

Report of External Evaluation and Review

Skills Active Aotearoa Limited

Highly Confident in ITO performance

Highly Confident in capability in self-assessment

Date of report: 13 September 2017

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MoE Number: 8129
NZQA Reference: C24333
Dates of EER visit: 26–28 April 2017

Purpose of this Report

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

Introduction

1. ITO in context

Name of ITO:	Skills Active Aotearoa Limited
Location:	Wellington
Gazette recognition date:	26 June 2014 for five years
Gazetted coverage:	<ul style="list-style-type: none">• Sports• Fitness• Community recreation• Outdoor recreation• Diving• Snowsport• Performing arts (granted coverage from 1 April 2017)
Number of qualifications registered on NZQF:	Skills Active currently has 65 qualifications listed that include a mix of National qualifications and 38 New Zealand qualifications.
Number of standards registered on NZQF:	542
Number of trainees:	Training delivered to between 3,500 and 5,500 students per annum (1,688 Standard Training Measures delivered in 2016; 84 Apprentice Standard Training Measures). Fourteen per cent of these learners identified as Māori; 5 per cent as Pasifika.
Number of staff:	53 full-time equivalents

Number of registered assessors:	666 registered assessors
Distinctive characteristics:	Skills Active is a charitable company with a board of directors and shareholders. The shareholding structure of Skills Active ensures 50 per cent representation by Māori, reflecting a commitment to bi-culturalism. The vast majority (99 per cent) of training arranged by Skills Active is provided on-job. Based in Wellington, Skills Active also has staff based regionally in Auckland, Turangi, Hawke's Bay, Nelson, Christchurch, Queenstown and Dunedin.
Recent significant changes:	In April 2017, the gazetted coverage was extended to include the performing arts industry.
Previous quality assurance history:	<p>External moderation by NZQA in November 2016 noted: 11 standards were moderated, only one of which did not meet national external moderation requirements. The business and management system moderated required modification before further use, with the moderator agreeing with one out of three assessor decisions.</p> <p>Skills Active led the Targeted Review of Qualifications for 175 sport and recreation qualifications and 92 performing arts qualifications. A significant number of new qualifications from across the industries have been successfully listed, with the final submissions being made. It is expected that approximately 75 New Zealand qualifications developed by Skills Active will be listed by mid-2017. The organisation is now turning its attention to additional programme and standards development and approval to support the new qualifications. Skills Active has participated in four consistency reviews and in all cases demonstrated that graduates from their programmes met the graduate profile.</p> <p>The previous external evaluation and review (EER) was held in June 2013. NZQA was Confident in the ITO's performance and Confident in their capability in self-assessment.</p>

2. Scope of external evaluation and review

The following focus areas were agreed by Skills Active and NZQA.

Workforce planning. This is a key component of the work Skills Active has been doing to understand the makeup of the current and future workforce within their coverage. This research work has been undertaken in partnership with industry organisations to support planning for a sustainable, trained workforce. This work has resulted in the development of a workforce planning framework.

Snowsport industry. The qualifications for this industry have been through the Targeted Review of Qualifications process, with Skills Active listing 11 New Zealand qualifications in November 2016. A significant number of trainees enrol in the programme that leads to the New Zealand Certificate in Alpine Resort Operations (Level 3), the entry-level programme used to induct people working on a number of New Zealand ski fields. This is an industry with high coverage in terms of training delivered. In 2016, 28 per cent of training arranged by Skills Active was in this sector.

Exercise industry. In 2016 the fitness and exercise industry made up 16 per cent of Skills Active enrolments; training is mostly based in commercial fitness and exercise centres. Strong growth is predicted in this sector. Skills Active had a number of relevant New Zealand qualifications approved in February 2017.

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 document Policy and Guidelines for the Conduct of External Evaluation and Review available at: <http://www.nzqa.govt.nz/for-providers/keydocs/index.html>) [Refer to ITO supplement]. 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.

Prior to the EER site visit, the lead evaluator met with the Skills Active leadership team twice to discuss and develop the scope of the EER, select focus areas, and arrange the agenda.

A team of four evaluators visited Skills Active's national office for three days, and met with a wide range of staff and management, including: the board, the chief executive and senior management team, the Kaihautu and manager cultural development, industry development advisors, learning support advisors and the learning solutions teams. Key stakeholders, including industry representatives, employers, assessors and trainees were spoken to face to face and via phone interviews. The evaluation team also sought input from the Tertiary Education Commission.

The evaluation team was provided with a self-assessment document and a number of supporting documents prior to the on-site visit. Further documentation was made available during and after the on-site visit, to confirm and validate the evaluative discussions.

Summary of Results

Statement of confidence on ITO performance

NZQA is **Highly Confident** in the performance of **Skills Active Aotearoa Limited**.

Statement of confidence on capability in self-assessment

NZQA is **Highly Confident** in the capability in self-assessment of **Skills Active Aotearoa Limited**.

