

# Report of External Evaluation and Review

New Zealand Hair and Beauty Industry  
Training Organisation Inc trading as  
HITO

Confident in ITO performance

Confident in capability in self-assessment

Date of report: 19 May 2016

# Contents

Purpose of this Report.....	3
Introduction .....	3
1. ITO in context.....	3
2. Scope of external evaluation and review .....	7
3. Conduct of external evaluation and review.....	8
Summary of Results .....	9
Findings .....	13
Recommendations .....	31
Appendix .....	32

MoE Number: 8134

NZQA Reference: C19093

Dates of EER visit: 28-30 September, 22 October 2015

# 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:	New Zealand Hair and Beauty Industry Training Organisation Inc trading as HITO
Location:	Wellington
Gazette recognition date:	Pursuant to section 5 of the Industry Training Act 1992, full recognition was given to the New Zealand Hairdressing Industry Training Organisation Incorporated on 12 July 2012. The recognition is for five years, taking effect from 20 June 2012 until 20 June 2017.
Gazette coverage:	Full recognition was given to the New Zealand Hairdressing Industry Training Organisation Incorporated to set standards at levels 1-8 on the New Zealand Qualifications Framework for the hairdressing and beauty industries. See <a href="http://www.tec.govt.nz/Resource-Centre/Directories/Industry-Training-Organisations/New-Zealand-Hairdressing-Industry-Training-Organisation-Incorporated/">http://www.tec.govt.nz/Resource-Centre/Directories/Industry-Training-Organisations/New-Zealand-Hairdressing-Industry-Training-Organisation-Incorporated/</a>
Number of qualifications registered on NZQF:	18
Number of standards registered on NZQF:	165

Number of trainees <sup>1</sup> :	<p>2014: 356 apprentice STMs<sup>2</sup> comprising 105 New Zealand Apprentice STMs and 251 Modern Apprentice STMs, 295 industry trainee STMs, 651 STMs actual delivery in total; 1,405 eligible funded trainees</p> <p>2015: 544 apprentice STMs, allocation amended to 422 STMs August 2015, 229 STMs actual delivery as at 1 August 2015</p> <p>279 industry trainees, allocation amended to 184 STMs August 2015, 130 STMs actual delivery as at 1 August 2015</p> <p>Demographic profile 2014 (2015 is similar):</p> <p>11 per cent<sup>3</sup> Māori trainees, 2 per cent Pasifika</p> <p>93 per cent female trainees</p> <p>23 per cent 18-19 years old, 47 per cent 20-24, 20 per cent 25-39</p>
Number of staff:	19 full-time, three part-time
Number of registered workplace assessors:	64 independent contracted workplace assessors
Distinctive characteristics:	<p>HITO is a small, stand-alone industry training organisation responsible for training in hairdressing, barbering and beauty. These industries include a considerable number of small businesses, some of which are single-person businesses that are unlikely to take on trainees or apprentices. However, there is a critical mass who have done this and will in the future.</p> <p>HITO has responsibility for developing and maintaining qualifications and standards that meet industry and stakeholder needs. It has participated in the recent mandatory review of qualifications<sup>4</sup> for hairdressing, barbering and beauty. HITO is also responsible for managing</p>

---

<sup>1</sup> Based on HITO and Tertiary Education Commission (TEC) information, allocated, funded delivered

<sup>2</sup> An STM is a Standard Training Measure, a unit of training, specifically the amount of training required to achieve 120 credits. STM figures are rounded to whole numbers.

<sup>3</sup> Percentage figures are rounded to whole numbers.

<sup>4</sup> The mandatory review of qualifications was previously known as the targeted review of qualifications (TRoQ).

and arranging training for hairdressing, barbering and beauty apprentices and trainees. It arranges and manages on-job training for apprentices. This training includes block courses as part of the training which HITO refers to as off-job training. HITO is responsible for the industry assessors who conduct the capstone assessments in the workplace which are necessary to complete hairdressing and barbering qualifications.

HITO is also responsible for the moderation of assessment of students training full-time. At the time of the external evaluation and review (EER), full-time hairdressing and barbering training involved 16 providers.

HITO is not the only organisation arranging and managing training in the hairdressing, barbering and beauty industries. HITO's role is arranging and managing on-job and off-job training of apprentices and quality assuring, through moderation of unit standard assessment, off-job training of trainees.

Some providers who deliver full-time courses have started to look at arranging on-job training, including capstone type assessments. HITO provides feedback to the Tertiary Education Commission (TEC) as and when applicable.

HITO has working relationships with industry bodies, which include the New Zealand Association of Registered Hairdressers Incorporated and the New Zealand Association of Registered Beauty Therapists Incorporated. There is currently no equivalent barbering body; however, HITO engages with a network of commercial barbers throughout New Zealand.

HITO belongs to the Industry Training Federation and the International Professional Standards Network.

Recent significant changes:

Beauty was added to HITO's gazetted coverage at the time of its 2009 re-recognition.

HITO made changes to its constitution in 2012 – these changes included processes, Board appointments, Board structure (the Board now has an independent Chair), barbering and beauty

representation on the Board, and Board activities. All HITO policies are being reviewed in 2015.

The organisation changed its legal name to New Zealand Hair and Beauty Industry Training Organisation Inc trading as HITO in 2014.

Sales and liaison managers conduct research, provide engagement with industry, guide and support trainees, and monitor and report their progress.

Previous quality assurance history:

At HITO's previous EER in 2011, NZQA was Highly Confident in the ITO performance and Confident in the capability in self-assessment of the New Zealand Hairdressing Industry Training Organisation Inc.

Of four unit standards moderated by NZQA Tertiary Assessment and Moderation in 2015, the assessor decisions for three of the standards were verified. The assessment materials for one standard were approved, two required modification around evidence and the version used to meet the national standard, and one did not meet the national standard.

Of four unit standards moderated by NZQA Tertiary Assessment and Moderation in 2014, the assessor decisions for one of the standards was verified. The assessment materials for one standard were approved, two required modification to meet the national standard, and one did not meet the national standard.

Other:

HITO has a range of self-assessment sources it uses to gather information. In 2015 the Board asked for a review of the information it received about performance and meeting needs to give it a way to better identify where governance and management should focus their attention.

