

Report of External Evaluation and Review

Active Institute Limited

Confident in educational performance

Confident in capability in self-assessment

Date of report: 18 February 2016

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Final Report

Purpose of this Report

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

Introduction

1. TEO in context

Name of TEO:	Active Institute Limited
Type:	Private training establishment (PTE)
First registered:	30 November 1998
Location:	Head Office, 23 Norman Spencer Drive, Manukau City
Delivery sites:	Manukau Branch, 23 Norman Spencer Drive, Manukau City Panmure Branch, Level 2, 159 Queens Road, Panmure
Courses currently delivered:	Intensive Literacy and Numeracy ESOL (English for Speakers of Other Languages); Training for Work; Sole Parent Employment Programme
Code of Practice signatory:	Yes, but the PTE has not recruited for, or enrolled, international students for at least five years.
Number of students:	Domestic: 851 – all full-time, part-year; approximately 251 EFTS (equivalent full-time students); Māori, 29 per cent; Pasifika, 30 per cent; other, 41 per cent; male, 33 per cent; female, 67 per cent; average age, 40 International: nil
Number of staff:	9.5 full-time equivalents; comprising eight full-time and three part-time staff

Scope of active accreditation:	In addition to the courses currently delivered, Active Institute holds accreditation for and approval to deliver a range of courses and unit standards in the fields of business, communications, foundation skills and other related areas, at levels 1-3.
Distinctive characteristics:	Active Institute has been in operation under the same ownership and in the current premises since 1987.
Recent significant changes:	The purpose and direction of Active Institute has changed significantly since the last external evaluation and review (EER). The core activity of the organisation is now Ministry of Social Development (MSD)-contracted work brokerage programmes. The programmes are individualised, flexible in length and do not include assessment. The primary measure of success is placement into work.
Previous quality assurance history:	The previous EER of Active Institute was conducted in October 2011. NZQA was Confident in both Active Institute's educational performance and capability in self-assessment.

2. Scope of external evaluation and review

The scope of this EER included the following mandatory focus area:

- Governance, management and strategy

The other focus areas selected were:

- Training For Work – this is an MSD-contracted programme for 360 clients¹
- Sole Parent Employment Programme – this is an MSD contract, new in 2015; about 240 clients
- Intensive Literacy and Numeracy – Tertiary Education Commission (TEC)-funded programme focused on ESOL for new migrants; 251 EFTS

The above focus areas constitute all of Active Institute's programmes and activities.

¹ Active Institute has adopted the use of the MSD term 'clients' to describe participants on employment placement programmes. Participants on the Intensive Literacy and Numeracy courses are referred to as 'learners'.

3. Conduct of external evaluation and review

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

The EER was conducted in mid-September 2015. Prior to this EER, the lead evaluator visited the Active Institute site and met with the quality manager to discuss and agree on the scope and format of the EER visit. A self-assessment summary and a range of other relevant documents were made available prior to the EER visit.

The EER visit took place over two days, and included visits to both sites. The evaluation team, consisting of two evaluators, reviewed a range of documentation and met with the general manager/owner, the administration manager, quality manager, programme leader, two groups of employment coaches, Intensive Literacy and Numeracy teaching staff, three groups of clients or learners plus several individual learners. External stakeholders (approximately eight) were spoken to by telephone.

Summary of Results

Statement of confidence on educational performance

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

The evaluation team found good evidence that Active Institute is meeting many of the most important needs of learners and other key stakeholders:

- Clients and learners at Active Institute are achieving good results. Outcomes have met or exceeded MSD and TEC requirements consistently since the last EER (refer Findings 1.1).
- The organisation is strongly outcomes-focused and recognises that clients and funding organisations must receive good value from the services provided. This is borne out by, for instance, the fact that since 2011, 59 per cent of Training for Work clients have gained employment by the end of their programme (see Findings 1.2)
- Feedback from clients and industry indicates that programmes are delivered in a manner that enables learners to achieve their desired outcomes. The quality of the services provided at Active Institute is affirmed by a range of stakeholders who attest that clients are acquiring useful skills and knowledge.
- The EER team found consistent evidence of good teaching on the Intensive Literacy and Numeracy courses. Active Institute has learner support structures that are appropriate to the needs of the learners and minimise barriers to them achieving their goals. Learners are very well supported both pastorally and academically.
- Active Institute has a good understanding of its business. Its purpose and direction are clear, although not formally articulated. The organisation is aware that the success and sustainability of its business depends on meeting the needs of clients and funding agencies.

