

Report of External Evaluation and Review

Cornerstone Education Limited

Confident in educational performance

Confident in capability in self-assessment

Date of report: 31 August 2015

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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:	Cornerstone Education Limited (Cornerstone)
Type:	Private training establishment (PTE)
First registered:	1 November 1996 ¹
Location:	Head office, Level 1, 63 Chapel Street, Tauranga
Delivery sites:	3/7 Newmarket Place, East Tamaki, Auckland Level 4, 5 Short Street, Newmarket, Auckland 13 Reyburn Street, Whangarei 81 Hull Road, Mount Maunganui, Tauranga Level 1, 369 Kyber Pass Road, Epsom, Auckland
Courses currently delivered:	<ul style="list-style-type: none">• New Zealand Institute of Management (NZIM) Certificate in Management (Level 4)• Certificate in Bicycle Mechanics (Level 3)• Certificate in Bicycle Mechanics (Level 4)• National Certificate in Diving (Foundation) (Level 3)• Certificate in Master Diving (Level 4)• National Certificate in Diving (Instruction) (Level 6)

¹ Originally registered as Adventure Education in 1996. The PTE name was changed to Cornerstone in 2014 when three other PTEs merged with Adventure Education.

	<ul style="list-style-type: none"> • Workplace Literacy
Code of Practice signatory:	No
Number of students:	334 full-time equivalent students (EFTS), 762 individual students <ul style="list-style-type: none"> • 12 per cent Māori in Workplace Literacy, and 40 per cent in all other programmes • 22 per cent Pasifika in Workplace Literacy and 8 per cent in all other programmes
Number of staff:	24 full-time and 27 part-time staff.
Scope of active accreditation:	As above
Distinctive characteristics:	Cornerstone operates from five sites across the North Island, and currently offers programmes for domestic students only. It is the only TEO offering bicycle mechanics programmes.
Recent significant changes:	In late 2014, four PTEs were merged into one (Cornerstone). A new position of chief executive was created following this merger. A further two PTEs were recently purchased by the owner of Cornerstone (The Tertiary Education Group), and three separate PTES are now under the one governance body, the Cornerstone Advisory Board.
Previous quality assurance history:	This is the first external evaluation and review (EER) of Cornerstone. Prior to the amalgamation of four PTEs into one in 2014, there were four separate evaluations: <ul style="list-style-type: none"> • Adventure Education EER December 2011. NZQA was Confident in educational performance and Highly Confident in capability in self-assessment. • Sadler and Associates EER September 2011. NZQA was Confident in educational performance and Confident in capability in self-assessment. • ASI (Action Adventure) EER November 2012. NZQA was Confident in educational performance and Confident in capability in

self-assessment.

- Industry Training and Technology EER June 2011. NZQA was Confident in educational performance and Confident in capability in self-assessment.

Cornerstone has consent to assess unit standards which are owned by NZQA and the industry training organisations, Skills Active Aotearoa, ServiceIQ, and Competenz. The results of recent external moderation of assessment samples are:

- NZQA – materials submitted in 2013 were approved, and assessment was at the standard in 2013, and no external moderation was required in 2014.
- Skills Active Aotearoa – material was submitted in 2014, resulting in the moderator not agreeing due to insufficient evidence being submitted, and the unit standards no longer matching industry practice.

Cornerstone and Skills Active have agreed to carry out external moderation again once the new unit standards have been used by Cornerstone for student assessment. The new unit standards have been written and recently listed on the New Zealand Qualifications Framework (NZQF). Skills Active has confirmed that they are confident that Cornerstone is assessing at the national standard.

ServiceIQ – materials were not required to be submitted in 2014.

Competenz – materials were not required to be submitted in 2014.

2. Scope of external evaluation and review

This evaluation included a review of three programme areas that lead to the achievement of four qualifications: the National Certificate in Diving (Foundation Skills) (Level 3), Certificate in Master Diving (Level 4), National Certificate in Diving (Instruction) (Level 6), and the NZIM Certificate in Management (Level 4). The evaluation also included Workplace Literacy, which does not lead to a qualification but builds employees' communication skills in their workplace.

