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Report of External Evaluation and Review

Nelson Technical Institute Limited

Confident in educational performance

Confident in capability in self-assessment

Date of report: 10 May 2017

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Final

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:	Nelson Technical Institute Limited (NTI)
Type:	Private training establishment (PTE)
First registered:	1992
Location:	3 Elms Street, Wakatu Industrial Estate, Stoke, Nelson
Delivery sites:	As above
Courses currently delivered:	<ul style="list-style-type: none">• New Zealand Certificate in Foundation Skills (Level 1) (incorporates NCEA levels 1 and 2 and non-trade vocational pathways (Construction and Infrastructure and Social and Community Services)• Certificate in Motor Industry Fundamental Skills and Knowledge (Level 2)• National Certificate in Electrical Engineering (Level 2)• New Zealand Certificate in Automotive Engineering (Level 3)• NTI Certificate in Commercial Road Transport (Level 3) (incorporates National Certificate in Good Service (Core Skills) with Strands in Dangerous Goods and Forklift)• Pathway to Success – courses delivered to Ministry of Social Development (MSD) Training for Work clients

- A variety of short courses for industry, including Forklift; Class 2-5 driver licensing; Wheels, Tracks and Rollers; Dangerous Goods

Code of Practice signatory: N/A

Number of students: Domestic: 93 EFTS (equivalent full-time students) in 2016:

- 48 Youth Guarantee (20 EFTS)
- 37 Student Achievement Component (29 EFTS)
- 45 MSD (40 EFTS)
- 324 industry short courses (four EFTS)

Approximately 23 per cent of students are Māori, 1 per cent are Pasifika, and 6 per cent other ethnicities. The remainder are European New Zealand.

International: nil

Number of staff: Five full-time and three part-time staff

Scope of active accreditation: In addition to the qualifications listed above, NTI has active accreditation for

- New Zealand Certificate in Commercial Road Transport (Levels 2 and 3)

NTI has consent to assess a wide range of domains; refer:

<http://www.nzqa.govt.nz/providers/nqf-accreditations.do?providerId=965619001>

Distinctive characteristics: NTI offers flexible, self-paced programmes with a focus on foundation and skills-based training. The primary focus of training is on automotive engineering, electrical engineering and commercial road transport up to level 3 and funded by the Tertiary Education Commission (TEC) (through Student Achievement Component funding and Youth Guarantee funding) and MSD. The New Zealand Certificate in Foundation Skills and Pathway to Success courses incorporate unit standards from these areas. Industry fully funds the short courses.

Recent significant changes: Since the previous external evaluation and review (EER), NZQA has approved the following new programmes:

- New Zealand Certificate in Commercial Road Transport (Levels 2 and 3)
- New Zealand Certificate in Automotive Engineering (Level 3)
- New Zealand Certificate in Foundation Skills (Level 1) (incorporates NCEA levels 1 and 2)

In recent years NTI has experienced significant staff turnover, including a new appointment to the operations manager role in late 2015 and then again in April 2016, and in 2016 four tutors and the administrator. A tutor had resigned and was due to depart immediately after the EER.

Previous quality assurance history:

At the previous EER in 2013, NZQA was Confident in the educational performance and capability in self-assessment of NTI.

NTI did not fully meet the national external moderation requirements of NZQA during the period 2013-2016. During 2013 and 2014, issues were identified with core skills unit standards, although improvements are evident overall in 2015 and 2016. In 2016, issues were identified with one mathematics and one numeracy standard.

In 2016 NTI did not meet standards for post-assessment moderation by the industry training organisation, The Skills Organisation, for six out of seven unit standards. The moderation report expressed general confidence in assessment practice, subject to closer attention to detail and provision of additional information. NTI met MITO (Motor Industry Training Organisation) standards for post-moderation in 2015 and 2016. In 2016, MITO visited NTI and the new automotive tutor participated in a MITO cluster moderation event. MITO has expressed confidence in NTI and noted the value of the new tutor's industry expertise.