The reasons for these judgements include the following.

- Skills Active is focused on understanding the needs of its industries, and to this end has conducted and commissioned detailed research and analysis. A key output of the research is Workforce 'scans' that support understanding of the characteristics of the workforce in their scope, and the training opportunities and challenges.¹ This research, conducted in collaboration with key national stakeholders, has meaningfully informed Skills Active's industry engagement strategy and strategic business planning.
- Industry engagement is systematic and effective. Plans chart contact with key stakeholders by the board, senior leadership, the industry development advisors and the learning support advisors. A key focus of industry engagement in the past few years has been Targeted Review of Qualifications which presented an opportunity to review the suite of qualifications across the different industries and to develop new qualifications that match needs more effectively. As a result, 175 sport and recreation qualifications and 97 performing arts qualifications have been systematically reviewed with approximately half of the new qualifications developed and listed.
- Skills Active's commitment to being a bi-cultural organisation is reflected in the shareholder membership, board representation and engagement with iwi and community organisations. This supports understanding for how to better meet the needs of Māori engaged in their industry scope. Increasing engagement with iwi organisations and the consultation and development of Mātauranga Māori sport qualifications are key developments. The Māori strategy and some extra resource will support further development and parity of achievement.
- There is good evidence from a range of sources that Skills Active is providing significant value for employers and their trainees. Indicators include increasing numbers of active workplaces with agreements with Skills Active, and a year-on-year increase in retention of workplaces engaged. In addition, overall, 91 per cent of Skills Active customers surveyed would recommend the organisation.

¹ See Skills Active Aotearoa Sector Strategic Training Plan 2012–2015; Skills Active Aotearoa Sport and Recreation Industries Workforce Scan 2016 and 2017.

The value of the training arranged by Skills Active was evident through the surveys and focus area interviews with key stakeholders. Employers told the evaluation team that the qualifications and benchmarked and customised training² options supported and enhanced their development of staff through recognised qualifications, improving skill levels and retention.

- Trainee achievement is strong and has continued to improve over 2013–2016, adding to increases noted in the 2013 EER report. Since 2014, Skills Active has been sitting above the sector averages for programme and qualification achievement. The continued improvement is attributed to targeted improvements to processes for engaging with workplaces, signing up and supporting trainees and assessors, and monitoring progress through to completion. In 2016 there was a drop in achievement for Pasifika, which provides an incentive for developing an effective Pasifika strategy.
- The vast majority of training arranged by Skills Active occurs in the workplace so it is there that Skills Active looks to ensure effectiveness. Improved guidance and support for learning support advisors mean they are better able to ensure employers have the right systems and support in place for training before training agreements are signed. Workplace relationship agreements provide clarity around responsibilities, and 2017 has seen a significant increase in employers who have signed these. Benchmarking and customised training and a resource to support recognition of current competency are all examples of tailored responses to arranging training.
- There are good processes in place to assure the quality of assessment. This includes working with clear principles and guidelines and technical specialists, and a cycle of review during the assessment design and development phase. Pre- and post-moderation, internal and external, assures the quality and validity of assessment. With ongoing monitoring, there is good evidence that the scope of moderation and the percentage of assessors meeting requirements has increased significantly since 2014. In addition, registration, support and monitoring for assessors has improved, with further work being done to ensure assessing, and training and support for assessors, is sufficient and effective.
- Skills Active has an active and engaged board and clear leadership. This is evident through the purpose and vision articulated in the annual strategic and business plans. There is good evidence that the vision and approach and key strategic outcomes flow through into work plans and key targets. Decision-making is evidence-based. Following the research and workforce scans, industry engagement priorities have been developed with key actions for each of the industry sectors. The evaluation team saw strong evidence that these

² Customised training can range from branding and tailoring the resources to the workplace to fully integrating the programme to the organisation. With a benchmarked programme, existing in-house training and assessment are mapped to Skills Active's New Zealand qualifications.

actions are continuously monitored from implementation through to progress and effectiveness.

- There is a commitment to continuous improvement. The collection and use of data has improved, particularly through the developments in Kairangi (the organisation's database), allowing all staff, and in some cases employers, to actively monitor key indicators and progress. The enhanced database, the annual customer surveys, workforce scans and other mechanisms for gathering qualitative and quantitative information support robust decision-making. The Continuous Improvement Together Team, improvements to Kairangi, and a strong engagement with visual management boards support the monitoring of action plans, targets and initiatives.

These key factors reflect Skills Active as a service-focused organisation that works proactively to support its industries to develop relevant qualifications, arrange training and support workforce skill development and planning. This work is evidence-based and supported with research and ongoing systematic consultation and review. This gives confidence that work will continue effectively, efficiently and sustainably. Therefore, NZQA is highly confident in Skills Active's performance and capability in self-assessment.

Findings³

1.1 How well does the ITO understand and meet the needs of industry, trainees and government?

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**.