In summary, NZQA is confident in the educational performance of Active Institute. There is clear evidence that the organisation is providing quality education and services that lead to positive outcomes for the majority of its clients and stakeholders.

Statement of confidence on capability in self-assessment

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

Active Institute has effective self-assessment that evaluates the majority of its high-priority programmes and activities on an ongoing basis. Findings from self-assessment are used to make worthwhile improvements.

- Active Institute works closely with its client organisations to help identify the needs of these organisations and then addresses these needs well through responsive customer service, good coaching, and appropriate learner support.
- Records and discussions indicate that self-assessment at Active Institute is well embedded but mostly informal and unscheduled. Processes to critically analyse contributing factors to client outcomes and other quality improvements are effective, although mostly informal and intuitive. At this point in time, this level of self-assessment is fit for purpose for the MSD-contracted job brokerage services.
- However, the PTE's staff had difficulty in providing timely and succinct numerical and trend data for learner achievement across the Intensive Literacy and Numeracy programme. Collection and analysis of metadata would help inform improved self-assessment across the organisation.

While the focus of Active Institute's self-assessment has centred on identifying and responding to stakeholder needs – which has resulted in a sound reputation with its key stakeholders – the next challenge for the organisation is to focus its efforts towards increasing its understanding of delivery performance to sustain current levels of achievement by embedding systematic, whole-of-organisation analysis and ensuing action from self-assessment activities.

Findings²

1.1 How well do learners 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 **Adequate**.

The shift in the core business of the organisation to MSD job placement programmes means that the primary focus of both the organisation and its staff is on job placement. Educational outcomes are secondary to meeting the principal obligation under these contracts, which is to coach clients to get employment. In this, Active Institute has been very successful (refer Findings 1.2 for further detail). In the process of coaching clients, some good educational outcomes are achieved, such as computer skills, confidence-building, work safety awareness, etc; but these are almost incidental and are not formally assessed, measured or recorded.

Learners on the Intensive Literacy and Numeracy programmes report that they are learning useful and practical language and literacy skills such as grammar, vocabulary and formal and informal letter writing. The majority of Intensive Literacy and Numeracy learners are new migrants or refugees, many of whom were educated professionals in their countries of origin. The learning acquired at Active Institute enables them to improve their English language and manage everyday tasks like form-filling, using public transport or applying for a job. Several learners reported that the improved English resulting from their study is enabling them to understand and assist with what their children are learning at school.

Intensive Literacy and Numeracy learners complete the TEC Literacy and Numeracy Assessment Tool at the beginning of their study, at the half-way point and at the end of their 12-week course. There is a general expectation among staff that learners will progress by one step in the 12 weeks, but this is not systematically monitored. For instance, individual results for all learners were available online, but no-one was able to tell the evaluators whether or not all learners actually met this goal. The fact that the TEC continues to fund the programme is considered by Active Institute management as confirmation that the learners must be achieving satisfactorily. More effective collection and understanding of achievement data would enable Active Institute to better understand, through effective self-assessment, the means to continuously improve educational delivery.

² The findings in this report are derived using a standard process and are based on a targeted sample of the organisation's activities.

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

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

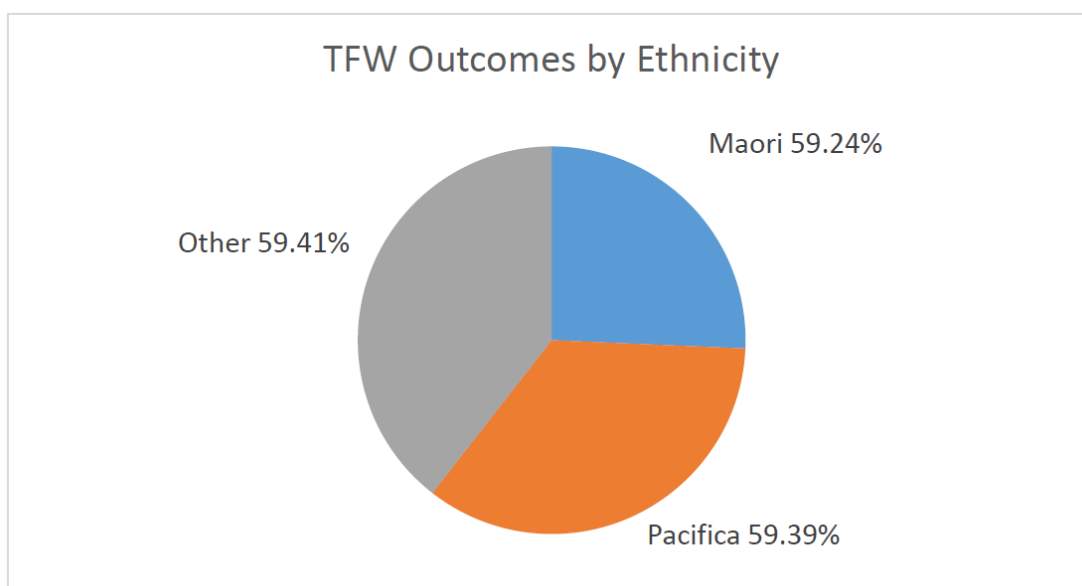
The rating for capability in self-assessment for this key evaluation question is **Good**.

