

## RESPONSE TO RISK ASSESSMENT

Greg Whateley

Andy West

August 2019

In your letter 7<sup>th</sup> August 2019 providing the “**TEQSA risk assessment**” you -

- a) requested a response to the issues within 10 working days and further;
- b) advised that the **TEQSA risk assessment** “is considered when determining evidence requirements ahead of any forthcoming application processes”.

### **SUMMARY**

In summary the **TEQSA risk assessment**

- 1. Is inherently flawed;
- 2. Lacks empirical integrity;
- 3. Fails to present a proportionate, risk-reflective approach to quality assurance that supports diversity, innovation and excellence;
- 4. Contradicts the requirements of the “risk management approach” which must be used by TEQSA

“A risk management approach is an approach which addresses itself to the risk that a provider will be unable to comply with its obligations under the ESOS Act: Raffles College Pty Ltd v Tertiary Education Quality Standards Agency [2015] FCA 734 per Perram J at [36].”

- 5. Contradicts TEQSA’s key objectives namely -
  - i. quality assure and regulate the sector in a timely, transparent and risk reflective manner;
  - ii. support providers to deliver high quality higher education, protect student interests and enhance the reputation and competitiveness of Australia’s higher education sector;
  - iii. provide advice and information to inform decisions about the appropriateness and quality of higher education;
  - iv. take prompt and effective action to address substantial risks to students or the sector’s reputation.

**6. Constructs unfounded conclusions infected by the failings above listed;**

This is all the more concerning where it is being used by the Regulator as the groundwork for “*determining evidence requirements ahead of any forthcoming application processes*” by “the *TEQSA staff responsible for the GCA assessment of renewal of registration and the associated course renewal of registration*” for their audit/visit on 22<sup>nd</sup> August 2019 and the resultant biased view it presents as their starting point.

## OVERVIEW

The 2019 Risk Assessment (actually the 2017 hybrid assessment) provides comfort in the domains of *Graduate Satisfaction*, *Graduate Destinations*, *Senior Academic Leadership* and *Financial Viability* (as highlighted trends in the GCA response over the last few years).

What the report *does not do* (sadly) is embrace the real time situation along with the reality of the shortcomings of much of the formulae used and the misinterpretation of the data – in particular the confusion around risk and quality – which should not be used in the same context.

Another problem is the fundamental errors in application of formulas and calculation of so called key risk factors throughout the TEQSA risk assessment framework (under review). The lack of transparency and definitions applied by the **Risk Assessment Framework (under review) may be the root cause of these issues.**

An example is the application by the TEQSA Risk Assessment Team of the 2017 staff Full Time Equivalent to the 2018 student Effective Full Time Study Load to calculate an over inflated Student to Staff Ratio of 55.6, when the correct figure is closer to 42. This shows either an inability of the assessor to understand different years to calculate key risk factors – a surprising outcome for a professional risk assessment team.

Other errors in calculation and application of formulae will be highlighted throughout this response.

The demonstrated mistakes in this Risk Report diminishes confidence in the Risk Assessment Framework (under review) as well as the quality of the output of the TEQSA Risk Assessment Team. The ability of TEQSA to analyse data provided, where errors occur, and publish same is concerning. This would be passed as an inconsequence if the severity of the risk assessment informing the re-registration of GCA did not have such severe consequences. Usually Regulators are obliged to be cautious, accurate and considered in case of error or uncertainty.

This is particularly concerning in view of -

- the time the Regulator has taken to prepare its review, namely from the out-of-date date relied upon now at least two years old;
- the time within which the Regulator has required the School to respond namely 10 days;
- the wealth of resources accessible to the Regulator (in staff, in expertise, in data accumulated, in comparable data, in research, in experience etc).

As stated on the TEQSA website The Risk Assessment Framework (*under review*) outlines key steps and components of the annual risk assessments we complete of higher education providers and aims to ... reduce regulatory burden by using risk assessments to inform a differentiated approach to evidence and reporting requirements in assessment processes, such as renewal of registration.” (<https://www.teqsa.gov.au/risk-assessment-framework>) So as indicated by TEQSA, the risk assessment, now, is an integral component of the assessment for GCA’s upcoming re-registration.

The current TEQSA Risk Assessment Framework (RAF), which is under review, is in need of a major overhaul. This is recognised by TEQSA and is outlined in the TEQSA RAF Consultation Paper released on 15<sup>th</sup> July, 2019 (<https://www.teqsa.gov.au/latest-news/publications/risk-assessment-framework-consultation-paper> ). The submission period is currently open for sector feedback - closing on 20<sup>th</sup> September. There are also TEQSA Risk Assessment Workshops being held in Melbourne and Sydney in early September, to allow TEQSA to receive direct face to face input from the higher education sector. UBSS will be attending the 6<sup>th</sup> September TEQSA Risk Assessment Workshop held at NIDA, to provide our input.

Without a clear level of low, medium and high for each risk factor, this leaves the application of the formulas as applied to the data for each provider a high level of *subjectivity* on the part of TEQSA. There is a clear *lack of transparency* in the application of the formulas provided by Risk Assessment Framework (*under review*) to the data for the provider to low, medium and high risk levels. This is acknowledged in the TEQSA RAF Consultation Paper.

Additional to the current internal review by TEQSA, with input from the higher education sector, the Australian National Audit Office (ANAO) is currently taking submissions for an external review of TEQSA. The TEQSA RAF is central to the ANAO audit of TEQSA regulation of higher education in Australia. The ANAO audit criteria is to examine whether TEQSA –

- has an effective process to *assign and maintain* appropriate risk ratings to existing and prospective higher education providers;
- has *effective and timely* approvals processes, including for registering higher education providers and accrediting courses;
- has effective assurance, compliance and enforcement *processes*; and
- provides effective *support* to the higher education sector to address key sector-wide risks.

This will culminate in the final report from ANAO being released in March 2020.

(<https://www.anao.gov.au/work/performance-audit/tertiary-education-quality-and-standards-agency-regulation-higher-education-sector> )

GCA provides the following feedback on the **incorrect/dysfunctional risk assessment** as part of the annual review.

Given this risk assessment is -

- so flawed,;
- there is currently an **internal review** by TEQSA;
- More importantly and most alarming is that ANOA sees the need to review the TEQSA RAF

It is appropriate and proper that **this risk calculation be deemed null and void, and that it be set aside and not considered as part of TEQSA's re-registration of GCA.**

The TEQSA snapshot of GCA is –

Risk Rating Summary	2015	2016	2017	2018	2019
Risk to Students	High	High	High	High	High
Risk to Financial Position	High	Moderate	High	Moderate	Moderate
Indicator 1 - Student Growth	Moderate	Low	Low	High	High
Indicator 2 - Attrition Rate	High	High	High	High	High
Indicator 3 - Progress Rate	Low	High	High	High	High
Indicator 4 - Completions	Low	Low	Moderate	High	High
Indicator 5 - Graduate Satisfaction	High	High	High	Moderate	Low
Indicator 6 - Graduate Destinations	High	Low	High	Low	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education	High	Low	Low	Low	Low
Indicator 8 - Student to Staff Ratio	High	Moderate	High	High	High
Indicator 9 - Academic Staff on Casual Work Contracts	Moderate	High	High	High	High
Indicator 10 - Financial Viability	High	Moderate	High	Moderate	Low
Indicator 11 - Financial Sustainability	Moderate	Moderate	Low	Low	High



Remembering that TEQSA 2019 is *actually* 2017

The reality is -

Risk Rating Summary		2014	2015	2016	2017	2018
Risk to Students		High	High	High	Moderate	Moderate
Risk to Financial Position		Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth		High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate		Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate		Low	Low	High	Low	Low
Indicator 4 - Completions		Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction		Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations		Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education		High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio		High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts		High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability		Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability		Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)



2017 is second column from the right (2017) as indicated.

