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External Evaluation and Review Report



Cornerstone Education Limited

Date of report: 18 November 2019

About Cornerstone Education Limited

Cornerstone's mission is to 'prepare people for successful employment' across New Zealand. One division delivers programmes online (mostly business management) and the other division, tailored literacy and numeracy training within workplaces.

Type of organisation:	Private training establishment (PTE)
Location:	Floor 10, 62 Victoria Street, Auckland
Code of Practice signatory:	No
Number of students:	Domestic: 2063 (455 equivalent full-time students (EFTS) in 2018) Māori 400/19 per cent and Pasifika 517/25 per cent
Number of staff:	39 full-time equivalents
TEO profile:	<p>See: NZQA – Cornerstone Education Limited</p> <p>Aspire2 Group Limited took ownership of Cornerstone in December 2016.</p>
Last EER outcome:	NZQA was Confident in the educational performance and Confident in the capability in self-assessment of Cornerstone Education Limited at the previous external evaluation and review (EER) in 2015.
Scope of evaluation:	<ul style="list-style-type: none">• New Zealand Diploma in Business (Level 5) (NZQA-approved programme) (120 EFTS in 2018 – 26 per cent of total EFTS)• Workplace Communication (non-NZQA approved programme) (38 EFTS in 2018 – 8 per cent of total EFTS)
MoE number:	8365
NZQA reference:	C34186
Dates of EER visit:	16 and 17 April 2019

Summary of Results

Cornerstone is meeting many important needs of its students/learners and business stakeholders. Most processes are effective, but there were some flaws in the assessment and moderation practice, which are now being addressed. The majority of priority areas were effectively reviewed informing decision-making, contributing to a range of improvements.

Confident in educational performance

- Workplace Communication Division: over three-quarters of the learners make measurable gains, positively impacting on their workplace and personal life. Business clients' expectations are mostly met, there is considerable repeat business, and many recommend the organisation. Key processes are highly effective in this focus area.
- Online Division: 80 per cent of the New Zealand Diploma in Business (Level 5) students are completing their studies; 90 per cent of the students are in paid work and are applying their learning in their workplace. However, external moderation identified some flaws in assessment design and practice.¹ Cornerstone is addressing these concerns as a top priority.
- The workplace communication training and business management programme effectively support most students to stay engaged and complete their studies.
- The leadership has revised the strategic direction and structures, enabling a range of improvements and some high-quality performance.
- Reflective self-assessment systems are operating well across most key areas. Data is collected, monitored and analysed and used in decision-making and various improvements.
- Key compliance requirements have been effectively managed, with one significant exception: the condition imposed as a result of poor moderation results.

¹ On 3 October 2019, NZQA imposed a statutory condition on this programme, and Cornerstone is undertaking remedial work here as a consequence.

Key evaluation question findings²

1.1 How well do students achieve?

Performance:	Good
Self-assessment:	Good
Findings and supporting evidence:	<p>Cornerstone offers online business management programmes to students who are mostly employed; of these the New Zealand Diploma in Business (Level 5) has the highest enrolments.</p> <p>Eighty per cent of the 2018 diploma students completed their papers³, below the Tertiary Education Commission commitment, but above two polytechnics also offering online level 4-7 programmes.⁴ Māori students (24 per cent of diploma enrolments) completed at a higher rate, while the smaller number of Pasifika students had lower completions. These seemed strong results for an online programme.</p> <p>A recent round of poor external moderation results in the diploma⁵ reduced confidence in the validity of some of these results, but Cornerstone's quick and comprehensive attempt to remedy these failings must also be acknowledged</p> <p>The PTE also offers work-based communication (literacy and numeracy) training. Seventy-five per cent of the learners made measurable gains in the four key language skills in 2018. Over half were Māori and Pasifika, who made gains similar to other learners, an exemplary result. Around 80 per cent of learners surveyed (459) reported both improved confidence and communication skills. The PTE's understanding of</p>

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

³ The programme has been offered since late 2017 and only a small cohort had graduated at the time of the EER site visit.

⁴ See Appendix 1, Table 1 for details. The course completion rates of the other business management programmes were also close to 80 per cent (in 2017) or above (in 2018).

⁵ NZQA-commissioned external moderation findings identified significant issues with some assessment materials.

	achievement is comprehensive and used to support ongoing and improving performance. The workplace communication training results are excellent.
Conclusion:	Student achievement, across all delivery, was generally sound. The understanding of achievement is strong, and often used to support student achievement and improvements. Assessment practices in the business programme will, however, need immediate improvement, as Cornerstone recognises.