## 2. Scope of external evaluation and review

The following focus areas were agreed by NZQA and HITO:

- Governance, management and strategy. This was chosen because it was an area earmarked for improvement during the previous EER and identified by HITO as a focus area. In 2012 HITO made changes to its constitution, Board structure and Board appointments, including an independent Chair, representation including barbering and beauty in addition to hairdressing, and increased Board involvement in activities such as stakeholder engagement and strategic thinking.
- Hairdressing, including in particular the National/New Zealand Certificate in Hairdressing (Professional Stylist) (Level 4) and other related certificate programmes as appropriate. This programme was chosen as a focus area because it is the most popular qualification and spans TEC part-funded industry training, Modern Apprentice, New Zealand Apprentice and TEC non-funded training. Hairdressing has generated the highest number of programme, credit and qualification completions to date. Other related certificate programmes included in the scope were Advanced Cutting (Level 5), Management (Level 5) and Salon Support (Level 3). The numbers for these are much lower than for the certificate, but complement the training and contribute to pathways such as Salon Gateways or Salon Management.
- Beauty, including in particular National/New Zealand Certificates in Beautician/Beauty Therapy (Level 4) and other related certificate programmes as appropriate. This area was chosen because it was also identified by HITO and NZQA as an area for development during the last EER. HITO took over responsibility for training in the beauty industry in 2009, and this was formally recognised by HITO by a change of its full name in 2014. The beauty qualifications and training programmes involve much lower numbers of trainees but are also TEC funded. The first beauty apprentice was signed up in late 2014. HITO has been trialling and developing training and assessment models and its capability in beauty. This has included the introduction of on-job training and assessment to the beauty sector which had previously used an off-job training model. Other related certificate qualification and programmes include areas such as nail technology.

Barbering was not chosen because, while distinctive, it has a long history<sup>5</sup> and similarities with hairdressing, while beauty is at a relatively early stage of development, with low but increasing trainee numbers.

---

<sup>5</sup> Barbering qualifications were first registered in 1997 and HITO has offered apprenticeships in barbering since that time.

### 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.*

The lead evaluator and evaluation capability advisor met with the HITO Board prior to the evaluation, at HITO's request, to explain the evaluation process. The lead evaluator and evaluation capability advisor subsequently met the HITO chief executive and national quality assurance manager to discuss the EER further. The lead evaluator, a team evaluator and the evaluation capability advisor then met the HITO senior management team to finalise the scope and conduct of the EER. Following these meetings, NZQA confirmed the focus areas, agenda and arrangements for the evaluation. These included the attendance of a HITO observer and a HITO independent contractor at HITO's request, and agreed by NZQA.

The team of four evaluators met with the HITO Board for an hour on the first day and conducted the rest of the EER over the next two days at the HITO head office in Wellington. Subsequent to the visit, EER team members met HITO senior management to clarify and discuss information arising.

At the visit, the evaluators interviewed the HITO chief executive, national quality assurance manager, marketing and communications manager, sales and liaison manager, and Beauty Development and Moderation Officer. The evaluators also interviewed hairdressing and beauty apprentices and graduates, mainly face to face. They also interviewed a range of hairdressing and beauty stakeholders including employers, salon owners, training providers and national hairdressing and beauty association representatives, and HITO sector and industry advisory group members, again mainly face to face.

Prior to the EER visit, the evaluators considered a wide range of information provided by HITO. The evaluators requested and considered additional HITO and TEC documents during and after the visit.

# Summary of Results

## Statement of confidence on ITO performance

NZQA is **Confident** in the performance of **New Zealand Hair and Beauty Industry Training Organisation Inc trading as HITO**.

- HITO understands and meets well the needs of the hairdressing and barbering industries, their employers, trainees, apprentices and government agencies through relevant standards, qualifications and training.
- Trainee/apprentice achievement is consistently high in hairdressing and barbering. Hairdressing and barbering trainees and apprentices are achieving credits, completing programmes and gaining qualifications that reflect the skills needs of the hairdressing and barbering industries.
- HITO also understands the needs of the beauty industry well. It has recently begun to meet the needs of beauty therapy industry employers, trainees, apprentices and government agencies by providing training through apprenticeships. This is in addition to other prior involvement HITO has had with the beauty sector.
- Beauty training started with the first beauty apprentice enrolled late 2014. No beauty trainees or apprentices have completed training programmes or qualifications yet. However, positive early indications suggest that the achievement of beauty apprentices will be high, similar to those in hairdressing and barbering. HITO has been working with the beauty sector since 2009, but there was initially a reluctance by the beauty industry to engage. HITO began with nail technology and developed a qualification in 2011-2012, but was advised by NZQA to delay further qualification development until the targeted review of qualifications.<sup>6</sup>
- Prior to the EER visit, the beauty sector's national association engaged with HITO to protect and advance the interests of its sector. At the time of the EER visit, members of the beauty sector were overcoming their initial reluctance and experiences related to engagement with an industry training organisation. Progress was being made in the beauty sector through HITO applying approaches that had been successful in hairdressing in a trial involving 22 beauty apprentices.<sup>7</sup>
- The value of the hairdressing and barbering outcomes includes successful completion of the capstone assessments in which apprentices and trainees demonstrate the skills needed in a commercial environment. HITO, trainees

---

<sup>6</sup> Since the EER visit, the beauty mandatory review of qualifications has been completed and qualifications, including nail technology, have been submitted to NZQA for approval.

<sup>7</sup> The trial and beauty programme review have since been completed. Findings identified actions to be taken.

and apprentices, employers and other stakeholders are made aware of the importance of soft or transferable skills such as confidence, communication, professionalism, literacy and numeracy. Some of these are formally assessed, including through a variety of published articles. Some transferable and service skills are also assessed as part of the salon skills unit standards domain.

- HITO, and the providers that deliver off-job training supported by HITO, support apprentices and trainees who have barriers to their learning, such as literacy and numeracy.<sup>8</sup> HITO feeds back to employers and their managers if they identify that a person has a specific learning difficulty.
- Training delivery for hairdressing and barbering arranged and managed by HITO is effective and is meeting the needs of employers and learners. Early signs are that this is also now happening in beauty training.
- Assessment practices and the quality and integrity of assessment in hairdressing and barbering were clearly evident. Robust moderation systems support and contribute to the fairness, consistency and fitness of purpose of assessment in hairdressing. Early indications are that this is also happening in beauty.
- Robust assessment practices include providing trainees with useful feedback which supports their training and progress. Moderation systems also contribute to the performance of the providers delivering full-time training.
- HITO has clear direction and purpose. It is well governed and managed and is continuing to improve. HITO is fulfilling its statutory requirements well in hairdressing and barbering, and it has stepped up recently in beauty by launching its beauty apprenticeships.
- The quality and validity of HITO's self-assessment body of evidence relating to its performance is well informed, although there are particular areas that it is currently strengthening, or is committed to doing so.
- At the time of the EER visit, the Board wanted more and clearer information. Since the visit, HITO has improved Board performance reporting.