The GCA empirical analysis based on current data 2018-2019 is all of the high risk areas highlighted by TEQSA *are at worst* moderate and in some cases low.

The embedded suggestion in the overview around potential issues regarding the veracity of the data supplied by GCA –

*'Taken together, these highlight potential issues regarding the veracity of the data supplied by GCA'.*

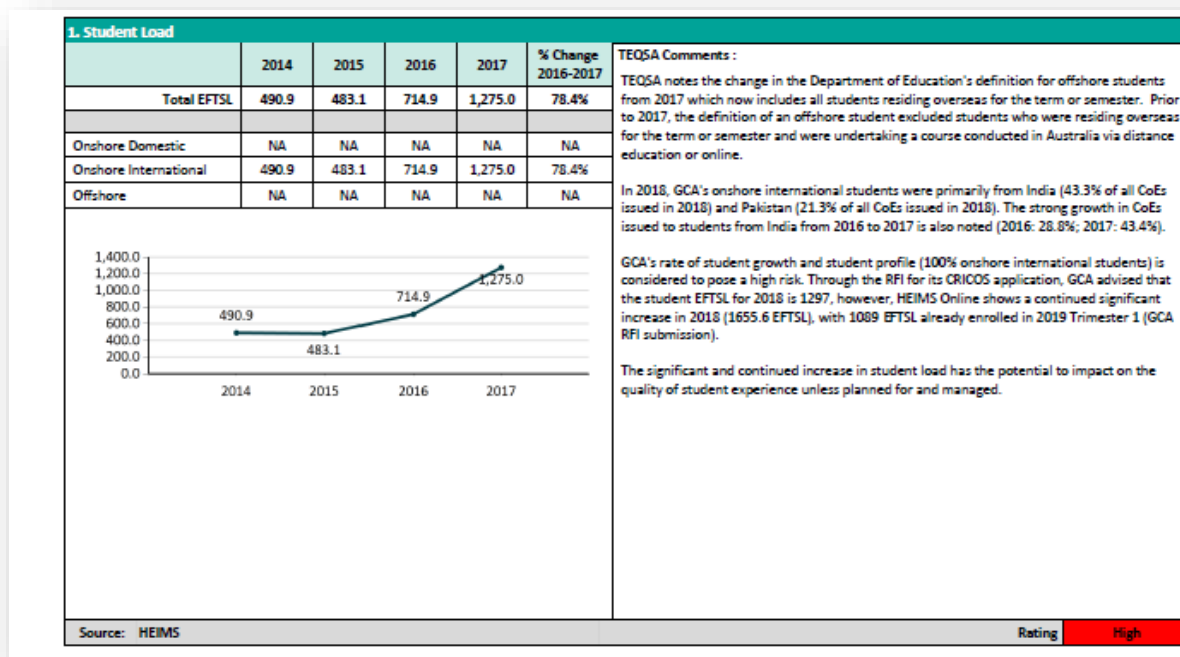
**There is no evidentiary or supporting material provided to support this statement. The Regulator has failed to address and report on data is has been provided and access to. This stand-alone sentence is without foundation, without merit, intended to bias the reader, and could only be construed as malicious in motivation and purpose - it should be withdrawn immediately.**

Dealing with each in-turn -

1.

## Student Load

The TEQSA analysis is provided –



The reference to definitions around distance students is irrelevant - assumed to be a sentence from another institutions risk report.

The percentages around source countries is obtuse. Diversity is important as reflected in one of the five key pillars of the UBSS Strategic Plan.

The diversity of source countries of students at GCA is in keeping with the education export market as monitored by Immigration. The reader is reminded that 30% of higher education students in Australia are on overseas visas.

This diversity is monitored on a daily, weekly, monthly, quarterly and annual basis and reported to all staff and stakeholders on a regular basis. A snapshot (as at July 2019) is provided for 2019 (with 2017 embedded) –

	2015	2016	2017	2018	2019	Q1	Q2	Q3	2020	
Domestic	0	12	12	2	50	3	5	8	75	✓
International	488	1063	1558	1681	1350	1736	1701	1680	1425	✓
Nationalities	10	33	41	36	36	36	33		37	✓
Countries with 10 +	5	8	10	10	11	10	10		12	✓
Undergraduate	488	763	1072	927	910	974	859		1000	✓
Postgraduate	186	300	483	756	490	762	842		500	✓



The table provided also shines some light on student numbers (active and deferred) sitting at 1558 in 2017. The discrepancy between TEQSA data and ours is odd.

The growth rate has in fact been a positive outcome as reflected in both financial terms and student/agent/staff perception. The growth was planned and logical in that the number of students was increased to the number approved by TEQSA. The School is now at capacity – the increase and any perceived risk associated is in fact now a past event that did not eventuate. The expansion was successful – hence there is now no risk.

The longitudinal student surveys suggest high levels of satisfaction (contrary to risk perception) –



Survey Questions		Bachelor of Business									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.38	4.30	4.36	4.28	4.57	4.44	4.35	4.35	4.26
Q2	The learning outcomes were achievable	4.09	4.29	4.27	4.30	4.25	4.55	4.36	4.23	4.23	4.21
Q3	The subject workload was manageable	4.06	4.00	4.14	4.20	4.17	4.51	4.21	4.19	4.19	4.16
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.17	4.20	4.27	4.31	4.26	4.55	4.35	4.24	4.30	4.25
Q5	The lecturer was well prepared for each class	4.35	4.45	4.44	4.39	4.40	4.62	4.54	4.42	4.20	4.25
Q6	The lecturer provided useful feedback	4.29	4.37	4.35	4.30	4.32	4.56	4.47	4.33	4.33	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.28	4.52	4.46	4.41	4.39	4.69	4.54	4.47	4.45	4.30
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.31	4.45	4.33	4.34	4.33	4.56	4.45	4.39	4.39	4.24
Q9	The lecturer was available to discuss learning problems outside of class time	4.13	4.28	4.18	4.27	4.14	4.55	4.37	4.24	4.53	4.20
Q10	The assessment requirements were clearly explained	4.27	4.28	4.28	4.32	4.27	4.63	4.41	4.34	4.33	4.17
Q11	Overall the teaching in the subject was of a high quality	4.30	4.37	4.31	4.28	4.29	4.52	4.45	4.37	4.32	4.30
		4.22	4.33	4.30	4.32	4.28	4.57	4.42	4.32	4.33	4.23

Survey Questions		Bachelor of Accounting									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.15	4.43	4.16	4.36	4.18	4.26	4.27	4.34	4.34	4.25
Q2	The learning outcomes were achievable	4.05	4.39	4.10	4.30	4.07	4.25	4.17	4.32	4.32	4.23
Q3	The subject workload was manageable	3.95	4.09	4.10	4.20	3.98	4.17	4.11	4.21	4.21	4.13
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.10	4.32	4.15	4.31	4.04	4.20	4.20	4.29	4.10	4.22
Q5	The lecturer was well prepared for each class	4.26	4.48	4.27	4.39	4.16	4.29	4.29	4.41	4.30	4.26
Q6	The lecturer provided useful feedback	4.19	4.38	4.16	4.30	4.04	4.19	4.20	4.37	4.30	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.29	4.36	4.25	4.41	4.18	4.34	4.33	4.48	4.20	4.31
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.24	4.46	4.22	4.34	4.11	4.29	4.25	4.43	4.20	4.26
Q9	The lecturer was available to discuss learning problems outside of class time	4.03	4.26	4.04	4.27	3.98	4.17	4.16	4.30	4.10	4.19
Q10	The assessment requirements were clearly explained	4.19	4.34	4.15	4.32	4.08	4.23	4.24	4.35	4.20	4.25
Q11	Overall the teaching in the subject was of a high quality	4.15	4.40	4.17	4.28	4.07	4.24	4.19	4.34	4.20	4.16
		4.15	4.35	4.16	4.32	4.08	4.24	4.22	4.35	4.22	4.23