Workplace Literacy was chosen because it represents the largest single group of students; the NZIM Certificate in Management was chosen because it is delivered by distance learning; and the dive programmes were included as they represent training which involves high risk. These programmes represent three of the four programme areas offered by Cornerstone, with bicycle mechanics being the fourth and involving a small number of students.

The mandatory focus area of governance and management was also included to provide an overview of the strategic and operational levels of the organisation.

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.

A team of two evaluators visited three of the organisation's six sites, which included the national office. The evaluators interviewed the chair and members of the advisory board, the chief executive and management team, teaching staff, and students. Stakeholders were interviewed by phone. A wide range of the organisation's records and documents were also reviewed.

Summary of Results

Statement of confidence on educational performance

NZQA is **Confident** in the educational performance of **Cornerstone Education Limited**.

The main reasons for reaching this level of confidence are:

- Student achievement rates are meeting the Tertiary Education Commission (TEC) targets, and are rising overall.
- The students are making good levels of improvement across a range of personal development areas such as work-readiness, communication skills, confidence, and in some cases including significant positive life changes.
- The organisation works closely with its client companies, local iwi, and certification and regulatory bodies, resulting in both a high level of met needs and outcomes of value.
- Internal moderation is well planned and provides a good level of assurance of assessment consistency, standards being met, and results being validated.
- Programmes are well planned and tutors have appropriate qualifications and experience. Performance appraisals and professional development have sufficient rigour and detail to ensure the quality of teaching is monitored and maintained.
- Across all programme areas reviewed, there was strong student support in evidence, and clear evidence of a caring organisational culture with a good level of respect and engagement between students and staff.
- Since the amalgamation of four PTEs into one, Cornerstone has restructured and appointed a chief executive, and is in the process of developing the advisory board into a board of directors to strengthen its governance role.
- Across all programme areas and sites reviewed, there were good processes and understanding of maintaining safety and compliance.
- These points are further expanded in the Findings section of this report.

Statement of confidence on capability in self-assessment

NZQA is **Confident** in the capability in self-assessment of **Cornerstone Education Limited**.

The main reasons for reaching this level of confidence are:

- Cornerstone has developed a very detailed self-assessment system, has extensive data collation and analysis, and is developing processes for ensuring all staff understand the data analysis and findings that contribute to quality improvements.
- There is a clear organisational culture which focuses on delivering a quality product, and developing and implementing ongoing improvements.
- Across all sites and programmes reviewed, staff had a wide range of qualitative data and anecdotes of students' and graduates' success. There is room for this rich set of data to be used in a more coordinated and structured manner to monitor and review these success factors, and to share the learnings across the organisation for ongoing improvements.
- The organisation develops a good level of understanding of students' and client company needs, for example in the Workplace Literacy programme, using company documentation and industry-specific terms to develop learners' individual learning plans.
- Regular and appropriate student surveys are used to gain input from the students' experience. Surveys show high levels of satisfaction, and results are analysed and used to feed into ongoing improvements.
- Senior staff had a good level of analysis and understanding of the organisation's overall educational performance. However, this was less clear at the delivery sites, in terms of educational achievement and outcomes (employment or other further training) within their programmes.
- Within the dive programmes, the evaluators noted a strong understanding of students' needs and processes to support students to succeed. There was a strong understanding also of the benefits to students and their local communities. This is especially strong through connections with local iwi and their focus on kaitiakitanga, with students developing a strong understanding of conservation, e.g. of the sea bed, and responsibility for protecting and collecting kai moana. This is on top of a good understanding around students developing the skills and knowledge to dive safely and graduate.
- These points are further expanded in the Findings section of this report.

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 **Good**.

Student achievement rates overall have risen over the past four years, but there is some variation across the programme areas. For example, the NZIM Certificate in Management students have high achievement rates, around 85 per cent, while the dive programme students are somewhat lower, but range from 45 to 100 per cent.

