualification or a specified strand of this qualification. Students complete strands as per the requirements of industry and employers, and complete the qualification if individually motivated to or where the qualification is the industry requirement.</p> <p>Student achievement is excellent. Students acquire useful skills and knowledge which enhance their capability as a financial adviser. Students either enrol to complete a specific strand or to complete the qualification, depending on industry requirements. Version 2 of the qualification commenced in 2020.</p> <p>It is important to note that qualification completion rates are somewhat redundant up to 2020. Financial advisers were only required to complete the strand required by their employer, not the whole qualification, at the time of this evaluation. Also, financial advisers are motivated to be compliant to remain employed. However, this will likely change in the updated legislation in 2021. Strategi is prepared for this ongoing increased demand, offering four modes of delivery (see 1.3) and an increase in staff capacity with the employment of facilitators and assessors.</p> <p>The highest number of students enrol to complete the Residential Property Lending (RPL)² strand. This strand is mandatory for those working at or directly with banks. Strand completion rates have been remained consistently high between 2016 and 2018, with a mean of 92 per cent.</p>

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

² Residential Property Lending: 91 per cent (2016), 95 per cent (2017), 90 per cent (2018).

	<p>The second most popular strand is Life, Disability, and Health Insurance. This has not always been a mandatory strand and completion rates have fluctuated, with a mean of 82 per cent.³ Strand completion rates in the core strand have remained consistent, with an average completion rate of 78 per cent for 2016-2019.⁴</p> <p>For all of the above strands, the completion data for 2019-2020 is not yet complete. However, overall current completion rates are following trends and tracking well.</p> <p>Māori student enrolments have increased since the last evaluation, with 100 per cent completing for 2016-2017. However, due to a reduction in the overall completion of strands in 2018, the overall strand completion rate for Māori students is 85 per cent. As above, data is not yet available for 2020.</p> <p>Strategi Institute encourages completion by providing information before and during enrolment, various modes of delivery to reduce barriers to learning, and individual tutoring. Progress is tracked through a student management system. Progress reports are available to facilitators and students. Overall, there is sound analysis of achievement data.</p>
<p>Conclusion:</p>	<p>Strand completion rates are excellent for both focus areas and the core. The primary focus is not gaining a qualification but rather gaining a specialised strand as per industry requirements. However, students who enrol in the full qualification achieve well. Self-assessment pertaining to the planning of increased demand and data analysis of student progress is excellent.</p>

³ Life, Disability, and Health Insurance: 78 per cent (2016), 95 per cent (2017), 74 per cent (2018).

⁴ Core: 76 per cent (2016) 79 per cent (2017), 79 per cent (2018).

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

Performance:	Excellent
Self-assessment:	Excellent
Findings and supporting evidence:	<p>Through completion of a strand or the qualification, students gain competency in up-to-date practices in the sector, gain confidence in self-directed study, and often progress in their careers.</p> <p>Strategi Institute is recognised as an influential leader⁵ in qualifying financial advisers, with its connections with industry noted as a key strength. As a recognised partner for the financial advisers' regulatory board, the PTE provides up-to-date changes and knowledge to industry.</p> <p>Industry relationships are robust and support the intent of driving minimum standards in the financial advisory sector. Stakeholders place a lot of trust in Strategi Institute to produce graduates to a high standard, warranting commendation of the PTE's consumer relations and intellectual understanding of financial services.</p> <p>Outcomes for communities within industry and for prospective Māori students were considered with the recent appointment of a Māori adviser. The intent of the role is to advise the PTE on their Treaty of Waitangi obligations and the development of Māori participation in the financial sector.</p> <p>The majority of students are in employment (financial adviser roles) prior to enrolment. Some students enrol in pursuit of a career change to meet the minimum requirements needed to enter the industry.</p> <p>Ninety-five per cent of graduates are already employed and continue with employment after completion of their qualification. Destination data is tracked and analysed and feedback is collected from peak bodies, industry representatives and student employers.</p> <p>Graduates and their employing companies can participate in</p>

⁵ As triangulated by interviews with various stakeholders in the financial services sector.

	continuous professional development and have access to course materials. This provides a long-term resource to stakeholders.
Conclusion:	Strategi Institute has a strong connection to industry and is influential in the sector. Students and stakeholders gain positive, valuable and necessary outcomes. Self-assessment practice is strong, ensuring industry networks are fostered and updated to the benefit of students and other stakeholders.