Survey Questions		Master of Business Administration									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.44	4.27	4.24	4.35	4.40	4.27	4.37	4.37	4.33
Q2	The learning outcomes were achievable	4.00	4.36	4.15	4.17	4.27	4.37	4.19	4.28	4.28	4.31
Q3	The subject workload was manageable	3.90	4.21	4.09	4.08	4.18	4.25	4.15	4.25	4.35	4.25
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	3.90	4.40	4.11	4.12	4.25	4.31	4.19	4.27	4.27	4.29
Q5	The lecturer was well prepared for each class	4.20	4.59	4.17	4.29	4.42	4.44	4.37	4.42	4.42	4.38
Q6	The lecturer provided useful feedback	4.10	4.44	4.19	4.17	4.31	4.33	4.26	4.32	4.50	4.28
Q7	The lecturer had a good knowledge of the subject matter	4.30	4.58	4.30	4.38	4.43	4.48	4.41	4.48	4.48	4.41
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.10	4.51	4.27	4.29	4.31	4.37	4.30	4.40	4.40	4.31
Q9	The lecturer was available to discuss learning problems outside of class time	4.00	4.26	4.13	4.12	4.20	4.20	4.11	4.21	4.25	4.24
Q10	The assessment requirements were clearly explained	4.00	4.51	4.17	4.22	4.28	4.38	4.26	4.34	4.35	4.35
Q11	Overall the teaching in the subject was of a high quality	4.10	4.41	4.09	4.18	4.26	4.32	4.23	4.31	4.36	4.27
		4.07	4.43	4.17	4.21	4.30	4.35	4.25	4.33	4.37	4.31

Staff longitudinal surveys are complementary –

Survey Questions		T2 2016	T3 2016	T1 2017	T2 2017	T3 2017	T1 2018	T2 2018	T3 2018	T1 2019
Q1	You are provided with the tools and resources to do your job well	4.10	4.00	4.87	4.63	4.81	4.83	4.62	4.54	4.40
Q2	Your job requirements are clearly communicated and goals and strategies are clearly defined	4.20	4.40	4.80	4.68	4.75	4.83	4.71	4.69	4.67
Q3	You feel encouraged to come up with new and better ways of doing things	4.10	4.20	4.73	4.53	4.50	4.61	4.67	4.54	4.73
Q4	Your supervisor visibly demonstrates a commitment to quality	4.10	4.20	4.87	4.79	4.69	4.72	4.71	4.77	4.87
Q5	You are satisfied with the level of involvement in decisions that directly affect your work?	3.90	4.20	4.53	4.37	4.63	4.56	4.62	4.69	4.60
Q6	UBSS does a good job of keeping employees informed about matters affecting your work?	4.00	4.30	4.93	4.79	4.81	4.89	4.62	4.77	4.80
Q7	Overall, you are satisfied with your job?	4.20	4.50	4.87	4.79	4.88	4.94	4.76	4.85	4.87
Average		4.09	4.26	4.80	4.65	4.72	4.77	4.67	4.69	4.70

QILT outcomes over the three years of participation (2016, 2017 and 2018) would also suggest that the notion of high risk is inappropriate. The most recent QILT outcomes (2018 data published in May 2019) suggest the overall student experience outcomes at both undergraduate (79.4%) and postgraduate (81.4) levels are above national average – hardly a risk environment.

Our assessment, then, is low risk as indicated in our risk assessments. We reject the risk rating presented using the *Risk Assessment Framework* (under review) and replace the high risk with low -

Risk Rating Summary	2014	2015	2016	2017	2018
Risk to Students	High	High	High	Moderate	Moderate
Risk to Financial Position	Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth	High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate	Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate	Low	Low	High	Low	Low
Indicator 4 - Completions	Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction	Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations	Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education	High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio	High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts	High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability	Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability	Moderate	Moderate	Moderate	Low	Low

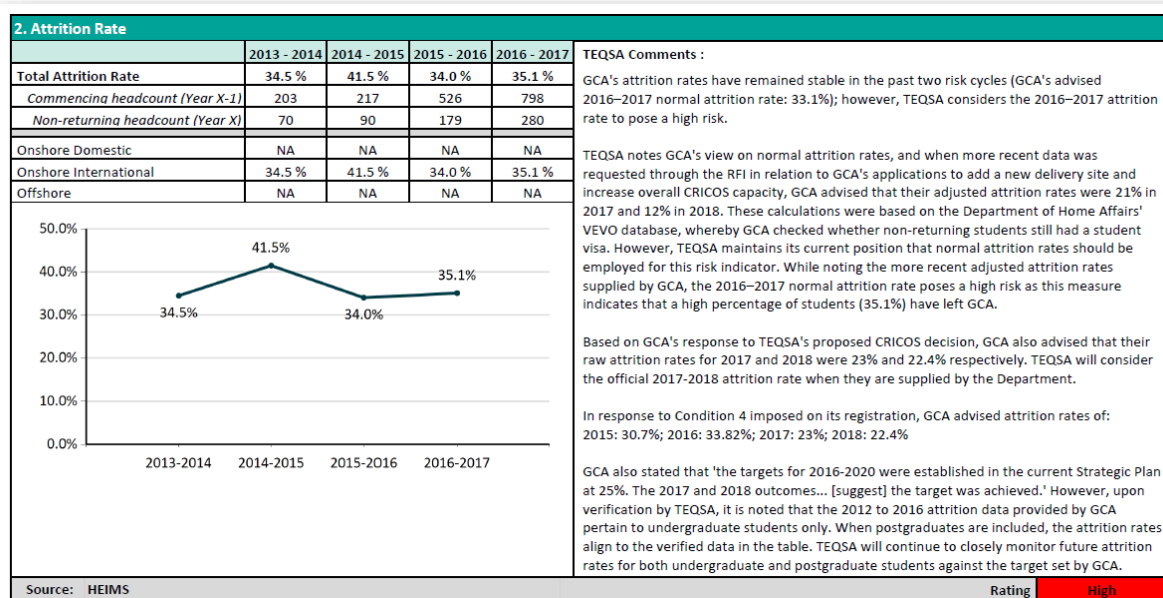
NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)



Growth increased but has been well managed. Any growth beyond the current Sydney cap remains low to moderate risk given the evident satisfaction ratings.

## Attrition

The TEQSA analysis -



It is imperative that the Risk Assessment Team *stop* viewing (and using) normal attrition rates as a risk indicator. It is a tired and inappropriate measure. Student mobility within the sector should be encouraged rather than stunted.

The HE Industry is united in the view that adjusted attrition is the true indicator.

**Universities Australia:** DET should cease publishing raw (or as defined by the department 'normal') attrition rates. Publishing both attrition rates is unnecessary, unhelpful and misleading.

**HESP:** Normal attrition rates are still important, with one reason being that adjusted attrition rates cannot be applied to international students, but agrees that adjusted attrition rates should be used as the primary measure of attrition.

TEQSA has formally acknowledged their acceptance of the position -

## TEQSA in response on 8 June 2018 Agreed. 'This is now the case'

TEQSA (2018) Response to recommendations: HESP Final Report - Improving Retention, Completion and Success in Higher Education"

However, the risk TEQSA assessment team appear to have ignored this and maintain the outdated, outmoded and irrational line of commentary.

The TEQSA comments section acknowledges the information supplied by GCA on Adjusted Attrition and the method used by GCA using the Department of Immigration's VEVO data. This is the most accurate method as students who retain their student visa after leaving GCA have stayed in the sector and continued with their education (adjusted).

When Adjusted Attrition is used (as is the case with Universities), GCA rate of 12% falls below the University Average for Adjusted Attrition of 15% (*HESP (2017) Final Report - Improving retention, completion and success in higher education*). Some wonder why overseas students (here on visas and representing 33% of the national count) are not afforded the support provided by the tracking of their education experience when it is seen as mandatory for local (domestic) students.