The evaluation team is confident that HITO is doing what it needs to do well. The industry training organisation has continued to perform effectively in hairdressing and barbering since the previous EER. Its programme completions have been consistently high. Māori and Pasifika numbers are low, reflective of the numbers employed in the industry and their performance is not as good as that of all trainees.

HITO is making encouraging progress in beauty, building on the successes in hairdressing. The range of valued outcomes across all the areas reviewed is becoming increasingly clear. This should be further supported by the new

---

<sup>8</sup> This support includes study skills days, the use of a particular tool to assist struggling learners, and filtering content through a plain English database for ease of reading.

qualifications developed as part of the mandatory reviews of the two areas HITO is responsible for, hairdressing and beauty.

NZQA is confident that HITO is developing the governance and management resources and processes that will enable it to ensure credit achievement, programme and qualification completions and valued outcomes for beauty, building effectively on the successes in hairdressing.

In summary, the evaluation team found HITO to be a sound and effective organisation performing well in a competitive sector environment. As a small industry training organisation with three specific defined coverage areas, HITO should be able to respond even more thoroughly and quickly to its environment and the needs of its various stakeholders. As mentioned, HITO is developing the governance and management capability to be able to do this.

## Statement of confidence on capability in self-assessment

NZQA is **Confident** in the capability in self-assessment of **New Zealand Hair and Beauty Industry Training Organisation Inc trading as HITO**.

- HITO's practices contribute to successful trainee achievement and outcomes. The organisation actively tracks individual trainee/apprentice progress. HITO monitors trainee progress on an individual level to ensure that the trainee is progressing satisfactorily and to ensure consistency and quality. Monitoring visits are audited internally.
- HITO has participated in the mandatory review of the suite of national qualifications in hairdressing and barbering which was completed recently. An outcome of the review was the retention of two capstone assessments – these need to be completed on-job and to be assessed by external contracted assessors approved by a HITO advisory group in order to gain the full qualification.
- The mandatory reviews of qualifications have provided opportunities for HITO to benefit its self-assessment and increase its understanding and connections with hairdressing and, more recently, beauty. The reviews have included engagement with stakeholders, including industry, involved in the reviews, and the development of qualifications. The beauty review has helped this previously disparate sector to become more unified.
- HITO was participating in the mandatory review of the national qualifications in beauty at the time of EER visit.<sup>9</sup> At the same time, it was conducting a trial of its first beauty apprentices where surveys were being used to assess the trial, providing feedback on how well training was meeting the needs of employers and other stakeholders, and the relative importance of the knowledge, skills and attributes covered (or not, as the case may be).

---

<sup>9</sup> This review was completed following the EER visit, and the standards and qualifications have been submitted to NZQA for approval.

- HITO governance and management have embedded wide-ranging self-assessment within HITO to better understand the effectiveness, quality and capacity of its self-assessment processes and systems, including such areas as its long-established and successful moderation of assessment in hairdressing.
- HITO has commissioned research – independently or collaboratively – in a range of areas related to its activities. For example, HITO has been actively participating in work such as why apprentices and trainees do not complete qualifications. HITO has gathered other self-assessment information, along with other industry training organisations, on the effectiveness of mentoring in off-job training courses, which has contributed to improvements.
- The Board and management have been prepared to invest in improving the quality, validity and value of some self-assessment information in order to better inform itself and HITO so that it can more effectively prioritise future strategies and initiatives.

HITO's wide-ranging self-assessment has provided a range of reports and information on HITO's essential training arrangements and activities, along with annual programme reviews. The quality and validity of the self-assessment information reviewed as part of the EER was sound, but there were areas where it was on-going development at the time of the EER visit. Application of the outcomes of self-assessment and how well the information was informing decisions on qualification development, operational management and strategic planning, or providing valuable information for all the industries HITO is involved with, were not always clear.

Developments since the EER visit have made such matters clearer. The improvement in business-as-usual reporting is positive. The completion of at least the drafts of specifically commissioned reports has provided useful information for HITO to consider and act on.

Self-assessment has become increasingly purposeful and useful. The evaluation team is confident that HITO now has the opportunity to use recent self-assessment information and findings insightfully to make more comprehensive improvements than the useful improvements already made.

# Findings<sup>10</sup>

## 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 **Good**.

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

HITO understands and meets well the needs of industry, trainees and government in hairdressing and barbering. It also understands the needs of the beauty industry well, and has recently begun to meet the training needs of this sector. Meeting the expected cash contribution made to HITO by its industries, particularly hairdressing, is one positive indicator of how well the organisation understands and meets the needs of the industries it is responsible for.<sup>11</sup> Past, present and future support for the qualifications developed by HITO is another indicator, which is more mixed but will change as a result of the mandatory review of qualifications and moving away from local qualifications.

At the Board level, three elected members from the hairdressing, barbering and beauty industries, and an employee representative, provide industry knowledge, experience and links to specific sectors. They are able to give direct feedback to the Board on the needs of their industries. The appointed members and the independent Chair are able to give an external view and focus on the organisation as a whole.

HITO has a wide range of other engagements with its industries through its apprentices/trainees and their employers. HITO is represented on relevant professional associations. Industry relationships are fostered as a primary role and function of HITO's sales and liaison managers. The organisation values the industry participation and contributions, also evident through its advisory group meetings, which industries describe as effective, and its involvement in the mandatory reviews of qualifications. Formal stakeholder surveys also provide some useful information.

The feedback gained from such a range of sources helps ensure that HITO is well informed about its industries and the skills development and training opportunities the organisation provides. This has helped increase HITO's awareness and understanding of the complexity of the environment of the hairdressing, barbering

---

<sup>10</sup> The findings in this report are derived using a standard process and are based on a targeted sample of the organisation's activities.

<sup>11</sup> For HITO's industries, the industry cash contribution previously exceeded 30 per cent. The criteria for assessing the cash contribution has changed over time, but HITO's industries still provide funding above the minimum requirement. Businesses may also contribute to the cost of training in other ways.

and, in particular, beauty industries. HITO has worked increasingly hard to ensure systematic alignment with industry and trainee needs.

The recent purchase of infometrics and statistics reports are giving the Board and management further insight into the hairdressing, barbering and beauty sectors separately and as a whole. The infometrics data is shared at HITO's annual general meeting and with advisory groups to contribute to unit standard development.<sup>12</sup> While the information provides opportunities for trend analysis and forecasting of employee and business movements, it was not clear at the time of the EER visit how management planned to use this information to inform decisions in operational management and strategic planning. Since the visit, there is evidence of this beginning to happen, for example with regard to how best to develop training in the regions based on recent additional information.