The organisation's understanding, through its self-assessment, of factors leading to these variations is reasonably strong. For example, the NZIM students are mostly employed and appear to be highly motivated, with some particularly strong anecdotes of students gaining promotions or being placed on leadership programmes as a result of their study. Across the dive programmes, the informal feedback, especially in Northland, from students is of significant contributions to the community, and raised awareness and understanding of kaitiakitanga, with students building their awareness of conservation and responsibility for kai moana.

Table 1 shows student achievement rates for course and qualification completions. They are meeting the TEC investment plan targets. Course completions rates have been trending up over the past four years. This is the most reliable indicator of improving achievement rates.

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

Table 1. Tertiary Education Commission published educational performance indicators³					
	2010* %	2011* %	2012* %	2013* %	2014 %
All students Course completions	66	73	72	80	To be completed after TEC publication
All students Qualification completions	74	75	63	75	
Māori Course completions	61	69	76	71	
Māori Qualification completions	73	100	72	74	
Pasifika Course completions	61	72	67	73	
Pasifika Qualification completions	78	75	56	61	
* The data for 2010 to 2013 relates to the PTE under its previous name, Adventure Education, prior to amalgamating with three other PTEs.					

Cornerstone has well-developed plans for further lifting educational performance at course and qualification levels. These plans are being actively implemented, and there is some clear evidence showing they are being effective. However, Cornerstone will need to monitor student achievement rates carefully, adjust its improvement plans, and ensure all staff are well informed and have the tools they need to improve student learning results. The organisation has set performance benchmarks, using internal targets.

Māori and Pasifika achievement rates vary between slightly below and above those for the overall student group, showing that they are achieving at equivalent levels. This indicates that Cornerstone is working well with Māori and Pasifika learners and programmes are meeting their needs.

At head office level the organisation has a considerable amount of data on student achievement. This is analysed and graphed across programmes, and across ethnic and under 25-year-old groups. While this is resulting in national office management understanding the dynamics of student achievement, across the

³ www.tec.govt.nz/educational-performance. This data refers to the previous four PTEs' performance. Cornerstone's data as a single PTE starts in 2014.

programmes and sites visited at this evaluation there was not a good understanding of student achievement rates. This may be hindering organisation-wide strategies to lift achievement. Following the evaluation meeting with the advisory board, a decision was made to place educational performance as a standing item on the chief executive's report to the board to bring an even closer level of attention to educational achievement at the governance level. This is an enhancement of an already strong board focus on student achievement and overall organisational educational performance, which the PTE has been reviewing regularly.

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**.

Cornerstone is very focused on students' and stakeholders' needs. This was particularly apparent in the Workplace Literacy programme, with individual learning plans being developed from workplace examples. While this is standard practice for embedding Workplace Literacy requirements into training, the evidence suggests this is particularly effectively used at Cornerstone, as shown by the strong gains in literacy as measured against the TEC progressions step, with some learners making a full step gain and a few making up to two step gains. There was a similarly strong focus in the other programmes reviewed, with the NZIM students' needs being well met and outcomes of value being gained, as were those in the dive programme. This was evidenced largely through student stories and anecdotes. The evaluators observed that tutors and managers had a good understanding of the value students and stakeholders gain from the programmes. For example, NZIM students had gained employment and had applied financial competencies at work and in their home lives, with one gaining a place on an emerging leaders programme in their workplace. Similarly on the dive programme, there were many stories of students gaining significant value, such as regaining their mana with whānau and iwi, by learning new skills to gather kai moana for the family and for marae events.

While these strong human stories were well known by staff, the organisation does not yet have a process to collate and review these for patterns or trends, or to maximise their learnings across programmes or sites. This is currently a rich source of qualitative data that could be better utilised.

The organisation's self-assessment tracks graduate outcomes and shows they are getting significant value from completing their qualifications, with positive outcomes rising between 4 per cent and 12 per cent across programmes, except for one between 2013 and 2014. The one programme with lower positive outcomes only dropped slightly, from 92 per cent to 89 per cent. These results show that Cornerstone's self-assessment processes monitor the value of outcomes well.