Skills Active is proactive in seeking to understand the training needs of industry. Evidence for this includes ongoing, robust quantitative and qualitative research and analysis conducted and commissioned by Skills Active for understanding the characteristics of the workforce in their scope, and the training opportunities and challenges.⁴ This research, conducted in collaboration with key national stakeholders, has clearly informed Skills Active's industry engagement strategy and strategic planning. Key outputs from this research include the Workforce Development Framework, developed in collaboration with Sport New Zealand and the New Zealand Recreation Association, to support organisations to map and develop a workforce plan for their future skill needs. In addition, a career mapping project has seen the development of resources that support career guidance for trainees and other stakeholders to understand career pathways within the various sport and recreation industries. As a result of the scan, Skills Active undertook to ensure greater engagement in training in Auckland workplaces and has lifted participation in that region from 21 per cent in 2015 to 26 per cent in 2016. To gauge how well needs are met, annual surveys of stakeholders, trainees and employers are analysed and benchmarked over a number of years. There was good evidence that this information is also used to inform planning.

The Targeted Review of Qualifications presented an opportunity to review the suite of qualifications across the different industries and to develop new qualifications that match workplace needs more effectively. Key to this work was the research noted above and ongoing meaningful engagement with industry partners and other stakeholders. Skills Active has sector reference groups, technical advisory groups and (recently implemented) industry advisory groups that draw upon a range of training and industry expertise and have provided significant input into the development of qualifications and standards and programme development. Skills Active shareholders represent key industry stakeholders and are also called upon to provide input. The result has been the development of qualifications, that meet industry needs. A challenge for Skills Active is to complete TROQ process and

³ The findings in this report are derived using a standard process and are based on a targeted sample of the organisation's activities.

⁴ See Skills Active Aotearoa Sector Strategic Training Plan 2012–2015; Skills Active Aotearoa Sport and Recreation Industries Workforce Scan 2016 and 2017.

review and develop, in a timely way, standards and industry programmes that lead to the new qualifications.

The evaluation team found good evidence through the focus areas of ongoing, meaningful engagement with industry. For example, in snowsport a customised programme was developed that mapped to existing job training, enabling trainees to gain a level 3 New Zealand certificate that demonstrated their competency. Tailored approaches were seen with the exercise industry, including a carefully developed recognition of current competency resource that guides experienced fitness trainees through the process of gathering sufficient evidence to demonstrate competency to enable them to be awarded a qualification. With this qualification, exercise professionals can join the New Zealand Register of Exercise Professionals, a minimum standard for employment recognised across industry. Further evidence of value is the industry contribution to training, including direct funds received by Skills Active and other funding contributed by employers towards the achievement of Skills Active qualifications. Skills Active's industry contribution is 40 per cent of total funding, ahead of the TEC target of 30 per cent.

Skills Active is clear about who their key stakeholders are, and engagement plans chart systematic contact by the board, senior leadership, industry development advisors and the learning support advisors with key national bodies, large employers, training providers and relevant government bodies. Their responsibilities as a bi-cultural organisation are reflected in their shareholder membership, board representation and engagement with iwi and community organisations to support understanding and to meet the needs of Māori engaged in their industry scope, in either a paid or voluntary capacity. Skills Active recently increased the number of people working directly in this area. Ongoing engagement includes the consultation and development of Mātauranga Māori qualifications, Ngā Taonga Tākaro, that are planned for submission to NZQA later in 2017. There is also engagement with Tai Tokerau Māori Rugby League in supporting coaching staff to gain relevant qualifications using a kaupapa Māori approach to training and assessment.

1.2 What is the value of the outcomes for employers and their trainees?

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**.

There is a range of strong evidence from a number of sources that Skills Active is providing value for employers and their trainees. A key indicator of this is the increasing number of active workplaces with agreements with Skills Active, and a year-on-year increase in retention of engaged workplaces, from 64 per cent retained in 2014 to 72 per cent in 2016. Another indicator is via the annual surveys

of trainees, stakeholders and employers. For the 2015 survey (answered early 2016), overall, 91 per cent of Skills Active customers would recommend the organisation, with a noticeably higher propensity to recommend by those using the benchmarked or customised delivery model than those using off-the-shelf resources. Comments collected via the surveys noted the relevance of the qualifications to their workplace. One respondent noted that by 'offering on the job training, we're able to attract people to the industry that haven't previously done a course – this opens up our applicant pool considerably'.

The value of the qualifications and training arranged by Skills Active was evident through the focus area interviews with key stakeholders. Employers told the evaluation team that the qualifications and benchmarked and customised training options had supported their development of staff through recognised qualifications, improving skill levels and employee retention. Snowsport sector representatives noted the value of Skills Active fast tracking a programme to enable them to provide entry-level training for on-field staff in time for the ski season. For those engaged in the fitness industry, qualifications are linked with the registration pathway that is increasingly being used as a prerequisite for employment. Value can also be seen in Skills Active being asked to support workplaces and organisations to develop their workforce development plans.