While HITO has had coverage for beauty since 2009, it took until 2014 to sign up the first beauty therapy apprentice. There were 22 apprentices by the time of the EER visit, and two to three more sign-ups were in progress soon after. HITO said the delay was due to the disparate nature of the beauty sector, the sector's lack of previous experience in on-job training and standards-based assessment, the mandatory review of qualifications, and HITO's commitment to fully understanding the sector before proceeding. HITO has found meeting the challenges provided by the beauty sector demanding. Stakeholders the evaluators interviewed confirmed HITO's view that most of the beauty sector was now ready to move to consistent, safe, national training and assessment practices (based on practices used in hairdressing), and which some stakeholders consider may act as a proxy for regulation of the beauty environment.<sup>13</sup>

HITO's most recent investment plan for the TEC reflects sound understanding of its industries and the complexity of providing apprentice training in a tight economic environment, where many young people opt for the shorter training programmes offered by PTEs and ITPs. Employers do not necessarily employ fully qualified trainees, but employ those who have done full-time training but not completed the capstone assessments. Completing the capstone assessments by becoming sufficiently commercial and meeting the related requirements can take a further 18 months after trainees have completed full-time training. On the other hand, apprentices usually move to complete the capstone assessments in hairdressing within three to four months of completing the third year of their on-job training.

HITO funding for 2016-2017 has been confirmed by the TEC. The TEC has also recently reported that up to 40 per cent of those training in hairdressing, barbering and beauty are doing so in non-HITO managed full-time training. HITO continues to communicate with full-time training providers and to support their students when

---

<sup>12</sup> Infometrics data was also shared with the governance group to inform the beauty qualifications.

<sup>13</sup> Currently the hairdressing, barbering and beauty industries are all non-regulated, and it appears that they will stay that way in the foreseeable future. Beauty does, however, have a code of practice and assessment standards which include health and safety.

they go on-job and need to complete their capstone assessments. This is good practice, and is consistent with industry training organisations' current mandatory functions and as far as it can go.

The HITO Board has worked with management to contract an agency to conduct a wide-ranging environmental and sector analysis and bring together views from the hairdressing, barbering and beauty sectors. The recently completed report should enable governance and management to gain a better informed perspective on the future qualification and training needs of those in the industry and ways to meet these in the complex environment in which HITO operates. It was noted that this may need a targeted approach, as the organisation is not growing at its predicted rate.

## 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 **Good**.

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

HITO arranges training ranging from programmes for secondary school students<sup>14</sup> through to advanced qualifications gained in the workforce, and provides a career pathway for trainees and employees as qualified stylists (with internationally recognised qualifications) who can perform independently and generate revenue for their salon. The national qualifications in hairdressing, barbering (and, in the future, beauty) are important to employers as their achievement indicates on-job competence and graduates who have professionalism and confidence. The National Certificate in Hairdressing (Professional Stylist) represents 95 per cent of the training arranged by HITO. Training and assessment and the post-level 4 hairdressing qualifications of advanced colouring and cutting are achieved through on-job training.

The beauty standards and qualifications review has recently been completed. There is evidence that the mandatory review of qualifications process has helped the previously quite disparate sector to become more unified through its recognition of the value of the outcomes, which include qualifications, standards and related assessment and moderation.

The training in hairdressing arranged by HITO for people in employment is on-job. HITO also arranges off-job training for apprentices. The training is valued by employers as it provides a skilled workforce to meet the demand for competent stylists in New Zealand, and also supports the upskilling of experienced stylists who wish to gain further recognition or develop business-related knowledge and skills. Both full-time off-job and on-job training are recognised as supporting industry efforts to have hairdressing recognised as a profession. Apprentices highly value

---

<sup>14</sup> Including Gateway programmes.

the opportunity to develop their skills while earning an income and gaining industry knowledge without the burden of a student loan required for full-time training.

*Qualification by Experience* is a HITO assessment process which recognises the competencies of people who have not previously gained formal qualifications, mainly in hairdressing, barbering and, in future, beauty. *Qualification by Experience* is valued, as shown, for example, by the number of people fully participating and completing the New Zealand Certificate in Hairdressing (Professional Stylist) (Level 4) and the barbering programme in 2014.<sup>15</sup> Trainees value the National Certificate in Hairdressing (Professional Stylist) because it enables them to be more employable and to work overseas as it is recognised in Australia, Canada, Hong Kong and Japan, and it is acknowledged in England, South Africa, the USA and the EU.

HITO undertakes off-job training surveys each year directed at identifying and understanding the attributes of HITO's off-job training for apprentices, and for PTEs and ITPs delivering off-job training. The surveys used are available online and are sent directly to apprentices while they are at a training provider. The results of these annual surveys are used by HITO and by training providers to identify opportunities for improvement in off-job training at both national and individual training provider levels. The importance of hairdressing knowledge and skills, as well as commercial competence, is a challenge to employers that needs to be addressed as far as possible in full-time training.

Beauty employers and stakeholders share HITO's determination to ensure a viable training and assessment regime, and they now support implementation of such a system. The evaluators' interviews with beauty stakeholders were consistent with the emerging findings of the HITO September 2015 survey<sup>16</sup> and the related trial of the beauty training programme. The mandatory review of qualifications provided a timely opportunity for sector representatives to meet and work towards realising the opportunity for the beauty sector to achieve valued outcomes. This proved a challenge to HITO which it subsequently met. The perception of some employers and stakeholders that beauty was not adequately resourced by HITO to achieve success was not clearly substantiated at the EER visit. This may have been partly a communications matter, and should change as developments in the sector progress further.

HITO is applying practices to beauty apprentice training and related assessment and moderation that have worked effectively in hairdressing. Employers, other stakeholders and trainees interviewed by the evaluators are now more ready to embrace what they see as a range of opportunities for the beauty sector. Such opportunities include training with greater emphasis on on-job learning, more robust

---

<sup>15</sup> More than 40 trainees (80 per cent of those who signed up) completed the qualification, based on the sample provided by HITO.

<sup>16</sup> Findings included required personal, practical and salon skills as well as knowledge including a wide range of product knowledge. Findings also included some of the suggestions for improvement provided by the two beauty apprentices interviewed by the evaluators.

assessment and moderation than many have previously experienced, and ultimately more consistent and professional industry practice. Because beauty is a non-regulated industry and likely to remain so, employers and other stakeholders regard developments as providing a kind of proxy for regulation and improving professional practice, including health and safety.

The beauty apprentices interviewed by the evaluators were clear about their expected outcomes such as increased practical knowledge and skills, greater confidence, ongoing employment, ability to get a qualification without a student loan, training and qualifications pathways (including international), and specialised career opportunities in New Zealand and overseas.