By achieving its contracted outcomes (to MSD), Active Institute is making a valuable contribution to South Auckland's social and economic development by educating people and focusing them on a future where they are in employment and financially independent.

Active Institute has specific conditions to meet in all of its MSD contracts. The likeliness of sustainable employment for clients who enter the job placement programmes are evaluated using the Likelihood of Long Term Benefit Receipt evaluation process to determine work-readiness. Clients are classified as low, medium or high risk³ of remaining on the benefit. Only medium and high-risk clients are referred to Active Institute. The value of Active Institute's contribution was summed up in a statement by an MSD contracts manager interviewed during the EER, 'Active Institute is my 'go-to' provider for the particularly difficult or high-risk clients. They seem to be able to make progress with clients when nobody else can'.

The Training for Work programme is 13 weeks long, plus each client receives eight weeks of support after they complete the course. Since beginning Training for Work contracts in July 2011, Active Institute has enrolled 1,242 clients, of whom 1,225 have completed the programme. Fifty-nine per cent of clients (both high and medium risk) gained work within the 13-week period, which exceeds the target of 57 per cent set by MSD.

³ Low-risk clients are expected to gain employment relatively quickly while high-risk clients may take longer to gain employment and may need more help.



Of the 1,242 clients who have enrolled on the Training for Work course, 319 (25.7 per cent) were Māori, 433 (34.9 per cent) were Pasifika, and 490 (39.5 per cent) were from other ethnicities (see graph).

Intensive Literacy and Numeracy learners gain valuable English language skills and an introduction to New Zealand culture, which greatly increases the learners' ability to function and gain employment in their new environment. Although there is plenty of anecdotal information about Intensive Literacy and Numeracy graduates, Active Institute lacks the empirical evidence to support this conclusion. The 'beginner' Intensive Literacy and Numeracy learners gain basic vocabulary and communication skills, while the 'advanced' learners gain further literacy skills to increase understanding of English, to then allow them job opportunities. Additionally, learners from the advanced Intensive Literacy and Numeracy class may also pathway to employment placement programmes.

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

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

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

Active Institute's regular interaction with its stakeholders is a stand-out feature of the organisation. Mechanisms employed include ongoing contact with clients and employers; participation in industry/community fora, for example migrant support organisations such as church groups; and weekly meetings with MSD case and contract managers.

The 'coaching' style of Active Institute's delivery means that the individual needs of each client are assessed and addressed. Programme design enables learners to progress then exit at an individually appropriate level. Classes are timetabled

around the needs of clients; for instance, the Sole Parent Employment Programme runs either 9:00am to 12 noon or 11:30 to 2:30 to enable clients to drop off and pick up their children from school.

The Training for Work and Sole Parent Employment Programme classes start each day with a formal 'lesson' which is determined by the needs identified by the clients and coaches. For instance, if several clients who have had job interviews have not been successful in gaining employment, the lessons for the week might centre on interview techniques.

Active Institute's programmes have been regularly reviewed and tailored over the years to suit individual learner needs, and are continually being refined to suit present learner needs. An example of this refinement was the reorganising of classrooms and a major upgrade of the computer network to suit the needs of the clients enrolled on the MSD programmes. Current clients indicated that coaches regularly and actively work with them to improve pre-employment skills appropriate to enabling job placements, and this has helped them to get job interviews.

Likewise the Intensive Literacy and Numeracy programme is not driven by the textbook but rather by ascertaining the needs of learners. Activities include taking learners to the nearby mall, form-filling or using public transport. Learners interviewed said they appreciated this approach, which made their learning more enjoyable and relevant.

1.4 How effective is the teaching?

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**.

One of the most significant changes in Active Institute since the advent of MSD contracting is the move from formal learning classes and teaching to a job coaching model.