Unfortunately due to the current system of adjusting attrition used by the sector of tracking students using the CHESSN, which is only available for domestic students, international students are not automatically included in the adjusted attrition. This error has been identified by the Department of Education as it aims to rectify this with changes to the *Unique Student Identifier* or other methods to be able to more readily track international students.

It is *disappointing*, that even in light of being presented with the GCA Adjusted Attrition data that TEQSA choose to continue to apply Normal Attrition figures to this assessment. This is a *contravention* of the Higher Education Standards Panel recommendation to use Adjusted Attrition and the acceptance by TEQSA that it will use Adjusted Attrition in the future.

**This again reinforces the subjective nature of this assessment implemented by TEQSA to skew the results towards a high risk.** By cherry picking the worst outcome, TEQSA is choosing a high risk when the correct data of Adjusted Attrition would provide a moderate or low risk. GCA will be notifying the Higher Education Standards Panel, the submission to

TEQSA and the submission to ANAO of the choice of Normal Attrition in contravention of its own written acknowledgements of the appropriate use of Adjusted Attrition.

In regards to TEQSA comments on attrition figures quoted in the GCA strategic plan, and how they vary from the TEQSA attrition figures, rather than focusing on First Year Attrition, which is the method used by TEQSA, GCA uses whole of institution attrition to monitor students attrition as they move into second and third year. GCA deems this a more appropriate measure to monitor student experience throughout their learning journey, rather than just first year students - which is the case with the chosen TEQSA formula.

**Our assessment, then, is moderate (or even low) risk as indicated in our risk assessments. We reject the risk rating presented using the Risk Assessment Framework (under review) and replace the high risk with moderate –**

Risk Rating Summary		2014	2015	2016	2017	2018
Risk to Students		High	High	High	Moderate	Moderate
Risk to Financial Position		Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth		High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate		Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate		Low	Low	High	Low	Low
Indicator 4 - Completions		Low	Low	Low	Moderate	Low
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Indicator 8 - Student to Staff Ratio		High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts		High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability		Moderate	High	Moderate	Moderate	Low
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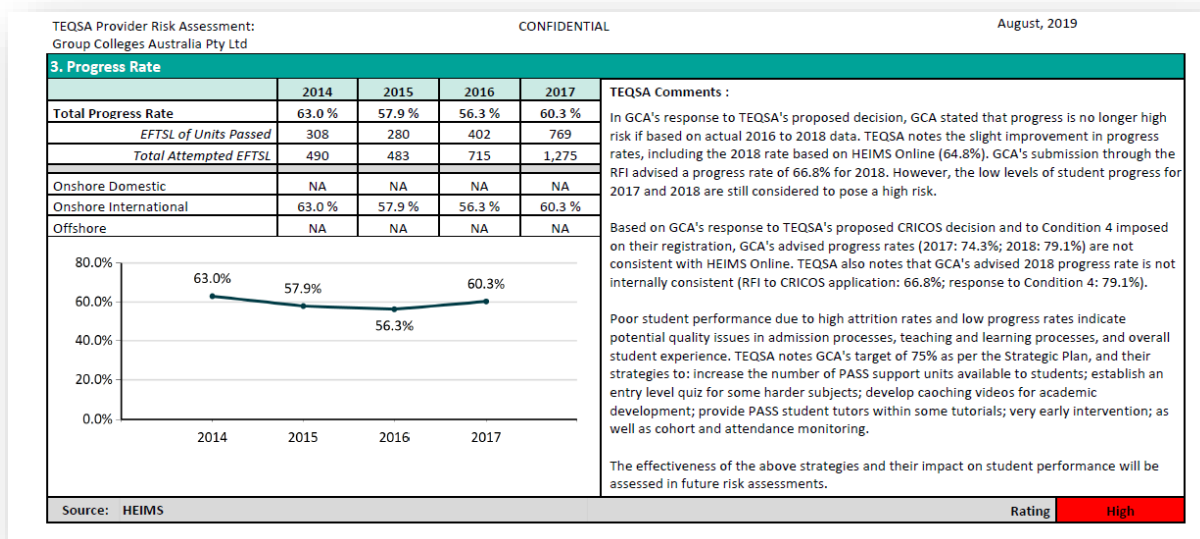


Adjusted attrition places UBSS well within the context of the current Australian HE landscape. We have been asking for a USI for a number of years to assist in the accurate calculation that is currently tedious and expensive.

The targets set by GCA (and specifically UBSS) are realistic and in line with the industry (benchmarked on an ongoing basis).

## Progress Rate

The TEQSA analysis provided –



The risk assessment team suggest that high attrition (clearly not an issue given acknowledgement of *adjusted attrition* as the true indicator) and low progress (somehow mistaken as a quality issue) suggests a *faulty admissions system; problems with teaching and learning processes; and lacking student experience*.

The current **admissions** system is robust and in line with the industry. Entry criteria is evident. The AAT external determination suggested TEQSA put this issue aside –

‘1.6 – Determination on PCAS 3.2 (English competence at enrolment): The TEQSA decision for denial of re-registration regarding PCAS 3.2 should be **set aside**’ (Webb, 2018, p2)

This needs to be - set aside.

The questioning of **teaching and learning processes** is unfounded and inappropriate. All internal and external indicators suggest the quality of the teaching and learning (teaching quality, learner engagement and student support in particular) is consistently appreciated by students as evidenced in longitudinal internal student surveys and external QILT outcomes.

SFUs over 10 trimesters indicate high levels of student satisfaction with teaching and learning processes –

Survey Questions		Bachelor of Business									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.38	4.30	4.36	4.28	4.57	4.44	4.35	4.35	4.26
Q2	The learning outcomes were achievable	4.09	4.29	4.27	4.30	4.25	4.55	4.36	4.23	4.23	4.21
Q3	The subject workload was manageable	4.06	4.00	4.14	4.20	4.17	4.51	4.21	4.19	4.19	4.16
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.17	4.20	4.27	4.31	4.26	4.55	4.35	4.24	4.30	4.25
Q5	The lecturer was well prepared for each class	4.35	4.45	4.44	4.39	4.40	4.62	4.54	4.42	4.20	4.25
Q6	The lecturer provided useful feedback	4.29	4.37	4.35	4.30	4.32	4.56	4.47	4.33	4.33	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.28	4.52	4.46	4.41	4.39	4.69	4.54	4.47	4.45	4.30
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.31	4.45	4.33	4.34	4.33	4.56	4.45	4.39	4.39	4.24
Q9	The lecturer was available to discuss learning problems outside of class time	4.13	4.28	4.18	4.27	4.14	4.55	4.37	4.24	4.53	4.20
Q10	The assessment requirements were clearly explained	4.27	4.28	4.28	4.32	4.27	4.63	4.41	4.34	4.33	4.17
Q11	Overall the teaching in the subject was of a high quality	4.30	4.37	4.31	4.28	4.29	4.52	4.45	4.37	4.32	4.30
		4.22	4.33	4.30	4.32	4.28	4.57	4.42	4.32	4.33	4.23