Promotion of hairdressing, barbering and beauty through the Gateway programme – which gives secondary school students an opportunity to gain some experience while still at school – have an obvious potential value, although the extent of success is unclear. This also applies to a recent industry training organisation initiative, *Got a Trade Got it Made*, where the key target group was young people, their parents and caregivers, schools and industry. This initiative reached out to potential trainees and apprentices, although the effectiveness of the 2015 event cannot yet be determined.

As mentioned, HITO has a range of outcomes information it can draw on. Valued outcomes include credit, programme and qualifications completions, but HITO's information is limited in other areas such as career progression. When HITO identifies literacy and/or numeracy barriers to learning and other specific needs, it communicates these to the trainee/apprentice, and provider or employer, and provides support as appropriate. Some transferable and service skills used to be assessed as part of the unit standards salon skills domain.<sup>17</sup>

The industry cash contribution previously mentioned is one indicator that reflects the value of the outcomes that employers and their trainees recognise. At the time of the EER visit, the HITO Board had asked for clarification and further information in areas such as pending completions, withdrawals and terminations, and industry penetration in Auckland and the regions. Work in progress since the visit should help address some of these gaps.

---

<sup>17</sup> These areas have now been embedded in the hairdressing and barbering qualifications, and, since the EER visit, in the beauty qualifications (subject to NZQA approvals) as part of the mandatory review of qualifications.

### 1.3 How well do trainees 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**.

The demographic profile and participation rates in training arranged by HITO are consistent with those in the wider industry of hairdressing and barbering in particular. Credit and programme completion rates are consistently high. Completions through the *Qualification by Experience* assessment process supplement the overall completions. HITO has a high level of performance, with 95 per cent achievement of credits in 2014 and 91 per cent in 2015), and 100 per cent completions of programmes for 2012-2015, most of them currently in hairdressing. Ninety-five per cent of all HITO apprentices are in hairdressing; there are no beauty completions yet.

HITO's hairdressing and barbering trainees/apprentices are achieving consistently well against the TEC educational performance indicators in terms of credits achieved and programme completions, as shown in Table 1.

**Table 1. HITO credit achievement and programme completions, 2011-2015**

	2011	2012	2013	2014	2015
Achievement of credits <sup>18</sup> %	87	76	90	95	91
Completion of programmes <sup>19</sup> %	85	100	100	100	100
Māori participation trainee ethnicity %	8	11	11	11	10
Pasifika participation trainee ethnicity	2	2	2	2	2

HITO performance based on TEC educational performance indicators

Qualification completions are consistently high. Comprehensive tracking of completions and analysis of apprentices who are pending or terminating ensures a targeted engagement with the apprentice to support achievement. Key indicators that HITO identifies as having an impact on achievement (duration, credit achievement and progress on the training plan) are specifically monitored and reported. Other outcomes are also very positive and include competition entry and national award winning and the ability of trainees to generate an income for a salon.

Data provided by HITO shows that learners who start their apprenticeship in year one or two are significantly more likely to complete their final capstone

---

<sup>18</sup> This measure shows the number of credits achieved by trainees in a given year as a proportion of the credits trainees were expected to achieve in that year.

<sup>19</sup> This measure shows the nominal credit value of programmes completed in a given year as a proportion of the credits trainees were expected to achieve in that year.

assessments than those who have done full-time, off-job one or two-year courses. *Qualification by Experience* is a pathway that is part of training or apprenticeships for some employees, and employers, especially those who entered their industry without formal training and have no formal qualifications but are working as experienced hair stylists, for example, and could take on apprentices.

HITO monitors trainee progress on an individual basis to ensure that the trainee is progressing satisfactorily (which can lead to providing literacy and numeracy mentors to assist with learning). HITO management gets detailed information on the performance and status of hairdressing, barbering and beauty trainees monthly by region. The Board members get a monthly national training programme performance summary, with trends for hairdressing, barbering and beauty, Pasifika and Māori<sup>20</sup>, and a summary graph detailing the progress status of all trainees, i.e. completed, pending, registered and terminated over time. 'Pendings' are managed by the sales and liaison managers who receive ongoing information which is reviewed to encourage re-engagement with training, and reports for the Board are updated monthly. At the EER visit, the Board said the information provided was difficult to interpret. For example, 'pending' is a wide and ever-shifting category which needs to be considered alongside completions and withdrawals. The Board asked for a review of the information being provided to show more clearly regional information for comparison across each region. It was hoped that in time a 'dashboard' report would give the Board a tool to highlight where governance and management should focus their efforts. This was to include a particular regional strategic focus in areas such as Auckland, where HITO has previously found full engagement challenging. Since the EER visit, the template for reporting to the Board has significantly improved and should address many of the Board's concerns.

The participation rates of Māori and Pasifika trainees in training are lower than for non-Māori and non-Pasifika, and also reflect their lower participation in the industries for which HITO is responsible. The completion rates of these groups tend to be lower too, particularly above level 3 and particularly Pasifika at all levels (although Pasifika numbers are very low, which tends to skew their success rates).<sup>21</sup> HITO is aware of some of the contributing factors to this situation and has been working since 2012 – including collaboratively with other parties, including other industry training organisations – and is considering additional support for Māori and Pasifika trainees to increase both participation and achievement. A pilot training programme for mentors (for apprentices, employers and training advisers) should, if implemented more widely<sup>22</sup>, benefit all apprentices as well as Māori and Pasifika, and help them maintain focus throughout their training. HITO actively

---

<sup>20</sup> HITO is looking at ways to ensure Māori and Pasifika trainees complete their training and to encourage increased participation in hairdressing and barbering.

<sup>21</sup> Credit achievement and programme completions in 2015 for Māori were 74 and 77 per cent, and for Pasifika 81 and 100 per cent, compared with 91 and 100 per cent for all trainees.

<sup>22</sup> This has begun to happen since the EER visit.

profiles Māori and Pasifika achievement and industry success in its industry publications, but such initiatives have not yet translated into noticeable improvement in participation and achievement rates.

The value of robust qualifications and national standards is now recognised as positive by the beauty sector. Qualifications and standards are currently under development through the mandatory review of qualifications process. The first trial beauty apprentice was signed up in late 2014, and there were 22 apprentices who were progressing well at the time of the EER, with another two to three about to be signed soon after the visit. No qualifications have been completed to date.

HITO actively tracks and monitors individual trainee/apprentice progress. It uses satisfaction surveys to inform some improvements and accesses infometrics reports to provide quantitative data about hairdressing, barbering and beauty. Its own data and analysis at the time of the EER visit did not provide sufficient information to enable HITO to determine the effectiveness of previous initiatives or to introduce new initiatives to, for example, maximise training opportunities in Auckland or any particular regions. Consequently, management on behalf of the Board had commissioned an agency to gather such information to better inform both governance and management so that they could develop a growth strategy and be more proactive in undertaking well-informed improvements in what is a challenging and competitive environment. This has begun to happen since the EER visit in response to the commissioned reports. Improved reporting to the Board and self-assessment are being increasingly used to make better-informed improvements. This is a positive development, the results of which are too early to determine.