Skills Active offers added value through the continued development of Active CV, the New Zealand Register of Recreation Professionals, and OutdoorsMark. Active CVs enable trainees to maintain an online, web-based record of qualifications. The New Zealand Register of Recreation Professionals enables employers, the public and trainees to access a database to see which organisations have quality assured systems and staff qualifications, verified by industry. This register includes all Poolsafe facilities and 70 per cent of New Zealand's adventure activity operators. OutdoorsMark, which merged with Skills Active in 2014, provides a quality assurance safety audit process for outdoor recreation and adventure operations. Recent accreditation with JAS-ANZ (Joint Accreditation System of Australia and New Zealand) means certification with OutdoorsMark is now recognised internationally. All three of these services provide a value-add for trainees, industry and other stakeholders.

Skills Active aims to understand the value that its work contributes to the sport and outdoors adventure sector. This is done systematically through ongoing engagement with stakeholders through sector advisory groups, the Whakaruruhau, and annual customer surveys. A series of case studies highlight the value of on-job training for individual trainees and apprentices. In addition, a post-completion survey, implemented in 2017 has the potential to provide further useful information about the value of outcomes for trainees. In 2016, a return on investment report was commissioned to try to better understand the return on investment for employers in the snowsport industries who engaged with training. The return on

investment was estimated as being between 2:1 and 3:1⁵, although Skills Active views these results with caution and is looking to a more comprehensive model to investigate value.

1.3 How well do trainees achieve?

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

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

Achievement is strong and has continued to improve over 2013–2016, building on the upward trend noted in the 2013 EER report. Since 2014, Skills Active has been sitting above the sector averages for programme and qualification achievement.

Table 1. Skills Active – completion rates for learners, trainees and apprentices, 2013–16*⁶

Credit completion	2013	2014	2015	2016
All	66%	80%	83.5%	85.7%
Māori	55%	83%	82%	80.4%
Pasifika	NA	70%	79%	69%
ITO sector averages	72%	76%	80%	79%
Programme completion	2013	2014	2015	2016
All	64%	74%	80.5%	80.6
Māori	70%	79%	75%	70%
Pasifika	NA	71.6%	75%	66%
ITO sector averages	74%	72%	75%	76%

Source: based on data provided by Skills Active and Tertiary Education Commission reports. *2016 data is indicative only and will not be verified until mid-2017.

What is also evident is that there are some trainees that are not achieving as well as others. In 2015 Skills Active met its own internal target of 75 per cent credit and programme completions for Māori and Pasifika. However, all of these targets are not expected to be met in 2016. Credit and programme completion for Pasifika trainees showed a significant drop. Skills Active has commissioned research to

⁵ Scarlatti, (March 2016). Demonstrating returns of training for the Ski Field industry: Summary of Findings. Unpublished report.

⁶ To understand how these rates are derived see Tertiary Education Commission webpage <http://www.tec.govt.nz/funding/funding-and-performance/performance/teo/itos/>

support the increased participation and achievement of Pasifika in the recreation, sport and fitness industries, and this report is informing the development of a Pasifika strategy. A Māori strategy is being implemented and reviewed annually, with clear goals, targets and actions which are being monitored. The implementation of a mentoring programme and support and development of staff who engage with Māori trainees are two initiatives in place to support the organisation to meet its target of equity of achievement. Credit and programme completion rates are not as strong for trainees enrolled in apprenticeships. The apprentice model of training is new to Skills Active's industries who also have high staff turnover. Qualifications and programmes to better match the apprenticeship model are planned.

Skills Active has put considerable resources into ensuring the organisation's database, Kairangi, is able to provide useful reports for monitoring and analysis. It was evident that trainee achievement is being carefully monitored, with reports provided to the evaluation team of achievement by delivery mode, by industry and by ethnicity. Non-achievement is analysed by industry, by programme and by key client/workplace. This understanding supports evidence-based decision-making for using the learning support advisors to support individual employers and trainees and industry development advisors to respond to workplace or sector trends.

Analysis is used to initiate improvements to support trainees to achieve. Ongoing monitoring ensures support for trainees to stay engaged and complete assessments in a timely way, with 85 per cent of trainees actively engaged in 2016, exceeding internal and Tertiary Education Commission targets.⁷ Ensuring that trainees have the right information before being signed up, and regular scheduled visits from learning support advisors, are two initiatives being monitored. Customised and benchmarked training supports achievement, with resources and assessments being closely aligned to work-based practices. Analysis of achievement also identified strong achievement in large workplaces with the necessary infrastructure in place to support trainees to achieve. Further analysis of small and medium-sized enterprises noted that those who had strong trainee achievement exhibited similar characteristics, including having a training culture and engaged managers. In response, Skills Active's learning support advisors know what to look for when signing up new workplaces. A full service model to support training and assessment has been developed and will be piloted through 2017.