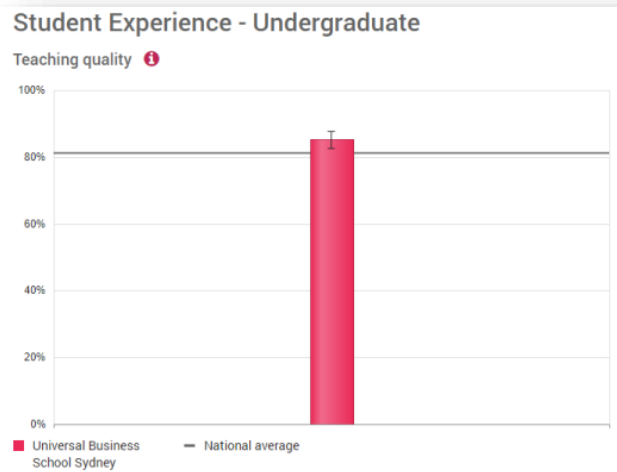
  

Survey Questions		Bachelor of Accounting									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.15	4.43	4.16	4.36	4.18	4.26	4.27	4.34	4.34	4.25
Q2	The learning outcomes were achievable	4.05	4.39	4.10	4.30	4.07	4.25	4.17	4.32	4.32	4.23
Q3	The subject workload was manageable	3.95	4.09	4.10	4.20	3.98	4.17	4.11	4.21	4.21	4.13
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.10	4.32	4.15	4.31	4.04	4.20	4.20	4.29	4.10	4.22
Q5	The lecturer was well prepared for each class	4.26	4.48	4.27	4.39	4.16	4.29	4.29	4.41	4.30	4.26
Q6	The lecturer provided useful feedback	4.19	4.38	4.16	4.30	4.04	4.19	4.20	4.37	4.30	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.29	4.36	4.25	4.41	4.18	4.34	4.33	4.48	4.20	4.31
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.24	4.46	4.22	4.34	4.11	4.29	4.25	4.43	4.20	4.26
Q9	The lecturer was available to discuss learning problems outside of class time	4.03	4.26	4.04	4.27	3.98	4.17	4.16	4.30	4.10	4.19
Q10	The assessment requirements were clearly explained	4.19	4.34	4.15	4.32	4.08	4.23	4.24	4.35	4.20	4.25
Q11	Overall the teaching in the subject was of a high quality	4.15	4.40	4.17	4.28	4.07	4.24	4.19	4.34	4.20	4.16
		4.15	4.35	4.16	4.32	4.08	4.24	4.22	4.35	4.22	4.23

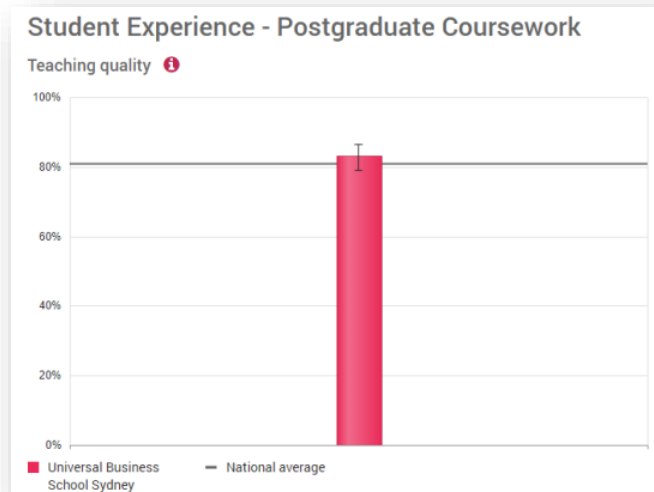
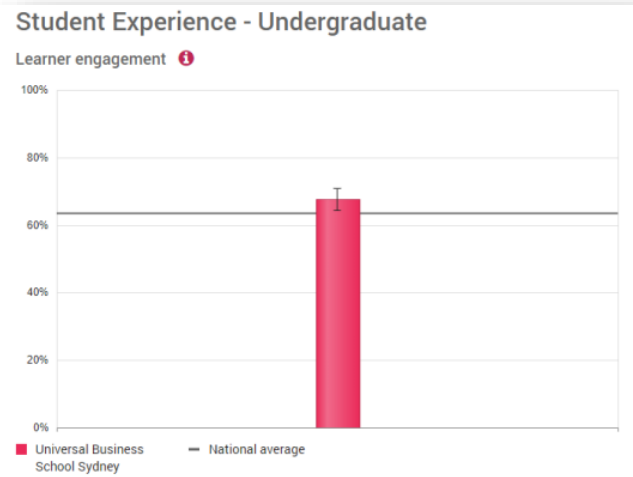
  

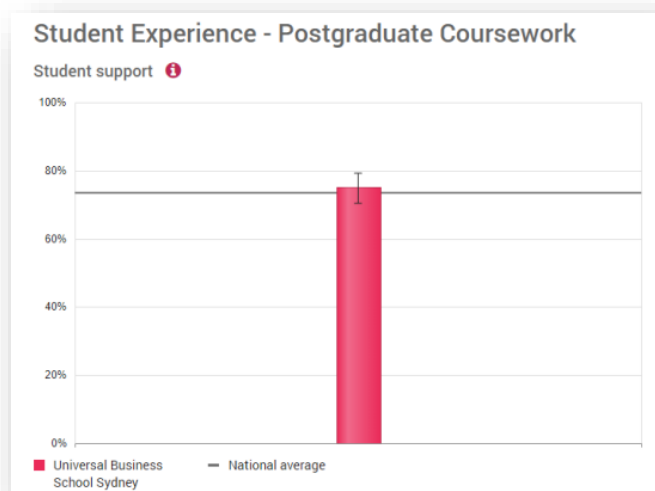
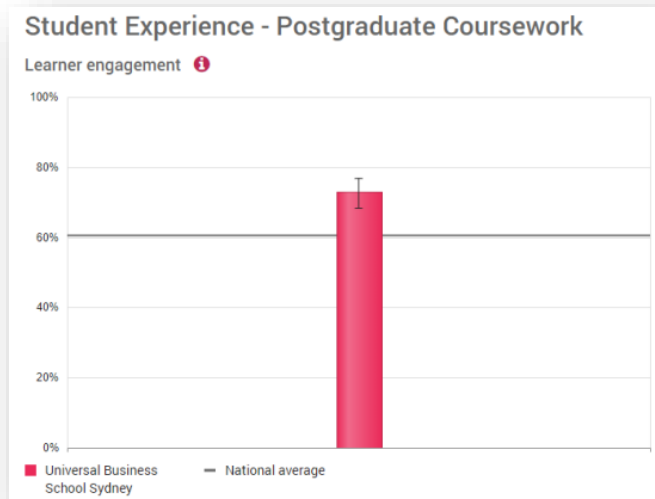
Survey Questions		Master of Business Administration									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.44	4.27	4.24	4.35	4.40	4.27	4.37	4.37	4.33
Q2	The learning outcomes were achievable	4.00	4.36	4.15	4.17	4.27	4.37	4.19	4.28	4.28	4.31
Q3	The subject workload was manageable	3.90	4.21	4.09	4.08	4.18	4.25	4.15	4.25	4.35	4.25
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	3.90	4.40	4.11	4.12	4.25	4.31	4.19	4.27	4.27	4.29
Q5	The lecturer was well prepared for each class	4.20	4.59	4.17	4.29	4.42	4.44	4.37	4.42	4.42	4.38
Q6	The lecturer provided useful feedback	4.10	4.44	4.19	4.17	4.31	4.33	4.26	4.32	4.50	4.28
Q7	The lecturer had a good knowledge of the subject matter	4.30	4.58	4.30	4.38	4.43	4.48	4.41	4.48	4.48	4.41
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.10	4.51	4.27	4.29	4.31	4.37	4.30	4.40	4.40	4.31
Q9	The lecturer was available to discuss learning problems outside of class time	4.00	4.26	4.13	4.12	4.20	4.20	4.11	4.21	4.25	4.24
Q10	The assessment requirements were clearly explained	4.00	4.51	4.17	4.22	4.28	4.38	4.26	4.34	4.35	4.35
Q11	Overall the teaching in the subject was of a high quality	4.10	4.41	4.09	4.18	4.26	4.32	4.23	4.31	4.36	4.27
		4.07	4.43	4.17	4.21	4.30	4.35	4.25	4.33	4.37	4.31

QILT (2018 published in May 2019) indicates UBSS is performing above national average at both undergraduate and postgraduate levels -









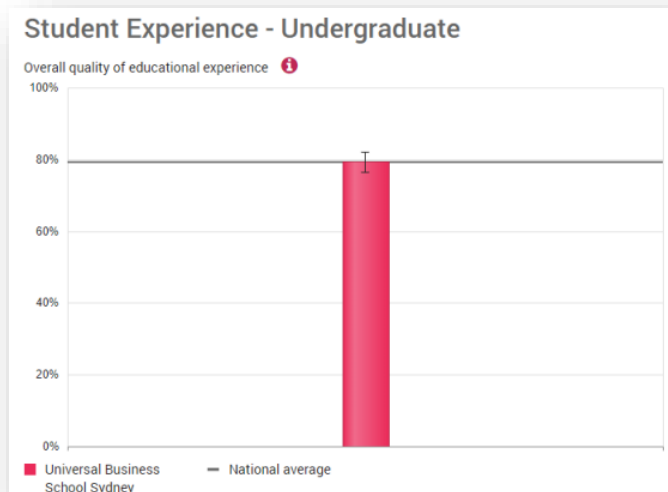
In terms of the **overall student experience** all indicators (both internal, external and benchmarked) would suggest UBSS is well placed in the sector.