As previously mentioned, while HITO provides support for literacy and numeracy, it has focused in particular on numeracy, based on the health and safety issue of working with chemicals.<sup>23</sup>

#### 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 **Good**.

At the time of the EER visit, HITO had off-job training arrangements with 16 training providers. It also had apprenticeship arrangements with salons throughout New Zealand.

Like all industry training organisations, HITO plays an important role in arranging training (on-job and/or off-job training), and the quality of these arrangements is important in achieving outcomes. While the effectiveness of full-time training is the primary responsibility of providers, HITO has an interest in the quality of provision

---

<sup>23</sup> This has also been embedded in the beauty qualifications awaiting approval by NZQA.

through direct engagement with the provider as well as through the quality assurance of assessment.

HITO regularly conducts off-job training surveys, and provides reports on the quality of arranged training and assessment to the ITPs and PTEs it works with. These nationally show very positive satisfaction ratings by trainees and identify where providers do not rate as well in the overall national findings. Apprenticeships provide more direct engagement with salons or workplaces by HITO, including robust assessment and moderation.

HITO meets industry skills needs through a range of training arrangements and through programmes such as *Qualification by Experience*. Up to 80 people annually, mainly experienced stylists who wish to gain a qualification, participate in this process, which enables assessment of a candidate's knowledge, skills and experience and includes an interview. Any identified gaps are addressed before candidates can gain their qualification based on experience. The hairdressing assessment consent and moderation requirements are followed explicitly and kept updated.

The hairdressing qualification, when successfully completed by trainees and apprentices, is recognised internationally and accepted in four countries. Good analysis of systematic and comprehensive feedback about the effectiveness of the arranged training and the utility of qualifications further validates HITO's performance in the hairdressing industry.

HITO has begun to extend its successful hairdressing practices to beauty with an emphasis on on-job training and robust assessment and moderation. Satisfaction surveys as well as the mandatory review of qualifications, advisory groups and programme reviews are beginning to provide useful self-assessment information to enable HITO to make ongoing and continuous improvements. For example, the programme review of nail technology concluded that it was not meeting employer and trainee needs, in particular over 35-year-olds, and needed more support including regular contact from a nail practitioner, although not online delivery. However, as previously mentioned, overall, HITO's self-assessment information from a range of sources was still being developed. It was not always clear how it was informing changes or bringing about improvements. The HITO Board is committed to gaining better data and analysis which will enable its governance and management to expand training in Auckland and other regions.

Two beauty apprentices were interviewed by the evaluators and were positive about their experience to date. They also gave useful feedback on where further improvements could be made – these included increased salon support, apprentice networking, and training and assessment resources and requirements. HITO was already addressing some of these areas such as promoting apprentice-apprentice contact via Facebook and continuing to develop the mentoring scheme.<sup>24</sup>

---

<sup>24</sup> This includes implementing the findings of recent collaborative mentoring research.

For industry training programmes, only one assessment has been required at NZQF level 1 or 2 by the TEC based on the Literacy and Numeracy for Adults Assessment Tool. HITO selected numeracy assessment because of the high demand for numeracy skills in the industries (colour ratios, time-keeping) and the importance of health and safety. Assessments in both literacy and numeracy using the assessment tool can provide useful information which contributes to the effectiveness of arranged training<sup>25</sup> alongside the additional support HITO does provide: embedded literacy and numeracy in the resources, trainer literacy and numeracy practices, and support for those with literacy and numeracy barriers to learning, some of whom HITO mentors. As mentioned, information about what will be done to improve Māori and Pasifika participation and achievement is limited at this stage.

### 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 **Excellent**.

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

HITO maintains the national standards for hairdressing, barbering and beauty through the integrity of its assessment which ensures consistency within and between its three industries.

HITO has a successful and robust assessment and moderation system which has been successful in hairdressing for several years. The use of face-to-face moderation of the assessment of practical skills as well as theoretical knowledge works well and is appreciated by providers. The recent change to giving annual summary moderation reports to ITPs and PTEs has been well received by the sector. The annual report follows feedback given at the on-site moderation visit and after the visit.

Assessment practices ensure that trainees receive constructive feedback on their learning in order to produce improved outcomes. Feedback is given to trainees immediately post-assessment, and the schedule is sent back to the trainee after moderation. Moderation validates results and contributes to improved assessment processes and improved outcomes for both assessors and trainees. HITO reported that at any one time about 25 per cent of its providers assessing were highly effective, about 50 per cent were effective or at least adequate, and 25 per cent required improvement (some because of staff turnover). HITO supports all those assessing but focuses on improving the 'bottom' 25 per cent.

---

<sup>25</sup> From 2016, the TEC will be introducing a reporting requirement to better understand industry training organisation activities that support improved outcomes for trainees with literacy and numeracy needs. From 2016, assessments must be done in both literacy and numeracy, but this will still only apply levels 1 and 2 (lower than HITO mainly operates).

Workplace assessment is valid, reliable, fair, transparent and fit-for-purpose. There is a formal process for workplace assessors to benchmark their assessment practices and results with others. Analysis of workplace assessment benchmarking leads to improvements. HITO has a robust appeals process which ensures trainees are aware of HITO's processes and their rights.

The results of external moderation and the fact that apprentices and trainees are gaining a credible qualification, which on completion meets industry standards, demonstrates the quality of the assessment being undertaken and that HITO is comprehensively meeting the most important needs of employers, industry, trainees and government.

The quality of assessment being undertaken in hairdressing is effective and supports the level of achievement reported. There is robust monitoring of assessment and moderation and providers see value in HITO's moderation visits, to help maintain the high industry standards encouraged by HITO.

Arrangements with providers are specific and systematic to ensure validity of assessment – as there is a high turnover of staff with providers that have moderation focus status, the quality needs to be continually moderated. Moderation has seen a change in the reporting process as a response to providers' request to have a full summary report at the end of the year, including an overview of the organisation's performance.

In order to complete the New Zealand Certificate in Hairdressing (Professional Stylist), all trainees are required to complete two on-job capstone assessments to gain the full qualification. Assessment is conducted by independent contracted assessors who have been approved by the HITO advisory group. The qualification can take up to 18 months to complete. This requirement was disputed by some providers during the mandatory review of qualifications, based on the simulated salon and work experience they provided. However, HITO maintained that the industry considers it vital that on-job training and assessment take place to ensure trainees are able to work at a commercial speed, quality and level. This has led to a situation where a few other ITPs and PTEs are conducting full-time training and their graduates are gaining or maintaining employment with employers who are employing them in the belief that they have completed the qualification and have or will readily gain (or not) their capstone assessments. The recent identification by the TEC that up to 40 per cent of the training in hairdressing, barbering and beauty takes place independently of HITO makes the effectiveness of HITO-arranged training even more important for the industry.