There is evidence that some trainees move through training pathways to further and higher qualifications. It was noted that a significant number of trainees (50 per cent on benchmarked programmes and 40 per cent in customised or off-the-shelf

⁷ Tertiary Education Commission funding requirements expect ITOs to monitor credit completion. If less than 80 per cent of the industry trainees and apprentices actively training for 90 days or more in a calendar year achieve the minimum of 10 credits, funding is deducted.

training) signalled an intention to move to further qualifications, although it is not clear to what extent this opportunity is taken up and why.

In 2016 the Literacy and Numeracy for Adults Assessment Tool (LNAAT) was done with only 33 percent of eligible learners studying at level 2. Skills Active sees this as the result of employer reluctance to make their employees engage with the tool. Analysis of these pre-test results shows only 4 per cent of learners are not at Step 4 or above. However, without greater coverage of the pre-test it is difficult to gauge the extent of literacy or numeracy challenges for trainees. Those below Step 4 are identified for support. An embedded literacy and numeracy action plan has been developed and was approved for implementation in September 2016. As part of this, Skills Active ran a workshop for learning support advisors to improve their understanding of LNAAT and how to support learners with literacy needs or learning disabilities.

1.4 How effective is the training arranged by the ITO?

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

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

Clear processes are in place to ensure that arrangements for training are effective. As the vast majority of training arranged by Skills Active occurs in the workplace, it is there that Skills Active needs to look to ensure effectiveness. Learning support advisors are the first contact with employers, and they observe and determine whether the right systems and support are in place for training to occur effectively. To strengthen these aspects, Skills Active has recently put an emphasis on ensuring employers sign up to workplace relationship agreements, to ensure they are aware of their responsibilities. An audit in September 2016 showed that 76 per cent of employers who have trainees had signed the agreements, a significant increase on previous years. As noted above, following review and analysis it was identified that some workplaces were less able to support trainees. In response, Skills Active has developed a full service model, which offers greater support to small and medium-sized enterprises so they can engage effectively with training.

To support the work of the learning support advisors, better information has become available through Kairangi to enable the monitoring of trainee achievement and progress, and ongoing visits and support. Feedback from trainees from the 2015 survey noted inconsistency in terms of when they were visited by their learning support advisor and the level of support provided. In response, with closer monitoring, from May to September 2016, six-weekly learning support advisor visits to employers and/or trainees lifted from 71 per cent to 94 per cent.

A range of approaches have been undertaken to support effective training for Māori. Skills Active support for the Certificate in Marae Catering programme is in

recognition of the need to engage in a relevant and supportive context. Te Tai Tokerau Rugby League provides another example of arranging training of coaches to match needs. A mentoring programme is also being piloted. An investigation into the low success rate of Māori in exercise and fitness training identified the need to ensure extra support is provided to Māori trainees at workplaces known to have lower levels of support capability. The effectiveness of some of these initiatives has not yet been reviewed. A plan to engage more effectively with Pasifika is in development and is necessary, as current achievement rates indicate that the training is less effective for these trainees.

Skills Active ensures that trainees have access to assessors to complete qualifications. The learning support advisors identify areas trainees require assessment for and determine whether there are available assessors. The learning support advisors report on where new assessor training is required, and assessor training is arranged for eligible workplace supervisors and/or staff. Roving assessors are used for workplaces where there are no registered assessors.

Trainee and customer survey data indicates that trainees and employers are satisfied with the training. Of the workplaces surveyed for 2015, 94 per cent said that the qualification support met or exceeded their expectations, and 96 per cent said the same about the learning and assessment resources. The responses from trainees were 86 per cent and 90 per cent respectively. Benchmarked training and customised resources match the needs of trainees and employers by ensuring alignment between what is occurring on the job and the training and assessment. There is evidence that any issues that are identified with resources or assessments, either through contact with the learning support advisors or through the survey, are discussed and responded to in a timely way. It is possible that for some low-achieving programmes, alternative arrangements to the on-job training may be required for improved effectiveness. The current achievement indicates that arrangements for the training for apprentices could also be improved. Skills Active is aware of these gaps and is looking at options, including the possibility of expanding off-job and online delivery.

1.5 What is the quality of the assessment being undertaken towards industry standards and qualifications?

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

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

There are good processes in place to assure the quality of assessment. This includes working with clear principles and guidelines, technical specialists, and a cycle of review during the assessment design and development phase. Pre-moderation occurs for internally developed assessments and for TEOs and secondary schools that choose to develop their own assessments. There was good evidence of a cycle of post-assessment moderation, both internal and external, that

identifies issues for improvement in terms of the assessment itself or the way it is being used. Units are selected for post-moderation determined by a range of criteria, including those that are being used for the first time, the spread of domains, levels and use, and those with potential health and safety risks. While the rationale for choosing standards is systematic, Skills Active was not able to demonstrate that all of their standards being used had been through a moderation cycle.