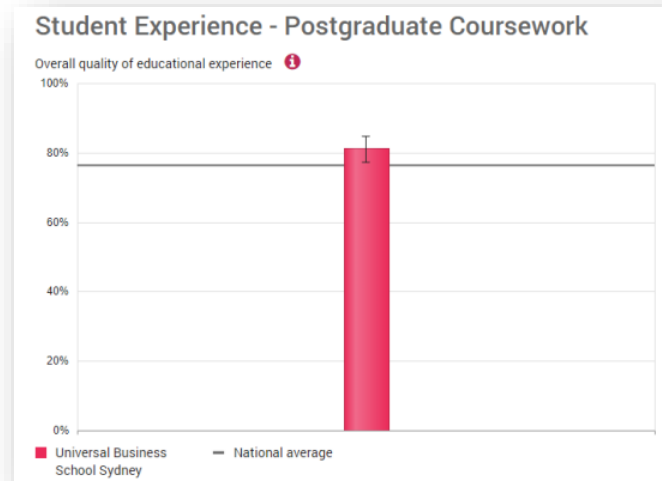
Graduating students are surveyed each year and the overall experience rating would contradict and essentially negate the risk assessment team conclusions/speculations –

Key Issues	2016	2017	2018	2019
Satisfaction with overall UBSS experience	73%	84%	78%	91%
Satisfaction with assistance provided	79%	79%	71%	77%



QILT (2018 published in May 2019) places UBSS both undergraduate (79.4%) and postgraduate (81.4%) *above* national average leaving the risk assessment team speculation highly dubious –





In essence, the risk assessment team logic is *flawed* and the quality outcomes would suggest the arguments provided are simply – *wrong*.

Our assessment, then, is low risk as indicated in our risk assessments. We reject the TEQSA analysis and resultant assessment, it is fundamentally flawed, and replace the high risk with low – there is no evidence to suggest any correlation between progression rate and quality performance.

Risk Rating Summary		2014	2015	2016	2017	2018
Risk to Students		High	High	High	Moderate	Moderate
Risk to Financial Position		Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth		High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate		Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate		Low	Low	High	Low	Low
Indicator 4 - Completions		Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction		Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations		Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education		High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio		High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts		High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability		Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability		Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)



Further, UBSS has in place a strong and appropriate **assessment regime** based on invigilated examinations – there is a direct correlation here with progression. This system has essentially eradicated contract cheating and cheating in general (currently in epidemic proportion across other institutions as evidenced in the national media and a range of industry public fora).

UBSS benchmarks grade distributions each trimester and is committed to rigorous and appropriate assessment. We are firm but fair.

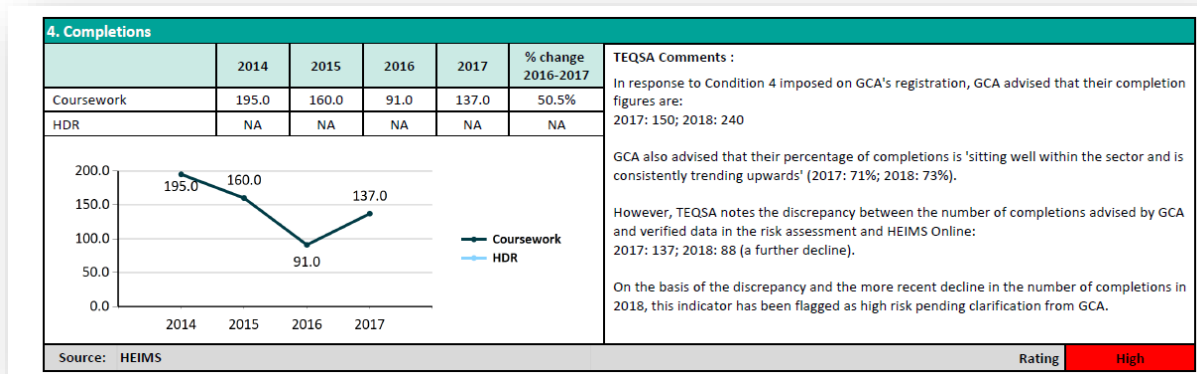
UBSS does not incorporate AF students in the grade distribution (supported by the UBSS Academic Senate). We are unable to influence students who do not wish to participate. All appropriate policies and procedures are used (consistent with ESOS guidelines) to remove these students in a timely and appropriate way.

Early intervention and support mechanisms *are* in place for genuine students.

The UBSS award is valued with strong currency. To complete the award requires discipline, commitment and ability. The sector needs to examine its commitment to this ideal rather than chase a dubious formula outcome symptomatic of a risk rather than quality environment.

## Completions

The TEQSA analysis provided –



The completion rate has not declined. In fact the 2017 data provided by the risk assessment team appears on the rise.

The figure of 80 for 2018 must be an *anomaly* given the fact that the Executive Dean personally signed 142 testamurs in 2018 and a further 225 in 2019 (for graduation purposes) – suggesting a rise rather than a drop. It is worth noting the drop in 2016 was a direct result of a drop in enrolments in 2014. Since 2015 student enrolments has trended upwards – completion rates will follow this trend.

**Our assessment, then, is moderate risk as indicated in our risk assessments. We reject the TEQSA analysis and resultant assessment, it is fundamentally flawed, and replace the high risk with moderate.**

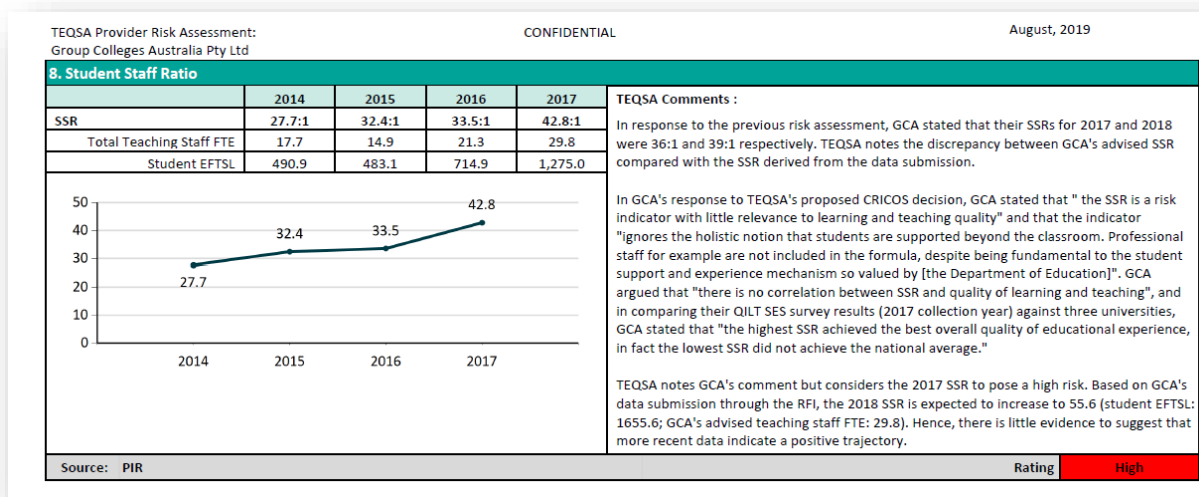
Risk Rating Summary		2014	2015	2016	2017	2018
Risk to Students		High	High	High	Moderate	Moderate
Risk to Financial Position		Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth		High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate		Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate		Low	Low	High	Low	Low
Indicator 4 - Completions		Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction		Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations		Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education		High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio		High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts		High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability		Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability		Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)



## SSR

The TEQSA analysis –



The TEQSA analysis in the last paragraph is *incorrect and flawed* as it applies the 2017 staff FTE to the 2018 student EFTSL. The EFTSL for 2018 is 1,655.63 as per reported HEIMs.