Hairdressing assessment and moderation practices are now being applied in beauty, and HITO can use its experience and expertise gained in assessment and moderation in hairdressing to make more rapid progress in new areas. Some beauty providers and salons without previous standards-based assessment and moderation experience are still getting used to the rigorous demands of moderation. Some provider and salon representatives interviewed by the evaluators found moderation too pedantic, too hard, and sometimes inconsistent. As they get used to the new processes and assessment and moderation

*Final Report*

expectations with improved communication and support from HITO, they are also recognising how assessment and moderation practices can be a means to achieving quality, national standards and consistency.

The HITO reviews of assessment practices and its moderation reports lead to improved outcomes for trainees. Assessment and moderation information gives valuable feedback which has been used as part of the mandatory review of qualifications, qualifications and standards development reviews, as well as HITO programme reviews.

## 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 **Good**.

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

Board members and management are clear about the strategic aims of HITO as set out in the strategic plan 2014-2017. This plan is included in all Board papers and the chief executive reports to the Board against the aims set out in this document. This provides a common view of the direction of the organisation. The strategic aims emphasise and support the statutory roles of the ITO and the need to work with industry, employers and the government.

The strategic plan is consistent with the purpose and role of an ITO. That said, the critical success factors as set out in the strategic plan are high level and thus do not give clearly measurable outcomes. The business plan, which forms part of the agreement between the Board and the chief executive, links well with the strategic plan and TEC investment priorities, and is reported to the Board via a commentary in the chief executive's report.

The management team is led by a very experienced chief executive who works closely with the independent Chair. The Board/management interface is continuing to develop, with the Board extending its role beyond monitoring and fiduciary control to working with management to better define areas HITO should prioritise (the Board does get extensive reporting in the finance area).

All HITO assessors have industry expertise and relevant adult education qualifications. There is robust monitoring of assessment and moderation and providers see value in HITO's moderation visits in helping to maintain high industry standards. Arrangements with providers are specific and systematic to ensure validity of assessment, and as there is a high turnover of staff who conduct assessment, the quality needs to be continually moderated.

HITO participated in the mandatory review of qualifications for hairdressing (and barbering). HITO ensured that off-job training was supplemented by on-job training and the capstone assessments conducted by HITO assessors (or as it turned out, independent assessors approved by the HITO advisory group). This

can add up to another 18 months to completion of the qualification for those who were trained in full-time programmes. HITO's perceived exclusive assessor role is not universally popular, but on-job training is an essential part of the qualifications, which have all now been registered. As a result, in a few cases HITO is competing with a PTE or ITP that is providing shorter full-time training and employers are employing trainees who have not completed the on-job training component or capstone assessments and are therefore not fully qualified. The HITO Board has chosen not to exacerbate the situation and has not increased fees to any party involved in this training. Improvements to Board reporting on off-job and on-job training and trends from the monthly performance reports since the EER visit should help develop the forward thinking of the organisation. Management and the Board and help monitor the implementation of agreed actions.

HITO has a long-established knowledge of the hairdressing industry and is clear about its purpose and strategies to support industry through the continued supply of qualified hairdressers in New Zealand. Overall, HITO has strong engagement with all stakeholders and solid review processes that request information from the regions. HITO is ready to support any large changes as a result of the mandatory review of qualifications. Changes occurring within HITO as a result of internal review include changes to the sector liaison management process, the reconstitution of the HITO Board to be more representative, and management and staff role changes.

The mandatory review of qualifications for beauty progressed much more smoothly than the hairdressing review. Challenges with regard to beauty sector governance and management of unit standards development were still being tackled at the time of the EER visit, and HITO was continuing to be inclusive. HITO initiated a practice to increase participation in the first year of beauty apprenticeships as part of its trial whereby there was no trainer cost and the apprentice enjoyed reduced costs. Nevertheless, some beauty stakeholders interviewed felt that HITO could better resource beauty sector development in terms of promotion, communication, training support and assessment and moderation. HITO's response was that it had identified the opportunities and needs of the beauty sector and was investing sufficiently and appropriately. The evaluators concluded that there may be some misperception in the beauty sector based on HITO communication or lack of communication about developments and opportunities with parts of the sector or stakeholders, and this can be readily rectified.

HITO has effectively maintained arrangements for the delivery of hairdressing training which enables trainees to achieve the relevant knowledge and skills, and standards and qualifications. Hairdressing course and credit completions have been consistently high in hairdressing and barbering over several years, and beauty is expected to match this as HITO applies similar practices to them. This includes robust assessment and moderation and related monitoring, support and reporting. NZQA's Tertiary Assessment and Moderation system has identified some areas where HITO needs to improve its assessment materials and/or assessment decisions. These areas include standards in adult education, business and management, core skills and communications skills.

Ongoing industry interaction, anecdotal evidence collection and systematic needs analysis capture performance and outcomes for input into the review of the hairdressing programmes. Some areas (for example the business papers offered online by another provider as part of the programme) were identified by HITO as not working as well as expected. There have been further discussions around how this is to be managed in future. HITO also decided not to continue arranging and managing the delivery of HITO-specific management courses because they were not considered to meet industry needs and demand was low. However, HITO does recognise the importance of business and management training opportunities and intends to continue to arrange and manage their availability through other avenues.

HITO has a wealth of relevant information and has, independently or collaboratively, contracted reports on matters such as why apprentices and trainees do not complete programmes and qualifications and the impact of mentoring training on the quality of engagement and provision. The recent completion of these reports since the EER visit has begun to contribute to better informed changes, the success of which it is too early to determine.

At the time of the EER visit, HITO was developing a 'dashboard' tool as part of improving its reporting to the Board on performance, to help identify areas where the Board should concentrate monitoring to ensure actions result in improvements. As previously mentioned, the most recent work on this has been completed and the Board now receives clearer and improved reports. The commissioned external reviews should also enable HITO to set priorities and targets for its future operation. Governance and management are aware of the legislative and government requirement for industry training organisations to have regard to the needs of Māori and Pasifika. Improved information in addition to infometrics and ongoing consultation could also help develop this area which is currently a work in progress. The Board and management will need to monitor actions arising so that they can confirm that the agreed outcomes result in actual improvements for industry, learners and government and fulfil the obligations of industry training organisations under the 2014 amendment to the Industry Training and Apprenticeships Act 1992.