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There is some evidence that students are making significant gains in ‘soft skills’⁴, such as confidence to take part in team meetings, speaking in front of groups, or in one case overcoming a significant fear of the ocean and eventually graduating to becoming a dive instructor.

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 **Good**.

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

Cornerstone has developed programmes that largely match the needs of the students. They are pitched at the right level for the students they enrol, and meet the requirements of the national qualifications they lead to, and the requirements of the certifying body (SSI)⁵, and standard-setting bodies.⁶ This was evidenced at this evaluation through programme planning, individual learner plans, assessment processes and check processes to validate marking (moderation), as well as student surveys – which are mostly very positive – and direct stakeholder feedback to the evaluators during this evaluation.

The organisation has a range of processes to ensure the programmes match students’ intentions – for example the Certificate in Management learners can complete the first paper before completing their enrolment – and supporting potential dive students who have a fear of water. This is an effective process which contributes to ensuring the organisation only enrolls students who are likely to succeed. However, as noted, there are some other issues yet to be addressed to lift student achievement levels.

The organisation was able to provide assurance that it is delivering programmes as they were approved by NZQA, and this is monitored across all sites and programmes on an ongoing basis.

Cornerstone regularly surveys students to determine how well their needs are being met, and the levels of satisfaction with all aspects of the training. The organisation’s analysis of these surveys shows students are largely very positive about the learning. As noted, the organisation has a less formal process for determining how well other stakeholder needs are being matched, but regular informal feedback is providing a good level of evidence across all programmes that

⁴ <https://nationalcareersservice.direct.gov.uk/aboutus/newsarticles/Pages/Spotlight-SoftSkills.aspx>

⁵ Scuba Schools International – <http://www.divessi.com/>

⁶ NZQA, Skills Active Aotearoa, ServicelQ, and Competenz.

stakeholders' needs are being matched. As noted under Findings 1.2, this rich source of qualitative data could be better utilised.

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**.

Cornerstone employs well-qualified and experienced staff for the level of programmes offered. There are sound processes for monitoring teaching performance through annual performance appraisals, and these are linked to professional development. Appraisal documents reviewed at this evaluation confirm that a good level of detail and feedback is provided to tutors, and professional development is linked to appropriate areas of professional development, such as gaining specific unit standards in competency-based assessment, or attending Workplace Literacy workshops and symposia. The organisation is exploring options for peer observations and peer tutoring to further support tutors to share good practice.

Across the programmes reviewed at this evaluation there was evidence of an appropriate level of resourcing for the level of programmes offered, and tutors commented that any reasonable requests for resources were acted on by management very quickly. Staff noted that they felt very well supported by management, and the evaluators noted a respectful rapport between staff and management.

Student surveys contribute to feedback for tutors on students' satisfaction with their progress and any issues arising with learning or assessment materials. Both staff and students noted that this process worked well, and learning and assessment material was mostly at an appropriate level and fit for purpose. The organisation facilitates tutors meeting in regional hubs to share teaching practice, which provides valued opportunities for staff to learn from each other.

The evaluators noted that opportunities were provided for students to catch up if they missed sessions or were otherwise getting behind. In some cases where students were falling behind, they were grouped according to their level of motivation or need for one-to-one support. This process appears to be particularly effective. Overall, there was a reasonable level of evidence to suggest the teaching is effective.

Cornerstone benchmarks its distance learning (NZIM programme) success against other similar distance learning providers, and this indicates that for some years and in some programmes, Cornerstone is above other providers and in others they are below. The evaluators consider this benchmarking to be a sound process and shows Cornerstone has a commitment to compare and improve their performance.

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**.

The organisation provides a high level of support for students at the point of enrolling, and a caring, supportive environment is provided during the course of study. A personal interest is shown in the students, and the evaluators observed a high level of respect and caring between students and tutors. Examples of this included tutors phoning students' homes when they missed a day, or running a van to students' homes to pick them up to ensure they attend. On one site, the programme manager took over some of the paperwork for the scheduling of tutoring and monitoring of attendance to allow tutors more time to focus on students' needs. These processes are monitored and indicate that the extra support provided to improve students' attendance is resulting in improved achievement and retention rates.