Other:

NTI has been delivering vocational courses to meet the social and labour market needs of the Nelson region since 1992. Training is delivered

from a facility which includes a mechanical workshop equipped to deliver practical content for automotive training, as well as equipment and vehicles for driver training, including a recently purchased large truck.

2. Scope of external evaluation and review

The scope of the EER included:

- New Zealand Certificate in Foundation Skills (Level 1) (incorporates NCEA levels 1 and 2) – a 40-week Youth Guarantee course. This programme was approved in January 2017 by NZQA and replaces the National Certificate in Employment Skills (incorporates NCEA levels 1 and 2).
- NTI Certificate in Commercial Road Transport (Level 3) – one of NTI's main areas of delivery. NTI received NZQA approval to deliver the replacement New Zealand Certificate in Commercial Road Transport (Level 3) in December 2016, but reports that it contains insufficient credits and industry-related content to meet stakeholder needs. NTI has applied for a programme change.

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.

Two evaluators visited NTI over two days to conduct the EER. During the visit, the evaluators met with the owner, the operations manager, two tutors and 13 current students from the focus area programmes. Telephone conversations were held with external stakeholders including employers, graduates and representatives of MITO, MSD and a local college which refers young learners. A range of NTI's documents and records were also reviewed.

Summary of Results

Statement of confidence on educational performance

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

- NTI is meeting many of the most important needs of learners and other key stakeholders.
- There is good evidence that trainees are completing courses and qualifications, and moving into sustainable employment. Other positive outcomes include measurable gains in literacy and numeracy skills, improved communication and social skills, and a growth in confidence.
- Local motor industry and commercial transport companies benefit from a supply of skilled and qualified graduates as well as access to short courses for upskilling current staff.
- NTI is meeting funder expectations, including contracted outcomes for the MSD-funded Training for Work programmes.
- An interview and selection process determines the suitability and motivation of trainees for courses as well as providing useful information on learning needs. Trainees are able to enrol in programmes at any time and complete unit standards at their own pace.
- Trainees are supported in their learning by tutors with relevant industry experience and an understanding of the key requirements for employment. Their progress is closely monitored by tutors and management.
- Assessment and moderation processes are generally thorough and robust. While not all tutors hold the minimum unit standards in assessment and moderation, appropriate supervision and support is in place until this is remedied.
- NTI needs to pay more attention to ensuring all programmes reflect changes in subject content and technologies, and that learning activities and resources are engaging for students.
- High rates of staff turnover during late 2015 and early 2016 had an impact on the effectiveness of some of the processes for monitoring educational quality. There is good evidence that these issues are now being systematically addressed and that NTI is being managed effectively.

Statement of confidence on capability in self-assessment

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

- The evaluators found, across a range of areas, that NTI is gathering and analysing information in an ongoing way to understand and improve educational performance. Generally, the approach taken is fit-for-purpose for a small organisation in a community setting.
- Since the previous EER, NTI has improved its systems and capability for analysing achievement data and has a good understanding of learner achievement at the individual level, by ethnicity, by funding category and by programme. Trends over time are also monitored.
- Greater consistency and focus on administering the TEC literacy and numeracy assessment tool has resulted in reliable data which clearly shows learner gains in literacy and numeracy. NTI recently increased the focus on improving retention, although it is too soon to establish the effectiveness of this.
- NTI has largely informal approaches to gathering feedback from employers, and provided examples of changes which they report were prompted by industry feedback. Engagement with community stakeholders has improved following recent key appointments. However, the evidence of feedback being gathered from external stakeholders and used for improvement could be strengthened.
- NTI is aware of, and responsive to, individual trainee needs. In addition, NTI administers course surveys to gather trainee feedback. However, it is not evident that this process is particularly useful or that the findings are being shared with relevant staff or used to identify improvements.
- Graduate outcomes are monitored for up to one year for all MSD-funded trainees, as is required by the contract, and the data is analysed for reporting. While destination data for Youth Guarantee trainees is gathered and recorded, it is not apparent that it is analysed or that any reflection on this information is taking place to understand the value or merit of individual programmes.