Skills Active uses a range of approaches to internal and external moderation for the standards it manages. Predominantly cluster groups are used to bring workplace and roving assessors together to moderate assessment items and share knowledge and good practice. Evidence supplied to the evaluation team included agendas and feedback from attendees confirming the usefulness of the cluster moderation approach for developing consistency, sharing good practice and networking. In some cases, paper-based moderation is used when assessors cannot attend cluster groups. Observed assessments are used only in a few cases to moderate assessment decisions.

For external moderation in 2015, certain unit standards were chosen because of issues identified with a provider. Through this focus it was noticed that a number of schools were using unmoderated assessments and there were gaps in evidence being provided. As a result, a few schools' pre-moderated assessments were identified as good examples and shared to promote good practice. The percentage of providers who were sampled through external moderation increased from 45 per cent in 2014 to 74 per cent in 2016. Seventy-three per cent of samples moderated in 2016 were compliant, an improvement on 68 per cent in 2014. While there is still work to do to reach Skills Active's target of 80 per cent, there is good evidence that the organisation has strengthened its approach to quality assuring assessments.

Skills Active has a range of quality assurance processes to register, monitor and manage the effectiveness of workplace assessors. A key focus for the Continuous Improvement Together Team, these processes have also seen significant improvement over a number of years. The assessor registration process has been refined to improve the numbers who complete the registration cycle. Further work has occurred to lift the rate of active assessors engaged in post-moderation. This rate has lifted from 54 per cent in 2014 to 80 per cent in 2016. There is a clear process for managing assessors who do not engage in moderation, although the monitoring of this process for the unengaged 20 per cent was not evident. Having said that, some examples were provided of assessors being deregistered due to a lack of engagement in moderation or other quality assurance. Assessors are provided with a range of support including support from senior assessor mentors, learning support advisors, moderation forums, newsletters, pre-moderated assessments and resources made available via the website. Feedback from assessors, collected by Skills Active, is largely positive about the communication and support from Skills Active, although it does highlight the importance of regular contact, ongoing support and maintaining communication. Not all assessors choose to or are

able to attend assessor forums. The current assessor model is being reviewed in 2017.

There is good evidence that Skills Active is responsive to feedback on assessment. This was demonstrated through the proactive response to NZQA's external moderation through an action plan, and responses to internal post-assessment moderation and feedback from learning support advisors. It is notable that Skills Active has taken part in four consistency reviews, and the evidence presented demonstrated that graduates met the graduate profile. This indicates the validity of the assessment processes used for verifying the on-job training. The monitoring of assessors and moderation has been strengthened through the use of Kairangi to monitor activity and the key targets being set to further ensure consistency of practice.

1.6 How well does the ITO's governance and management support the ITO to meet its statutory functions?

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**.

Skills Active has a clear purpose and vision, well articulated in the annual strategic and business plans. There is good evidence that key strategic outcomes flow through into work plans and key targets. Alongside set strategic outcomes are industry development plans, developed from the workforce scan and planning. Key priorities include ensuring viable career pathways, valued qualifications, a skilled and safe workforce, on-job accessible qualifications, staff retained and recognised and support for internal leadership and management. Key actions have been determined from these priorities for each of the industry sectors. The evaluation team saw good evidence that these actions are continuously monitored from implementation, to gauge their progress and effectiveness. These actions have been aligned to the organisation's strategic outcomes and the Māori strategy. The development of career mapping resources and increasing Standard Training Measures in Auckland are examples of progress that has flowed from these priorities.

There is clear governance by a skills-based board, elected by the shareholders, giving effect to the bi-cultural nature of the organisation. The board has three sub-committees that oversee audit and risk, kaupapa Māori and Māori achievement, and the performance management of the chief executive. The audit and risk sub-committee has a good oversight of the range of risks and relevant regulations and actively monitors the organisation's performance with respect to meeting its obligations. Risk and audit processes are in place to ensure the organisation meets legal requirements. For example, annual trainee audits have twice picked up some isolated issues that have been resolved. Kairangi has been audited

against the Industry Training Register and found a high level of alignment. The chief executive has a risk management framework that is reported against regularly. The board has commissioned reviews of its effectiveness, and in 2016 a review of the shareholding structure. A series of recommendations resulted that will be considered at the 2017 annual general meeting.

Leadership is effective and the evaluation team heard from a range of staff in different roles who noted their sense of working for a collegial supportive organisation. Annual best workplace surveys are conducted and the results analysed. Responsibility for managing this survey and its findings lies with the Continuous Improvement Together Team. The team has noted the organisation's increasing effectiveness to respond to the information through training and a narrowing of focus. Ensuring stress and workloads are managed, managing poor performance, workshops for senior managers and team leaders, and ongoing development for team leaders are three of the initiatives that have resulted. Best workplace survey results show increasing engagement and improved results across almost all domains from 2015 to 2016.