1.3 How well do programme design and delivery, including learning and assessment activities, match the needs of students and other relevant stakeholders?

Performance:	Excellent
Self-assessment:	Excellent
Findings and supporting evidence:	<p>Programme design and delivery is managed well to match the needs of students and stakeholders. Strategi Institute provides the training to set a standard for industry.</p> <p>The PTE is notified of changes in legislation as the advocate for the regulatory body. The changes are translated into practical content by way of resources and learning and teaching material. This updating occurs promptly within six weeks of any legislative change. Industry-active subject matter experts are employed to design training, and develop and facilitate these materials.</p> <p>Having recently gained accreditation for version 2 of the NZCFS, which meets new legislative requirements, Strategi Institute offers a gap course to ensure the compliance and currency of advisers. Stakeholders confirmed that version 2 meets the needs of students and is fit for purpose. Expansion of theory in version 2 provides related and practical scenarios.</p> <p>Programmes are reviewed annually to cross-check content and ensure unit standard versions are current. However, changes in industry occur faster than the review of standards. Strategi Institute is using alternative methods, such as micro-credentials, to cover any changes needing to be taught. Developing micro-credentials to reflect the most recent compliance updates meets the needs of the industry by updating service knowledge in real time.</p> <p>Pre-moderation of assessment tasks ensures that the requirements of unit standards are met through consistency of</p>

	<p>marking. Any issues or concerns are raised within the moderation team and are monitored monthly until the areas of concern are rectified. External moderation of multiple unit standards occurs every two years, with satisfactory results to date. The annual internal moderation cycle repeats the external process, assuring consistency across moderation practice.</p> <p>Assessments are very comprehensive. Assessors provide timely feedback on assessments using model answers and judgement statements. Staff can keep updated on student progress through the online assessment portal. The students' online interactions are timed to monitor self-directed learning and approved programme hours.</p> <p>Assessors rarely experience cases of academic misconduct, as the student body is both motivated and appropriately guided academically (see 1.4).</p> <p>Course evaluation questionnaires confirm the quality of learning resources such as case studies, video content, live links and research articles. Hard copies of materials are available to students with connectivity issues who are enrolled in the distance mode of delivery, reducing barriers to learning and meeting the needs of students who reside outside of Auckland.</p> <p>Increased demand, where prospective students are coming from non-finance advisory backgrounds, has prompted consideration of pathway courses to further meet the emerging needs of students and stakeholders.</p>
<p>Conclusion:</p>	<p>Academic management is effective in matching the needs of students and stakeholders. Industry input contributes to the content and curriculum alignment to match these needs and changes in legislature. Thorough and effective review of programmes, delivery and assessment occurs, ensuring the relevancy and consistency of teaching and learning.</p>

1.4 How effectively are students supported and involved in their learning?

Performance:	Excellent
Self-assessment:	Good
Findings and supporting evidence:	<p>Students are well supported by a competent and thorough student support team. On enrolment, the PTE explains details of the strands available to ensure the students are choosing the relevant training in their specialisation. When enrolled, learning goals are explained through engagement with the website, the student manual and assignments. However, communication to students regarding criteria and eligibility requirements could be further strengthened to avoid potential barriers to retention and completion.</p> <p>Students are well supported to apply theory to practice, since most students are working while studying, which means they can use their learnt skills immediately.</p> <p>The breadth of student support available for the working professional student population strongly supports achievement and the student experience. Strategi Institute produces materials in foreign languages, offers translation services, hosts workshops for assignment tips and tricks, and distributes study guides. Open days every fortnight are available to prospective or current students for enquiries.</p> <p>Students are very well supported through all four modes of delivery, an indication of inclusivity. Online students can participate in pre-course sessions and are encouraged to set up online study groups. Online courses were recently moved from two to three days to manage the complexity of content in the online environment, and to offset video-conferencing fatigue.</p> <p>Tracking of student satisfaction is monitored through regular feedback, live webchats and the use of satisfaction polling. Course evaluations provide action items which are implemented to better the student experience.</p> <p>Strategi Institute is aware of the full-time job demands on financial advisers and supports students appropriately. Intervention processes are in place to address any attendance issues promptly. Further to this, use of the online portal allows monitoring of website activity and user engagement.</p>