Findings¹

1.1 How well do students 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**.

Learner achievement at NTI has been generally strong since the previous EER (see Table 1), comparing well with achievement at similar providers. During 2015 there was a dip in achievement, which reflected staff performance issues which have since been addressed. In addition to achieving unit standards and licences, NTI trainees also improve their ability to learn, and are developing increased confidence and improved communication and social skills. This represents a significant achievement for many of NTI's trainees who have limited experience of academic success.

Table 1. Course completion and qualification completion rates (%) for Youth Guarantee and Student Achievement Component-funded students, 2013-2015 (published TEC educational performance indicator data)

	2013	2014	2015
Youth Guarantee			
Course completion	81	93	52
Qualification completion	110	72	52
SAC-funded			
Course completion	81	92	75
Qualification completion	58	87	71

Provisional data for 2016 indicates improved learner achievement (e.g. course completion overall 76 per cent at the time of the EER). Improvement is also evident for the focus area programmes. The course completion rate for the Certificate in Employment Skills (which was delivered to the end of 2016 and has since been replaced by the New Zealand Certificate in Foundation Skills) is 62 per cent and 61 per cent for the vocational pathway. The course completion rate for the Certificate in Commercial Road Transport is 88 per cent.

Approximately 23 per cent of NTI's trainees are Māori, and NTI's data indicates that, across the three main funding categories, Māori learner achievement is generally at the same level as non-Māori.

For the MSD-funded Training for Work programmes, NTI achieved 59 per cent successful employment outcomes (at 182 days) and 83 per cent sustainable

¹ The findings in this report are derived using a standard process and are based on a targeted sample of the organisation's activities.

employment outcomes (at 12 months) for the 2015-2016 contract year compared with the contracted minimum of 60 per cent and 50 per cent of that 60 per cent respectively. MSD reports that this compares favourably with other regional providers. For the 2016-2017 contract year, NTI reports that employment is approximately 64 per cent at the time of the EER.

NTI has identified that a focus on retention could improve educational performance overall. As part of this, a revised interview and selection process has recently been implemented to establish trainees' motivation and likelihood of success. It is too soon to know the impact of this initiative on retention rates.

During 2016, NTI has improved its testing regime for literacy and numeracy skills, using the TEC assessment tool. NTI is consistently testing at beginning, mid-point and end of study, and there are measurable gains for many learners at steps 2 and 3 of the progressions. This is particularly relevant for Youth Guarantee trainees' achievement of NCEA levels 1 and 2.

NTI has good systems for gathering and using learner achievement data. Individual trainee progress is closely monitored on a weekly basis by tutors and the operations manager. Learner achievement is regularly discussed at monthly meetings with all staff, and there is a shared understanding of what is required to help NTI's trainees to succeed, including a focus on attendance and strong relationships.

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

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**.

NTI is providing useful pathways to employment for trainees, particularly into the Nelson region's motor industry and commercial transport companies. Data gathered and reported by NTI shows reasonably strong employment rates, and MSD reports satisfaction with NTI's delivery on their contract obligations for sustainable outcomes (refer Findings 1.1). Adult trainees reported that they valued the opportunity to build on their skills base, change careers and/or to re-enter the workforce. Graduates are achieving relevant vocational qualifications and licences, and are supported to prepare and apply for work.

The achievement of NCEA level 2 also opens up opportunities for young trainees to employment or further study. A local high school has referred young learners to NTI for more than five years which reflects their satisfaction with the high success rates for these trainees. The Youth Guarantee tutor reported that only one out of 12 recent graduates had not gone into employment or further training. Some case studies are available which show positive outcomes, although generally the

evidential basis for Youth Guarantee outcomes was less compelling than for adult trainees.