# 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 ITO performance is **Good**.

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

Following constitutional changes in 2012, the HITO Board structure changed and it now has seven members, two appointed members, three elected members and an employee representative, with an independent Chair. The Board has needed to act on a voting anomaly in its constitution to ensure a clear outcome from the vote for the employee representative. The appointed members and independent Chair are selected after a nomination process, with nominees assessed by an external committee using a governance skill set developed with input from the Institute of Directors. The Board also now has the power to co-opt members and thus to add specific skills and expertise at this level. HITO has well-documented policies and processes to guide the Board and management, and the very experienced chief executive regularly signs off compliance with these policies for the Board. Both the Board members and management team noted that governance had been strengthened since the constitutional and Board structural changes; the independent Chair has also enabled HITO to benefit from an outside perspective.

A 2014 independent external evaluation of the HITO Board noted that there has been an improvement in governance over the last two to three years. The evaluators support external evaluations of the Board on a regular basis to maximise their benefit. In terms of risk faced by HITO, both governance and management were able to articulate specific risks the organisation faces. However, these views were not in total alignment, and could be readily managed by regular Board review of the existing risk report. The Board was confident in its financial viability based on its current reserves.

As mentioned, it was not clear at the time of the EER visit how reports on on-job and off-job training and the trends from the monthly performance reports had been incorporated into developing forward thinking, and how implementation of agreed actions was being monitored by management and the Board. Work since the visit should help address this.

At the time of the EER visit, the Board was seeking greater clarity around information about engagement and participation in different regions, the uptake of training opportunities in beauty, and achievement. Better and more accessible information should support a clearer focus on initiatives and priorities.

## 2.2 Focus area: Hairdressing including in particular the National/New Zealand Certificate in Hairdressing (Professional Stylist) (Level 4) and other related certificate programmes as appropriate

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

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

HITO provides an acknowledged leadership role in the development and size of training in the hairdressing industry through its relationship with tertiary education organisations offering hairdressing qualifications. HITO maintains longstanding relationships, develops new relationships and understands the current and future needs of industry by keeping closely in touch and ensuring the information and support networks around hairdressing and beauty are accessible.

HITO demonstrates the hairdressing industry's contribution to New Zealand's economy and culture using a one-page infometrics report showing ethnicity and economic contribution. Graduates of the level 4 qualifications are highly sought after by employers because of the strong industry focus and workplace elements of the programmes, ensuring all industry-qualified graduates are work-ready and proven in a working salon environment. HITO ensures these industry outcomes are achieved through feedback from industry advisory groups as well as feedback received from trainees as part of the off-job training reports.

Providers are responsible for hairdressing training<sup>26</sup> and assessment. HITO-registered assessors assess the two capstone unit standards in the workplace. Overall assessment towards industry standards and qualifications is both relevant and high quality, as evidenced by thorough moderation processes and the quarterly review of the standards by the advisory group to ensure there is an industry focus on the skills and structure of the training. The mandatory review of qualifications processes, advisory groups, moderation monitoring and programme review are seen as effective ways of providing highly valued feedback to HITO around industry needs and programme updates.

HITO has a strong relationship with the New Zealand Association of Registered Hairdressers, with a representative from the association on the hairdressing advisory group. There is clear reporting to HITO management and the Board around the key functions of the organisation in relation to hairdressing.

---

<sup>26</sup> Workplace training is conducted by salon trainers.

### 2.3 Focus area: Beauty including in particular national/New Zealand certificates in beautician/beauty therapy (level 4) and other related certificate programmes as appropriate

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

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

When HITO developed a nail technology qualification in 2011-2012, it became evident that nail technology was different from beauty and a highly specialised aspect of beauty in its own right. HITO was advised to wait and develop nail technology as part of the mandatory review of qualifications.

HITO accepted coverage for the beauty sector in 2009. A 2011 Board request for further information about the beauty sector led to the identification of 1,390 beauty clinics throughout New Zealand. Of these, 331 clinics were surveyed – 80 per cent employed staff and 67 per cent intended to employ staff in 2012. This identified an opportunity and need for support for the introduction of traineeships and on-job apprenticeships in this industry. HITO governance and management and stakeholders recognised beauty as an industry for future potential training growth. In 2013, HITO accessed the Australian beauty environmental scanning report, but its relevance, value and use in New Zealand are unclear. Since 2015, HITO has been able to access New Zealand-specific data on both the beauty and hairdressing sectors.

HITO considers that the mandatory review of qualifications has been a contributing factor to the delayed start in beauty apprenticeships. According to HITO, it purposefully managed the relationship with the beauty sector in a low-key and staged way to minimise the challenges of, for example, gaining beauty sector and national association 'buy-in', working with the nails sector (which sees itself as a separate sector) prior to the trial of a training system for beauty and the related survey and mandatory review of qualifications. Once the beauty review of the qualifications were completed and the qualifications approved, HITO considered it would be in a better position to increase its work with this sector. It found that its liaisons, networking and interacting with beauty stakeholders – which have continued to develop – were useful and starting to show benefits. As mentioned, the trial and beauty programme review have since been completed. Findings identified actions to be taken. Since the EER visit, the beauty mandatory review of qualifications has also been completed and qualifications, including nail technology, have been submitted to NZQA for approval.

HITO's training, assessment and moderation practices have been successful in hairdressing and barbering. Applying these practices to beauty gives HITO and the evaluators reasonable and realistic confidence in HITO's capability and capacity to succeed in arranging effective beauty training and robust assessment and moderation. It also gives confidence in HITO's ability to identify and meet industry skills needs through the maintenance and development of relevant standards and qualifications.

Communication remains a challenge for HITO and the beauty sector, and HITO is being as inclusive as it can. HITO is involved at three levels: the governance group (with representation from PTEs, ITPs, NZQA, the national beauty association and industry); working groups developing qualifications for nails, makeup and beauty therapy (with PTE and ITP representatives); and the beauty advisory group working to develop unit standards (which has representation from PTEs, ITPs, the national association and industry). HITO's assessment and moderation provide valuable feedback on how well HITO understands and meets the needs of hairdressing, barbering and beauty.

# Recommendations

NZQA recommends that New Zealand Hair and Beauty Industry Training Organisation Inc, trading as HITO:

- Regularly review the existing risk framework to increase Board focus in this area to support prioritising of work.
- Focus on increasing Māori and Pasifika participation and achievement.
- Make greater use of the opportunities to strengthen the quality, validity, value and use of self-assessment to benefit the whole organisation, apprentices and trainees.

# 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](http://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/>*

NZQA

Ph 0800 697 296

Email [eeradmin@nzqa.govt.nz](mailto:eeradmin@nzqa.govt.nz)

[www.nzqa.govt.nz](http://www.nzqa.govt.nz)