The organisation has worked to support its industries to develop relevant qualifications and support workforce planning through research and ongoing, systematic consultation. The Targeted Review of Qualifications process has been well managed and documented, with a significant number of qualifications being listed on the New Zealand Qualifications Framework and others having moved through the consultation phase to preparing for submission. With demand high for the new qualifications, Skills Active is now managing the significant work related to unit and programme development. Clear processes and targets are required and in place to ensure that this work occurs efficiently and sustainably. The collaborative work done to develop workforce planning tools has provided industry with a useful resource to inform their training and development plans. Therefore, the organisation is meeting its key statutory responsibilities, providing relevant qualifications and support to its industries for skills development and training. Funding requirements and achievement targets are carefully monitored and considered in strategy and planning decisions.

The organisation is explicit about its approach encompassing biculturalism, service excellence and continuous improvement. As noted above, the shareholder body and board ensures 50 per cent representation at the governance level, and the position of Kaihautu in the senior leadership team guides and supports kaupapa Māori activity within the organisation. Key links with iwi are developing, as are the community-based contexts for on-job training developed to meet the needs of Māori. The development of Mātauranga Māori qualifications specific to the sport industry demonstrates responsiveness to demand. Extra staff have been employed to support the implementation of the updated Māori strategy, with key initiatives including staff development in cultural competency and mentoring.

Service excellence is another key focus, and the development of the customer commitment, with key targets for responsiveness, is one way this approach is being implemented and monitored. This work is also driving the current review and development of the trainee support and management process and the support and training for learning support advisors. Ongoing monitoring of service is evident through the annual customer surveys that are analysed and used to inform improvements.

This commitment to continuous improvement was evident through the focus areas and across the different business areas. The collection and use of data has improved, particularly through the developments in Kairangi, allowing all staff, and in some cases employers, to monitor key indicators and progress. The enhanced database, and other mechanisms for gathering qualitative and quantitative information, support evidence-based decision-making. The Kontinuous Improvement Together Team approach to driving quality improvements is effective. It was evident through interviews and documentation that the cross-organisational representation was key to getting good feedback and buy-in to improvement initiatives. Kairangi, and ensuring it is providing the right amount of information to the right people, is a standing item at all Kontinuous Improvement Together Team meetings. Visual management boards are used by teams to chart their progress against action plans, targets and initiatives. Sharing this information visually is useful for keeping focus and supporting cross-team communication of progress.

Focus Areas

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

2.1 Focus area: Workforce planning

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

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

A sector strategic training plan for 2013–2015, and workforce scans in 2016 and 2017 are the result of quantitative and qualitative research and analysis conducted and commissioned by Skills Active to understand the characteristics of the workforce in their scope, and the training opportunities and challenges.⁸ This research, conducted in collaboration with key national stakeholders, has informed Skills Active’s industry engagement strategy and strategic planning. Key outputs from this research include the Workforce Development Framework, developed in collaboration with Sport New Zealand and the New Zealand Recreation Association, and workforce planning tools to support organisations to map and plan for their future skill needs. The tools take organisations through the planning process and have been trialled by a number of sports organisations. Feedback from key stakeholders notes the usefulness of the tools for understanding and planning for employment, skill and training needs. In addition, a career mapping project has seen the development of resources that support career guidance for trainees and other stakeholders to understand career pathways within the various sport and recreation industries. It is planned that these resources will in time be available online.

Another key initiative to come from the research was a deeper understanding of the industry workforce and the training environment. Understanding the high turnover, workforce mobility, and large numbers of small and medium-sized enterprises has focused sector-specific industry engagement plans on key priorities. Increasing the engagement in training in Auckland workplaces and developing a full service model for small and medium-sized enterprises have been two initiatives that have resulted from this enhanced understanding. Another key focus has been to try to lift participation in training in the sport sector, traditionally dominated by a large volunteer workforce. Some recent projects include working with Triathlon New Zealand to benchmark their coaching programme with the New Zealand qualification, and workforce planning workshops with Hoe Tonga Pacifica Waka Ama.

⁸ See Skills Active Aotearoa Sector Strategic Training Plan 2012–2015; Skills Active Aotearoa Sport and Recreation Industries Workforce Scan 2016 and 2017.

2.2 Focus area: Snowsport sector

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

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

The New Zealand snowsport industry employs around 3,000 workers each season. Skills Active is involved in developing qualifications and training support for approximately 80 per cent of the commercial ski fields seasonal workers. This level of engagement by the four main ski employers indicates strong industry penetration and that Skills Active is meeting the need for training within the industry.

Skills Active demonstrates an ability to understand the training needs of the snowsport industry through the recent development of a level 3 Alpine Resort Operations qualification. The qualification was developed to induct workers into their specific ski field's values, policies and procedures at the beginning of the season. The qualification was successfully implemented in the 2016 season for the largest ski field employer in the South Island. New employees complete the initial induction online, which is particularly useful as nearly half of workers come from overseas and this reduces the induction period. Data collected by Skills Active shows that some of the workers complete two qualifications in a season. Some workers who return in subsequent seasons are taking up qualifications relevant to their department. In some cases, the achievement of qualifications is linked to pay scales. Skills Active is completing the Targeted Review of Qualifications to ensure the remainder of qualifications it is responsible for are closely aligned and suit the needs of the snowsport industries.