The figure quoted in the risk analysis by TEQSA SSR of 55.6 is *wrong*. The 2018 staff FTE figure of 29.8 TEQSA quote is the 2017 FTE staff figure supplied as part of last year's PIR. So TEQSA is applying 2017 staff FTE of 29.8 to 2018 student EFTSL of 1,655.63.

GCA has not reported the 2018 staff figure as this is done as part of the Provider Information request (PIR) which is due by 31 August, 2019. GCA has completed calculating the 2018 staff FTE, which is 39.01. Therefore the **SSR for 2018 is 42.44** (1,655.63 EFTSL divided by 39.01 FTE), which is slightly down from previous year.

This indicates a positive trajectory which is set to continue in 2019.

GCA continues to make the assertion that SSR is not an indicator of risk or teaching and learning quality. This is after completing analysis of the relationship between public University Quality Indicators in Learning and Teaching (QILT) results and 2 academic measures, SSR and EFTSL.



The two years chosen are 2016 and 2017 for Student to Staff Ratio (SSR) and Effective Full Time Study Load (EFTSL) as this data is available publicly through the Department of Education. Correlation and regression analysis was conducted of these two academic measures and the QILT outcomes for the same two years for “Total Student Education Experience”.

The results confirm there is **no correlation or significant relationship using regression analysis between QILT scores and SSR.**

Furthermore, there is a *more significant negative relationship* between QILT with total EFTSL. Meaning providers with larger EFTSL have lower QILT results. This would indicate that a more appropriate risk factor for learning and teaching quality is the size of EFTSL, with larger aggregate EFTSL being a higher risk factor.

2018 and 2019 figures suggest a downward trend in the SSR – but in reality given the lack of correlation between SSR and quality the discussion is moot.

**Our assessment, then, is moderate risk as indicated in our risk assessments. We reject the TEQSA analysis and resultant assessment, it is fundamentally flawed, and replace the high risk with moderate.**

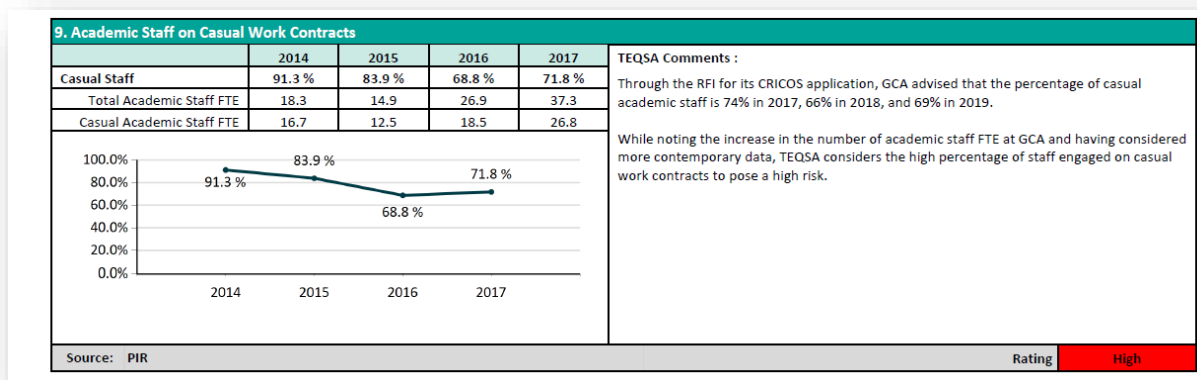
	2014	2015	2016	2017	2018
Risk to Students	High	High	High	Moderate	Moderate
Risk to Financial Position	Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth	High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate	Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate	Low	Low	High	Low	Low
Indicator 4 - Completions	Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction	Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations	Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education	High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio	High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts	High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability	Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability	Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)



## Academic Staff on Casual Work Contracts

The TEQSA analysis –



UBSS simply does not agree with the view that casual (part-time) staff are high risk. The reality is UBSS employs the best staff available with considerable experience and access to other like environments (ideal for benchmarking and moderation), This is reflected in the longitudinal SFUs (over 10 trimesters) and the QILT outcomes in relation to teaching quality, learner engagement and student support –

SFUs over 10 trimesters indicate high levels of student satisfaction with the quality of teaching and the support provided in and out of class time –

Survey Questions		Bachelor of Business									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.38	4.30	4.36	4.28	4.57	4.44	4.35	4.35	4.26
Q2	The learning outcomes were achievable	4.09	4.29	4.27	4.30	4.25	4.55	4.36	4.23	4.23	4.21
Q3	The subject workload was manageable	4.06	4.00	4.14	4.20	4.17	4.51	4.21	4.19	4.19	4.16
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.17	4.20	4.27	4.31	4.26	4.55	4.35	4.24	4.30	4.25
Q5	The lecturer was well prepared for each class	4.35	4.45	4.44	4.39	4.40	4.62	4.54	4.42	4.20	4.25
Q6	The lecturer provided useful feedback	4.29	4.37	4.35	4.30	4.32	4.56	4.47	4.33	4.33	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.28	4.52	4.46	4.41	4.39	4.69	4.54	4.47	4.45	4.30
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.31	4.45	4.33	4.34	4.33	4.56	4.45	4.39	4.39	4.24
Q9	The lecturer was available to discuss learning problems outside of class time	4.13	4.28	4.18	4.27	4.14	4.55	4.37	4.24	4.53	4.20
Q10	The assessment requirements were clearly explained	4.27	4.28	4.28	4.32	4.27	4.63	4.41	4.34	4.33	4.17
Q11	Overall the teaching in the subject was of a high quality	4.30	4.37	4.31	4.28	4.29	4.52	4.45	4.37	4.32	4.30
		4.22	4.33	4.30	4.32	4.28	4.57	4.42	4.32	4.33	4.23