NTI reports strong relationships with local industry and relevant agencies. The new Youth Guarantee tutor has been working to establish networks with youth services and similar agencies. Employers interviewed by the evaluators confirmed that they routinely contact NTI when looking for new staff and value having access to a pool of suitably qualified individuals. They reported being satisfied with the work-readiness and industry knowledge and skills of the graduates. This includes a good understanding of health and safety requirements in the workplace. Local employers also value the industry short courses which provide opportunities for their staff to upskill and/or renew licences.

NTI has made little progress since the previous EER on improving processes for capturing stakeholder feedback. NTI reports that tutors maintain regular contact with key industry stakeholders, but the evaluators found little documented evidence of this activity apart from completed labour market outcomes forms for Training for Work graduates. It is also not apparent that destination data for other groups is analysed or that any reflection on this information is taking place to understand the value or merit of individual programmes.

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

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

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

NTI is delivering foundation and vocational qualifications that meet the learning, training and employment needs of its trainees. A recent visit by the New Zealand Transport Agency identified no issues with the training from their perspective. NTI regularly engages with local industry and relevant agencies which enables the PTE to ensure programmes remain relevant to the stakeholders and community. For example, a truck was recently purchased in response to feedback about the need for trainees to have more experience on large vehicles and to enable trainees to gain their class 4 and 5 licences. Following the Targeted Review of Qualifications, NTI has reviewed their programmes and received approval to deliver New Zealand certificates (in automotive engineering, commercial road transport and foundation skills). In the case of commercial road transport, NTI is not satisfied that the qualification contains adequate credits and industry content for the needs of stakeholders and so is continuing to deliver the NTI certificate during 2017 while addressing this issue. Although strong employment outcomes are one positive indicator of effective stakeholder engagement and the programmes matching employers' needs, the evaluators were not able to confirm how this activity occurred or its extent, as no records were available.

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Trainees complete course evaluations, and those viewed by the evaluation team were generally positive about the tutor and the training being delivered. However, the administering of these surveys does not appear to be systematic and there is limited evidence of how findings are being shared with relevant staff or used to identify improvements. Interviews with the Youth Guarantee and adult students confirmed that, generally, their needs are being met.

Interviews with tutors and adult trainees indicated that there is an opportunity to integrate more practical, hands-on activities to enable trainees to apply knowledge and skills in a variety of contexts. One new initiative is the introduction of a shop into the Youth Guarantee programme, which is providing trainees with opportunities to practice communication, numeracy and social skills, planning and teamwork. However, course workbooks vary in quality and some could usefully be updated, for example to be consistent with current legislation. The evaluators heard that newly-appointed tutors would benefit from a greater level of support and guidance for their classroom teaching, as there are few teaching resources available to them.

NTI recruits tutors with strong industry knowledge and experience and an understanding of the key requirements for employment. Some, but not all, have training experience and relevant unit standards in competency-based assessment and moderation. While this gap is somewhat mitigated by weekly internal moderation and a 'buddy' system, these unit standards are a minimum requirement for competency-based assessment, and NTI's performance needs to be strengthened in this regard. Regular internal moderation processes have been strengthened and seem authentic and focused on improving assessment practice. NTI engages positively with the relevant standard-setting bodies and there is evidence of assessment practices being improved in response to feedback.

1.4 How effectively are students supported and involved in their learning?

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**.

NTI is flexible and responsive to the learning and well-being needs of the trainees. Recruitment processes provide an opportunity to establish individual goals and learning needs and are open to whānau participation. Ten-day trial periods are available to ensure trainees are motivated and likely to complete. Rolling enrolments and self-paced learning means individual personal and employment circumstances are able to be accommodated. Tutors work closely with trainees to assess their literacy and numeracy skills, plan their programmes, provide encouragement and support and monitor progress. Trainees interviewed during the EER had a good understanding of what they needed to do to complete their programmes and reported receiving good feedback on their assessments. All trainees are issued NTI diaries which are useful tools and provide some record of

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the learning journey, but they do not appear to be used as fully as they might be by tutors or trainees.