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

Performance:	Good
Self-assessment:	Good
Findings and supporting evidence:	<p>The core purpose of Cornerstone is to prepare people for successful employment. There is mostly sound evidence of its training contributing to this key objective.</p> <p>Over 90 per cent of the New Zealand Diploma in Business students and graduates are in paid work. Each paper requires some application of their learning to their workplace. Most of the 300 student survey respondents reported some application of their new skills and knowledge, as did a small sample of employers. Interviews (conducted during this evaluation) with a random selection of graduates and students supported this finding. Also, nearly all 300 respondents in a 2018 student survey would recommend this programme to others.⁶</p> <p>The workplace communication learners and business clients report improved communication directly linked to workplace roles. Three-quarters of the surveyed business clients reported positive impacts on the business, while over 80 per cent of the surveyed learners said their new skills helped them in their job and at home. Over half of the learner groups presented a business improvement project at graduation to their managers, where they identified and recommended a change in business practices.</p> <p>Most of the surveyed business clients would or have recommended the training to others, and over half of the</p>

⁶ This was 35 per cent of those enrolled in 2018.

	business clients are repeat clients. Each business client receives a report detailing how well the programme has met its key objectives.
Conclusion:	Cornerstone provides its students and business clients with generally strong outcomes. Often high-quality self-assessment practice monitors key performance and has been used to support ongoing improvements.

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

Performance:	Marginal
Self-assessment:	Good
Findings and supporting evidence:	<p>Cornerstone has designed, gained approval and begun delivery of a suite of online business management programmes, implementing its revised strategic direction. After some initial challenges, the mostly part-time students have found the relevant content and assessment accessible and user-friendly; the move to a new online platform has had a significant impact.</p> <p>Cornerstone internally and independently moderated all its New Zealand Diploma in Business assessments, and thereby gained assurance that they were reliable. However, external moderation revealed flaws in the assessment design and some marking and therefore concerns regarding internal moderation practice. These concerns are being addressed, as noted above.</p> <p>Cornerstone offers workplace communication training predominantly in the main urban centres. Its well-tested needs analysis robustly identifies the communication requirements of the workplace roles. This informs training objectives and programmes tailored to individual workplace and the learners. Training consistently meets business and learner expectations.</p> <p>Programme coordinators and management effectively monitor the performance of each contract and there is clear reporting. The self-assessment information in this focus area is comprehensive and of high quality. There have been ongoing improvements to better meet the needs of the key stakeholders.</p>
Conclusion:	The focus area business management programme is meeting many of the important needs of its students. The workplace

	communication programme and activities match well the needs of the learners and the business clients. The reviews of performance are mixed.
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1.4 How effectively are students supported and involved in their learning?

Performance:	Good
Self-assessment:	Good
Findings and supporting evidence:	<p>The PTE's online division has effectively supported (predominantly business management) students to stay engaged and complete their papers; 80 per cent did so in 2018. The division established online tutor and student support roles and methodically recruited suitable personnel. Management monitors key activity systematically, including response times to student communication and for the completion of marking. Cornerstone students interacted more with the digital platform than students from some other hosted vocational programmes.⁷ The 2018 student feedback reported that nearly all students were satisfied with the support received.</p> <p>An unexpectedly high number of diploma enrolments in 2019 increased staff workloads which Cornerstone mostly addressed by pausing marketing and recruiting new staff.</p> <p>The workplace communication tutors and programme coordinators provide consistent and effective support to the learners. The programme coordinator meets with and identifies the needs of learners and business clients, allocates the tutors to each contract, and maintains periodic contact with the learners. The tutors are appropriately qualified and have relevant experience. Around 90 per cent of the learners said their tutor was prepared, knowledgeable and interested in their learning. Learners have individual learning plans with clear objectives; over three-quarters of them said they achieved their personal and programme objectives. The key roles, established systems and people are ensuring that the learners are well supported.</p>
Conclusion:	Cornerstone has been effective in supporting most students to complete their learning. Self-assessment is generally sound and

⁷ Benchmarking information was provided by the company hosting the digital platform.

	actively used to support ongoing improvements.
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1.5 How effective are governance and management in supporting educational achievement?

Performance:	Good
Self-assessment:	Good
Findings and supporting evidence:	<p>Cornerstone has been part of the Aspire2 Group since late 2016. The group provides substantive governance, strategic direction and independent quality assurance. It requires significant reporting and accountability for educational performance.</p> <p>Aspire2 has coherently restructured Cornerstone, investing in people and resources to support effective operation. There is a methodical approach to recruiting and developing the staff and leadership of the two divisions. The distance learning division management has developed and grown a new area of training, identifying key needs and addressing emerging issues. The PTE maintains a comprehensive moderation system; however, a systematic response is required to the identified gaps. The workplace communication division leadership has effectively managed and improved performance in a well-established and expanding area of training.</p> <p>The two Cornerstone divisions have a reflective self-assessment culture. This approach has contributed to improved performance using typically good-quality data. Capable people, supported by evolving operating systems, are evident in most key activity areas. Any gaps are addressed as they are identified.</p>
Conclusion:	The governance and management of Cornerstone have been generally effective in supporting educational performance. Most gaps have been effectively addressed. Self-assessment covers all areas, is often robust, and there are multiple examples of ongoing improvements.