There was evidence of good teaching practice taking place on the Intensive Literacy and Numeracy courses at Active Institute, indicated by the ability of staff to meet the range of learning needs and abilities of learners in the class. All staff are enthusiastic and passionate about their roles and are well supported by management. Staff and learners appear to relate well to each other. Staff are experienced and well qualified, with most holding the level 5 National Certificate in Adult Literacy and Numeracy Education (Vocational/Workplace).

However, in the absence of formal systems of learner feedback, teaching observations, peer review or performance appraisal, it is difficult to see how Active Institute management knows whether or not effective teaching is taking place on the Intensive Literacy and Numeracy courses. Performance appraisal systems have recently been put in place, but not all staff had been through the first round of appraisals at the time of this evaluation.

Learners and clients on all programmes value the open, friendly style of teaching and find their learning activities interesting and challenging. Learners have access to all staff outside of formal classes and can make suggestions about improvements. Learners noted that staff were responsive to any concerns or issues raised.

Employment programme staff meet daily to discuss the progress and potential of clients to find employment and get jobs. The coaches work collaboratively, providing each other with support and using each other's strengths. The MSD employment programme team communicate regularly with their clients' case managers and send weekly reports to MSD. Although the coaches were quite reflective, a more formal approach is needed for gathering and analysing data and then acting on opportunities identified for improvement.

1.5 How well are learners guided and supported?

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

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

Active Institute staff and management are highly client and learner-centred and committed to their success and well-being. The support systems at the PTE are adequately resourced and fit for purpose. Staff are available to clients and learners outside of timetabled sessions, and learners report that they are always helpful and supportive. The assessment of support needs and the evaluation of their effectiveness tend to be intuitive rather than systematic and planned. While staff are very experienced and very good at anticipating the support needs of their clients, more formal processes would be useful in ensuring continuity of support services. Clients and learners indicated that all staff are approachable, and also provide appropriate support and advocacy with WINZ case workers when needed.

Active Institute is a signatory to the Code of Practice for the Pastoral Care of International Students (the Code), although the PTE has not recruited for or enrolled international students in the past five years.⁴ The PTE has elected to maintain its status as a signatory and has kept up with related reporting requirements to the Ministry of Education and NZQA. The general manager has overall responsibility for the Code.

⁴ Active Institute learners are representative of a wide range of nationalities and ethnicities, all of whom have New Zealand residency or citizenship – they are therefore not international students.

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

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**.

Active Institute has solid leadership and a clear vision and understanding of its business. The organisational strategy is not formally documented, but nevertheless management and staff members have a common understanding of the vision and direction of Active Institute. However, there is an unacceptable degree of risk in that much of the intellectual capital of the organisation rests in the heads of a handful of very experienced and long-serving staff.

Active Institute is well-resourced and financially sustainable and operates from two well-maintained campuses which provide good environments for learning. Effective resourcing is planned and provided for all activities.

Active Institute is responsive to changes in the operating environment. For instance, it has successfully transitioned to the job brokerage model by adapting organisational and staff processes, operations and delivery to the relevant programmes and clients.

The PTE has, over time, employed, developed and retained a very competent, well-qualified and dedicated group of staff. Staff said they enjoyed the environment and that they worked hard and felt highly valued. A number have been with Active Institute for a decade or more. Management was open in appreciation of the efforts, loyalty and dedication of staff.

Monitoring of performance within the organisation is open and authentic but tends to be ad hoc and intuitive rather than systematic. Nevertheless, management and governance at Active Institute has, to date, proven to be fit for purpose, and has resulted in a sound reputation with MSD. While the focus of Active Institute's self-assessment has centred on identifying and responding to client needs, the next challenge is to focus its efforts towards increasing understanding of educational performance to sustain current levels of achievement. This would require embedding systematic, whole-of-organisation analysis and the ensuing action from self-assessment activities.

Focus Areas

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

2.1 Focus area: Governance, management and strategy

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

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

2.2 Focus area: Training for Work

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

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

2.3 Focus area: Sole Parent Employment Programme

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

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

2.4 Focus area: ESOL Intensive Literacy and Numeracy

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

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

Recommendations

NZQA recommends that Active Institute:

- Develop and maintain a comprehensive, whole-of-organisation self-assessment regime that leads to knowledge and actions around improving learner outcomes.
- Develop systems for monitoring the effectiveness of teaching in the Intensive Literacy and Numeracy programme.
- Ensure that management systems and processes are well documented and understood by more than one person in the organisation.
- Ensure staff undertake a performance appraisal each year.

Appendix

Regulatory basis for external evaluation and review

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

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

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

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

This report reflects the findings and conclusions of the external evaluation and review process, conducted according to the External Evaluation and Review (EER) Rules 2013.

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

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

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

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

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