Trainees report strong relationships with tutors and an inclusive environment which encourages trainees to support each other in their learning. Behavioural expectations, including attendance requirements, are clearly set out and well understood by trainees. Over the last year, approximately 10 enrolments have been terminated by NTI due to poor attendance. The work-readiness of trainees is enhanced by NTI's focus on timeliness, effective social skills and compliance with health and safety requirements.

1.5 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 **Adequate**.

NTI is a small organisation which is well-established in the Nelson region. The owner and operations manager work closely together to provide leadership and manage the organisation's performance. It is apparent that, during the period covered by the EER, turnover in the operation manager's role has had an impact on the effectiveness of some of the processes for managing tutors and overseeing programme delivery and quality processes. This is identified as a key reason for the dip in learner achievement in 2015. There is good evidence that these issues are now being systematically addressed and that NTI is being managed more effectively. In particular, NTI has improved its systems for managing learner progress. Regular minuted meetings provide formal opportunities to monitor unit standard achievement, moderate assessments and share information on learner outcomes with informal meetings as needed.

NTI is recruiting staff with appropriate industry skills. Tutors report feeling well supported by the operations manager and their colleagues. The processes for induction of new tutors into NTI are generally effective. However, support for educational practices in the classroom could be strengthened (refer Findings 1.3), including ensuring tutors have the minimum unit standards for competency-based assessment. Performance appraisals were not conducted during 2016. However, a tutor-only day in November included peer observations of teaching and feedback, and general discussions on programme delivery and assessment.

There is some evidence of NTI gathering and analysing information across a range of areas in an ongoing way to understand and improve educational performance. However, the evidence in some aspects could be more comprehensive and robust, particularly in relation to feedback from trainees and other stakeholders. NTI has been through a period of significant change which has strained resources. However, management and academic processes have been consolidated and NTI

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is now well positioned to further strengthen self-assessment capability and achieve sustained good educational performance.

1.6 How effectively are important compliance accountabilities managed?

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**.

NTI has a clear understanding of its compliance accountabilities. However, as a small training provider, there are few documented processes for managing these obligations. The evaluators heard the ways in which the owner and operations manager ensure they are aware of any changes to the requirements of key agencies, and respond appropriately to them. These include regular contacts with agency staff, monitoring emails and websites, and sharing information with other local providers.

The evaluation team noted that the content and hours of delivery of the focus area programmes are consistent with what was approved, and management is aware of the relevant NZQA Rules if changes to that approval are required.

NTI is complying with the policies and procedures set out in its quality management system. For example, attendance is closely monitored and records are maintained, and the documented system of warnings, and ultimately dismissal, for non-attendance are followed. Monitoring of attendance and tracking occupancy is an important component of compliance with TEC funding rules, and the evaluators sighted evidence of these processes.

NTI has a sub-contracting arrangement for the delivery of first aid courses and monitors the provider's compliance with the memorandum of understanding, including regular moderation and gathering learner feedback.

NTI ensures compliance with other relevant legislation. Strict attention is paid to ensuring compliance with the Health and Safety at Work Act 2015 by all staff, students and visitors, which reflects the nature of the industries they are training for. All staff are police vetted, to meet the requirements of the Vulnerable Children Act 2014.

In addition, the owner described her informal processes for monitoring quality and compliance, through observation and conversations, following up on trainee attendance and spot checking of assessments.

The evaluators identified no significant issues with compliance at NTI; however, the evidential basis of compliance processes and regular checks could be strengthened.

Focus Areas

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

2.1 Focus area: New Zealand Certificate in Foundation Skills and NCEA levels 1 and 2

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: NTI Certificate in Commercial Road Transport (Level 3)

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 Nelson Technical Institute Limited:

- Provide a greater level of oversight and support for classroom teaching, including
 - Ensuring all tutors have achieved the minimum unit standards in assessment and moderation for competency-based assessments
 - Ensuring all programme materials reflect changes in subject content and technologies, and learner activities and resources are engaging for trainees
- Improve systems for capturing and using feedback from trainees, graduates and other stakeholders for understanding graduate outcomes and identifying improvements to programmes and teaching and learning activities.

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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