	<p>Fostering student and industry relationships offers students a networking opportunity while studying. For example, face-to-face students are encouraged to work with others, prompting students to connect to expertise within industry. Enrolments are generally by word-of-mouth referrals through industry.</p> <p>Data analysis of student progress informs further support where necessary. Self-assessment activities have triggered improvements to better support students since the last evaluation, including reduced administrative work, quicker responses to students, and digitised enrolment.</p>
Conclusion:	<p>Student support overall is excellent. Students are supported academically which contributes to excellent achievement. There is room for improvement in communicating eligibility requirements to prospective and current students.</p>

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

Performance:	Excellent
Self-assessment:	Excellent
Findings and supporting evidence:	<p>Strategi Institute aims to be the leader in the financial advisory training sector. The PTE is operating a sustainable business model aligned to its vision and purpose.⁶</p> <p>The recently established board and management are well known in industry, sponsor workshops and conferences, and are invited to speak regularly throughout New Zealand.</p> <p>Strategi Institute further demonstrated agility during recent impacts on the sector and continues to be flexible and responsive to external factors. Increased support mechanisms for staff and students are in place to prepare for incoming</p>

⁶ 'Vision: To be New Zealand's leading and most respected provider of NZCFS training courses and continuous professional development courses to broader financial services sector.'

Purpose: To help New Zealanders by raising the professional standards of individuals and business in the broader financial services sector who all Kiwi's rely upon for financial advice to mitigate risk and improve their financial wellbeing.'

	<p>demand.</p> <p>The PTE manages sufficient staffing with a defined academic structure, supported by a knowledgeable and experienced board of directors. Cross-training of staff occurs to mitigate risk and in the case of staff absence.</p> <p>Appropriately qualified staff are recruited for their industry experience and are expected to complete an adult teaching qualification within the first year of employment. Staff induction is a comprehensive process, with extensive guidelines available for online and face-to-face teaching and learning.</p> <p>The PTE is well resourced to support staff and students, and to prepare for growth as a business. Despite doubling the number of staff recently, staff reported being immensely valued by management. Flexible working is encouraged, and staff keep up to date with industry requirements supported by regular, relevant professional development opportunities.</p> <p>The wellbeing of staff is also strongly valued within the organisation. Staff said management is open to feedback and embeds a culture of continuous improvement.</p> <p>Relevant and ongoing self-assessment practice produces improved performance. Regular board meetings occur, important to the internal cycle of self-assessment activities. Data analysis is used to monitor trends and plan for business growth. Analysis of educational outcomes and progression support the achievement of students.</p>
<p>Conclusion:</p>	<p>Strategi Institute exhibits strong governance and management of the PTE, which supports educational achievement. Establishment of the board of directors and an updated management structure has provided Strategi with the capability to meet current and forecast demand. Forward thinking and analysis of data informs change and improvement.</p>

1.6 How effectively are important compliance accountabilities managed?

Performance:	Excellent
Self-assessment:	Excellent
Findings and supporting evidence:	<p>Strategi Institute is operating legally and ethically within the newly regulated financial advisory sector.</p> <p>Strategi Institute manages its compliance responsibilities effectively through a live compliance calendar to which all staff contribute. The board receives compliance-related updates every second month along with the health and safety register.</p> <p>Compliance measures are diligently checked through use of a checklist and three layers of checks and balances.</p> <p>Accountabilities such as legislation are well managed and understood by the PTE. Relevant rules are complied with, including NZQA rules and industry training funding responsibilities. The organisation is compliance driven by the nature of the subject matter and business focus.</p> <p>English language requirements are checked for those students who are working visa holders permitted to enrol as domestic students.</p>
Conclusion:	Strategi effectively manages important compliance responsibilities through practical means. Strategi is compliant within the newly regulated sector to ensure the behaviour of current and emerging financial advisers is legal and ethical.