Results show close to 100 per cent credit completion and 87 per cent programme completion in 2016. This is an improvement from 84 and 80 per cent respectively in 2015. Aligning the training with company practices is a key factor in this success, and the relevance of the qualification is also contributing to increased staff retention. Skills Active supports mentoring of the on-job assessors, with training and assessment resources such as observation tools and prompts for assessment. This means assessment is relevant and timely.

Skills Active monitors the success of qualifications using regular reports on trainee progress from workplace training coordinators, as well as learning support advisor reports. A review is held mid-way through the season to identify any support required or issues with the training materials. A post-season meeting is used to identify how well the training was and the effectiveness of the resources and support provided by Skills Active. Overall, the high uptake of qualifications by the sector and the high completion rates is demonstrating a good fit with industry needs.

2.3 Focus area: Exercise sector

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

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

There is clear, convincing evidence of ongoing meaningful engagement with the exercise and fitness industry. This includes regular contact with several large exercise and fitness employers and representative industry bodies including Exercise New Zealand and the Register of Exercise Professionals. This engagement has resulted in the development of a suite of new qualifications that match industry needs, at the right levels. Stakeholders noted the value of having people in work and training, and the improved suitability of the qualifications to the workplace. One employer noted that on-job training arranged by Skills Active had opened up training for a pool of people needed by industry: older trainers with more life experience who could not afford to stop work and study. Two key industry players have their in-house training mapped to the qualifications.

In addition, Skills Active recognised there was a need for an accessible recognition of current competency process to support trainers who had significant industry experience and expertise to have their skills and knowledge recognised through the awarding of a qualification. An evidence-based portfolio approach was adopted to ensure that these trainers could demonstrate their knowledge and skill level sufficiently. This has met the needs of approximately 50 trainers per year and enabled them to gain qualifications that allow them to join the Register of Exercise Professionals.

Analysis has been conducted on credit and programme achievement in the exercise scope of training, and it has been identified that trainees who are in workplaces with strong training cultures and supportive management are more successful. The development and trial of the full service model is a response to this, to provide greater support for workplaces, especially small and medium-sized enterprises that do not have the necessary training infrastructure.

Recommendations

NZQA recommends that Skills Active:

- Progress development for a Pasifika strategy.
- Continue to analyse and address the needs of Pasifika and apprentice trainees.
- Continue to implement its embedded literacy and numeracy plan.

Appendix

Regulatory basis for external evaluation and review

In 2009 NZQA introduced the evaluative approach to quality assurance in the tertiary education sector, consisting of self-assessment and external evaluation and review. This is applied in the quality assurance of programme approvals and accreditations under sections 249 and 250 of the Education Act 1989, as well as for training schemes (section 251), consents to assess against standards (section 252) AND PTE registration under Part 18 of that Act.

The NZQA Board also published policies and guidelines for the conduct of external evaluation and review of ITOs on 27 May 2010. NZQA relies on ITOs to build the self-assessment and external evaluation and review model into their infrastructure. ITOs will be evaluated on their infrastructure and use of the model in the following ways:

- *Advising Ministerial recognition of an ITO under the Industry Training Act, 1992*
- *Accepting arrangements for monitoring and assessing of industry training under section 10 of the Industry Training Act 1992*
- *Registering standards on the Directory of Assessment Standards*
- *Awarding consents for ITOs (or their assessors) to assess against standards on the Directory of Assessment Standards under section 252 of the Education Act 1989*
- *Applying programme approval criteria where ITOs are course owners.*

External evaluation and review is also used by NZQA as a monitoring and evaluation tool, with the outcomes of these processes informing Tertiary Education Commission decisions relating to re-recognition of an ITO. In addition, external evaluation and review reports are one contributing piece of information in determining future funding decisions in relation to an investment plan agreed between an ITO and the Tertiary Education Commission. The understandings and expectations for the implementation of ITO quality assurance are set out in a protocol to the Memorandum of Understanding between NZQA and the Tertiary Education Commission.

This report reflects the findings and conclusions of the external evaluation and review process, conducted according to the policies and criteria approved by the NZQA Board. The report identifies strengths and areas for improvement in terms of the ITO's performance and capability in self-assessment.

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 is summarised in the publication *Policy and Guidelines for the Conduct of External Evaluation and Review*. Two other documents explain how the process is applied to ITOs: *EER Policy and Guidelines – ITO Supplement* and *Evaluation Indicators for Industry Training Organisations*. These documents are available at:
<http://www.nzqa.govt.nz/providers-partners/registration-and-accreditation/external-evaluation-and-review/policy-and-guidelines-for-eer-ito/introduction/>*

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