1.6 How effectively are important compliance accountabilities managed?

Performance:	Marginal
Self-assessment:	Good
Findings and supporting evidence:	<p>The Aspire2 Group stays current with evolving regulatory requirements. It periodically audits Cornerstone, recently confirming key quality management policies as fit for purpose. The distance learning division has identified the notional hours for its papers to ensure the approved learning hours are delivered. Cornerstone has formal procedures to ensure eligible students are enrolled. It has engaged qualified and experienced staff and implements professional development plans to build its capability.</p> <p>The one significant weakness identified by NZQA has been managing the quality of assessment in the diploma programme. This has led NZQA to impose a condition on that programme, and Cornerstone to take immediate corrective actions.</p> <p>The workplace communication division has effective procedures for managing its key compliance requirements including:</p> <ul style="list-style-type: none"> • Ensuring learners are eligible • Assuring appropriate learning hours are delivered • Assessing each learner using the literacy and numeracy tool for adult assessment, with the results analysed and reported • Developing health and safety plans with workplace clients • Keeping a detailed log of ongoing improvements that address emerging issues. <p>Cornerstone states that there have not been any significant legal or ethical issues since taking ownership. No process gaps were identified during this evaluation, other than those noted within the condition.</p>
Conclusion:	Cornerstone has effectively managed most of its key compliance requirements, with one significant gap. Review processes have enabled the PTE to stay current and compliant with most important regulatory accountabilities.

Focus Areas

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

2.1 Focus area: New Zealand Diploma in Business (Level 5)

Performance:	Good
Self-assessment:	Marginal

2.2 Focus area: Workplace Communication

Performance:	Excellent
Self-assessment:	Excellent

Recommendations

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

NZQA recommends that Cornerstone Education Limited:

- Track, analyse and report the targets for responding to communication and completing marking. Compare the latter data with the moderation results for the tutors.
- Undertake an independent review of moderation practice and the assessment materials for all online programmes, including identifying and addressing any gaps in the capability of the assessors.

Requirements

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

Cornerstone must comply with the condition imposed on its diploma programme by NZQA on 3 October 2019.

Appendix 1

Table 1. Course completion rates for New Zealand Diploma in Business (Level 5) and for all level 4-7 programmes, 2017-2018 (percentage of total students)

	2017 %	2018 %
Course completions	78	80
Course completions Tertiary Education Commission commitment	85	85
Open Polytechnic course completions (level 4-7 programmes)	70	NA
SIT course completions (level 4-7 programmes)	79	NA
Māori course completions	78	87
Pasifika course completions	67	68
Non-Māori or Pasifika course completions	NA	80

Source: Tertiary Education Commission and Cornerstone data

Appendix 2

Conduct of external evaluation and review

All external evaluation and reviews are conducted in accordance with NZQA's published rules. The methodology used is described in the web document <https://www.nzqa.govt.nz/providers-partners/external-evaluation-and-review/>. The TEO has an opportunity to comment on the accuracy of this report, and any submissions received are fully considered by NZQA before finalising the report.

Disclaimer

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

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

- *Identify organisational fraud⁸*
- *Provide comprehensive coverage of all programmes within a TEO, or of all relevant evidence sources*
- *Predict the outcome of other reviews of the same TEO which, by posing different questions or examining different information, could reasonably arrive at different conclusions.*

⁸ NZQA and the Tertiary Education Commission (TEC) comprehensively monitor risk in the tertiary education sector through a range of other mechanisms. When fraud, or any other serious risk factor, has been confirmed, corrective action is taken as a matter of urgency.

Regulatory basis for external evaluation and review

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

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

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

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

In addition, the Private Training Establishment Rules 2018 require registered private training establishments to undertake self-assessment and participate in external evaluation and review as a condition of maintaining registration. The Private Training Establishment Registration Rules 2018 are also made by NZQA under section 253 of the Education Act 1989 and approved by the NZQA Board and the Minister for Tertiary Education, Skills and Employment.

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

This report reflects the findings and conclusions of the external evaluation and review process, conducted according to the Quality Assurance (including External Evaluation and Review (EER)) Rules 2016. The report identifies strengths and areas for improvement in terms of the organisation's educational performance and capability in self-assessment.

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

External evaluation and review reports are public information and are available from the NZQA website (www.nzqa.govt.nz). All rules cited above are available at <https://www.nzqa.govt.nz/about-us/our-role/legislation/nzqa-rules/>, while information about the conduct and methodology for external evaluation and review can be found at <https://www.nzqa.govt.nz/providers-partners/external-evaluation-and-review/>.

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