Focus areas

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

2.1 Focus area: New Zealand Certificate in Financial Services (Residential Property Lending strand) (Level 5)

Performance:	Excellent
Self-assessment:	Excellent

2.2 Focus area: New Zealand Certificate in Financial Services (Life, Disability, and Health Insurance strand) (Level 5)

Performance:	Excellent
Self-assessment:	Excellent

Recommendations

Recommendations are not compulsory but their implementation may improve the quality and effectiveness of the training and education provided by the tertiary education organisation (TEO). They may be referred to in subsequent external evaluation and reviews (EERs) to gauge the effectiveness of the TEO's quality improvements over time.

There are no recommendations arising from the external evaluation and review.

Requirements

Requirements relate to the TEO's statutory obligations under legislation that governs their operation. This include NZQA Rules and relevant regulations promulgated by other agencies.

There are no requirements arising from the external evaluation and review.

Appendix

Conduct of external evaluation and review

All external evaluation and reviews are conducted in accordance with NZQA's published rules. The methodology used is described in the web document <https://www.nzqa.govt.nz/providers-partners/external-evaluation-and-review/>. 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.

Disclaimer

The findings in this report have been reached by means of a standard evaluative process. They are based on a representative selection of focus areas, and a sample of supporting information provided by the TEO under review or independently accessed by NZQA. As such, the report's findings offer a guide to the relative quality of the TEO at the time of the EER, in the light of the known evidence, and the likelihood that this level of quality will continue.

For the same reason, these findings are always limited in scope. They are derived from selections and samples evaluated at a point in time. The supporting methodology is not designed to:

- Identify organisational fraud⁷
- Provide comprehensive coverage of all programmes within a TEO, or of all relevant evidence sources
- Predict the outcome of other reviews of the same TEO which, by posing different questions or examining different information, could reasonably arrive at different conclusions.

⁷ NZQA and the Tertiary Education Commission (TEC) comprehensively monitor risk in the tertiary education sector through a range of other mechanisms. When fraud, or any other serious risk factor, has been confirmed, corrective action is taken as a matter of urgency.

Regulatory basis for external evaluation and review

External evaluation and review is conducted under the Quality Assurance (including External Evaluation and Review (EER)) Rules 2016, which are made by NZQA under section 253(1)(pa) of the Education Act 1989 and approved by the NZQA Board and the Minister authorised as responsible for Part 20 of the Education Act.

Self-assessment and participation and cooperation in external evaluation and review are requirements for:

- *maintaining accreditation to provide an approved programme for all TEOs other than universities, and*
- *maintaining consent to assess against standards on the Directory of Assessment Standards for all TEOs including ITOs but excluding universities, and*
- *maintaining training scheme approval for all TEOs other than universities.*

The requirements for participation and cooperation are set through the Programme Approval and Accreditation Rules 2018, the Consent to Assess Against Standards Rules 2011 and the Training Scheme Rules 2012 respectively. These rules were also made by NZQA under section 253 of the Education Act 1989 and approved by the NZQA Board and the Minister.

In addition, the Private Training Establishment Rules 2018 require registered private training establishments to undertake self-assessment and participate in external evaluation and review as a condition of maintaining registration. The Private Training Establishment Registration Rules 2018 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, training schemes and consents to assess and 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 Quality Assurance (including External Evaluation and Review (EER)) Rules 2016. 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). All rules cited above are available at <https://www.nzqa.govt.nz/about-us/our-role/legislation/nzqa-rules/>, while information about the conduct and methodology for external evaluation and review can be found at <https://www.nzqa.govt.nz/providers-partners/external-evaluation-and-review/>.

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