Student surveys across all programmes indicated a high level of satisfaction with student support, and tutors are available and able to direct students to outside agencies for additional support.

The dive programme has negotiated discounted rates for students to purchase dive gear, which has helped students to afford what is relatively expensive equipment. Appropriate information on employment and further training is provided to students.

The organisation's self-assessment, as noted, has a level of reliance on informal feedback and anecdotes, and there is incomplete knowledge or understanding of students progressing to further training or employment. While there is a reasonable level of knowledge of students contributing to their communities, especially from the dive programmes, self-assessment could be strengthened in this area.

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**.

The organisation has clear purpose and direction, and is currently undertaking growth. This appears to be well considered and a good level of oversight is provided through the advisory board and contractors carrying out appropriate due diligence. The amalgamation of the four PTEs into one, and the subsequent restructuring, has resulted in some improvements in learner achievement rates, and discussions with the board and senior management indicate that there is a good level of knowledge of what is required to further lift achievement rates.

The advisory board members bring a good breadth of skills appropriate to an educational institution. There are clear processes for the flow of information from delivery sites through the operations manager to the chief executive to the board.

Following the evaluators' meeting with the board, a decision was made to add 'educational achievement' as a standing item to the board minutes to further ensure the board is regularly updated on achievement rates. As noted, this is an enhancement on an already strong board focus on student achievement and overall organisational educational performance, which is reviewed regularly and used to make informed decisions around implementing a range of resourcing and other improvements.

Cornerstone's sole owner-director is in the process of transitioning the advisory board into a board of directors, which is timely and likely to provide a stronger governance structure as the organisation grows.

The organisation has appropriate emergency management plans and conducts regular compliance checks against current best practice for its dive programmes. These include referencing the standard ASNZ 2299.3⁷ and the Guidelines for Occupational Diving.⁸

Cornerstone has appointed appropriately qualified and experienced staff in the management, teaching and administration roles and has established effective processes to monitor staff performance and provide or support appropriate ongoing professional development.

The organisation in its current form (four PTEs merged into one) is less than 12 months old. However, the evaluators consider that management has implemented changes in a well-planned manner and ensured sites are well resourced and well appointed. As noted, Cornerstone is a relatively new grouping under the existing registration status, previously known as Adventure Education. Since this amalgamation in late 2014, the management and new advisory board have been able to identify a number of areas where changes have been made that the organisation and the evaluators consider are likely to lead to improvements. At this early stage, Cornerstone has not yet had sufficient time to identify the evidence to show these changes are leading to meaningful improvements in learner achievements and outcomes, or to processes contributing to these.

The organisation's approach to self-assessment is highly developed in its quantitative data analysis, with extensive use being made of this to determine educational performance. As noted, the collation and analysis of qualitative data, while used and understood extensively by tutors and management, is not yet fully or formally planned and analysed. The organisation is aware, through its self-assessment processes, of the areas for improvement, and has well-developed plans to address these.

⁷ <http://shop.standards.co.nz/catalog/2299.3%3A2003%28ASNZS%29/view> and http://www.supportadventure.co.nz/system/files/Good_Practice_Resources_0.pdf

⁸ <http://www.business.govt.nz/worksafe/information-guidance/pdf-documents-library/diving-2004/diving-1008.pdf>

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: Workplace communication programme

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

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

2.3 Focus area: Business management programmes

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

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

2.4 Focus area: Dive programmes

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 Cornerstone:

- Continue to develop monitoring processes to determine the extent to which changes made across the organisation are resulting in meaningful improvements to students' learning and outcomes, and processes contributing to this.
- Explore how best to collate and analyse the rich data from students' success stories and the value gained by students and other stakeholders, to enable learnings to be taken from these and further contribute to students' success.
- Develop processes to share the rich quantitative data analysis with staff across programmes and delivery sites, to further engage them and raise their awareness of student achievement rates within their programmes.

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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