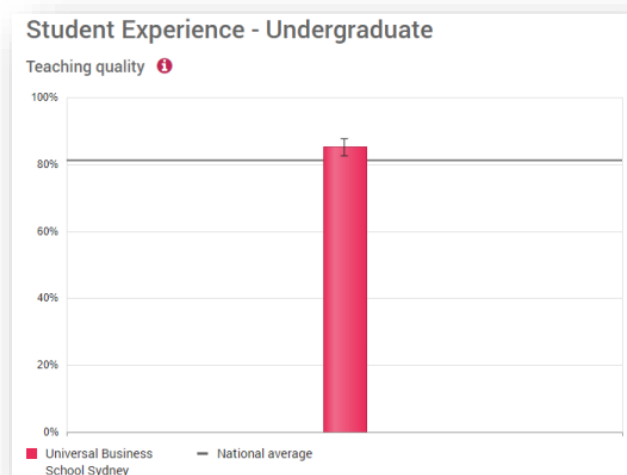
  

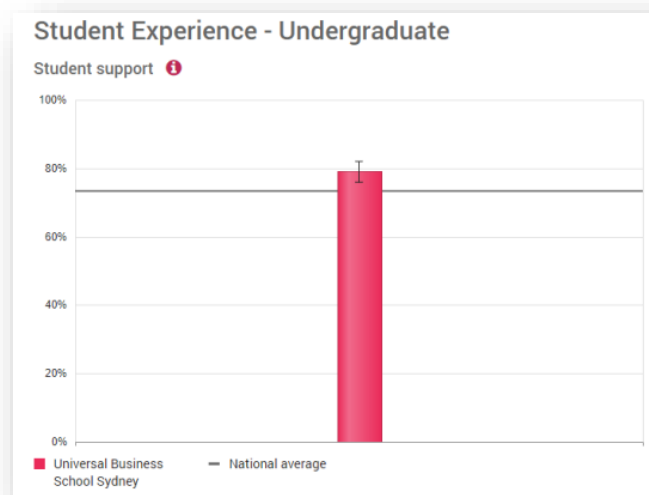
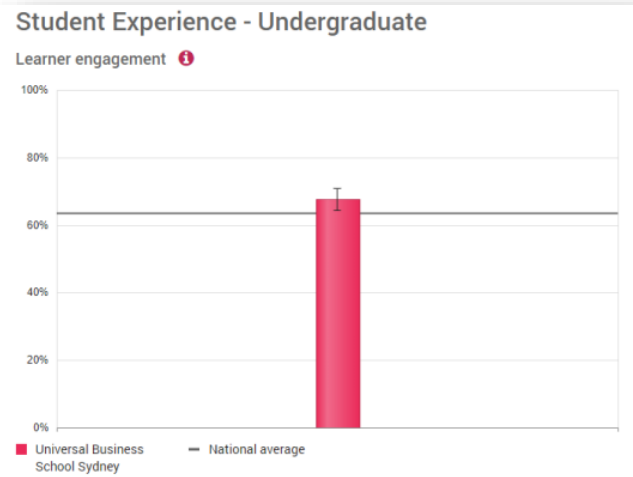
Survey Questions		Bachelor of Accounting									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.15	4.43	4.16	4.36	4.18	4.26	4.27	4.34	4.34	4.25
Q2	The learning outcomes were achievable	4.05	4.39	4.10	4.30	4.07	4.25	4.17	4.32	4.32	4.23
Q3	The subject workload was manageable	3.95	4.09	4.10	4.20	3.98	4.17	4.11	4.21	4.21	4.13
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.10	4.32	4.15	4.31	4.04	4.20	4.20	4.29	4.10	4.22
Q5	The lecturer was well prepared for each class	4.26	4.48	4.27	4.39	4.16	4.29	4.29	4.41	4.30	4.26
Q6	The lecturer provided useful feedback	4.19	4.38	4.16	4.30	4.04	4.19	4.20	4.37	4.30	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.29	4.36	4.25	4.41	4.18	4.34	4.33	4.48	4.20	4.31
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.24	4.46	4.22	4.34	4.11	4.29	4.25	4.43	4.20	4.26
Q9	The lecturer was available to discuss learning problems outside of class time	4.03	4.26	4.04	4.27	3.98	4.17	4.16	4.30	4.10	4.19
Q10	The assessment requirements were clearly explained	4.19	4.34	4.15	4.32	4.08	4.23	4.24	4.35	4.20	4.25
Q11	Overall the teaching in the subject was of a high quality	4.15	4.40	4.17	4.28	4.07	4.24	4.19	4.34	4.20	4.16
		4.15	4.35	4.16	4.32	4.08	4.24	4.22	4.35	4.22	4.23

Survey Questions		Master of Business Administration									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.44	4.27	4.24	4.35	4.40	4.27	4.37	4.37	4.33
Q2	The learning outcomes were achievable	4.00	4.36	4.15	4.17	4.27	4.37	4.19	4.28	4.28	4.31
Q3	The subject workload was manageable	3.90	4.21	4.09	4.08	4.18	4.25	4.15	4.25	4.35	4.25
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Q6	The lecturer provided useful feedback	4.10	4.44	4.19	4.17	4.31	4.33	4.26	4.32	4.50	4.28
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Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.10	4.51	4.27	4.29	4.31	4.37	4.30	4.40	4.40	4.31
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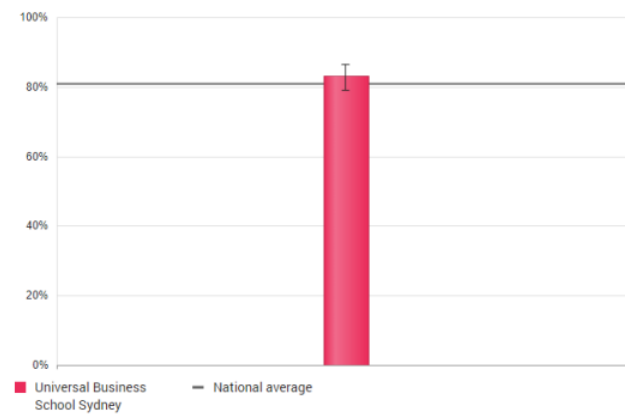
QILT (2018 published in May 2019) indicates UBSS is performing above national average at both undergraduate and postgraduate levels in the key areas of teaching quality, learner engagement and student support -





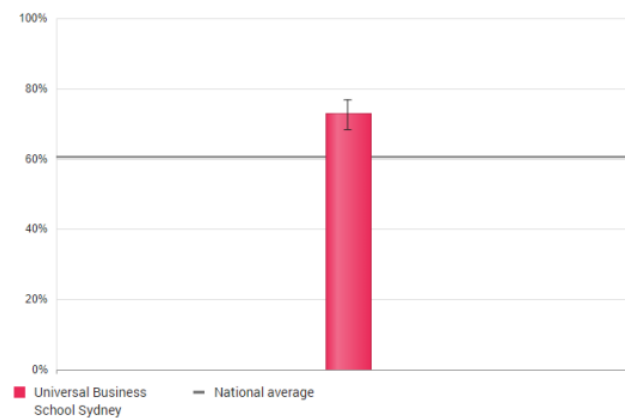
## Student Experience - Postgraduate Coursework

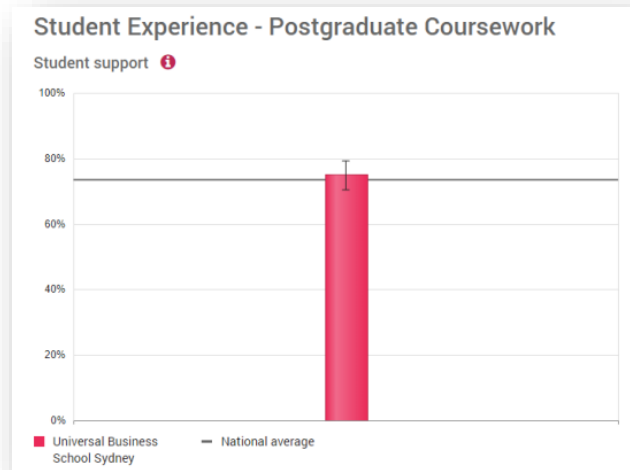
Teaching quality ⓘ



## Student Experience - Postgraduate Coursework

Learner engagement ⓘ





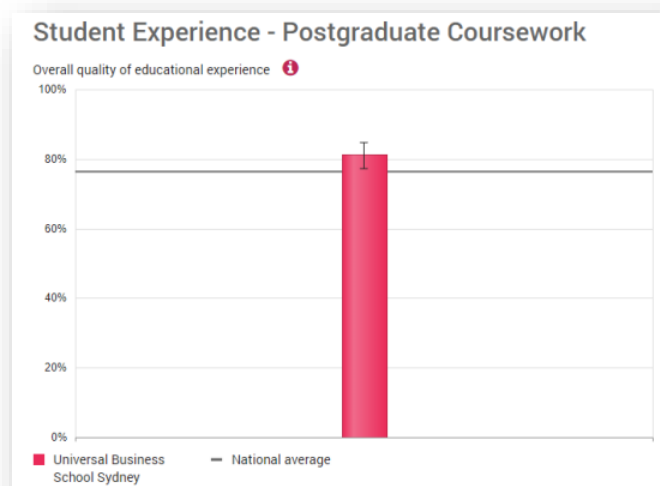
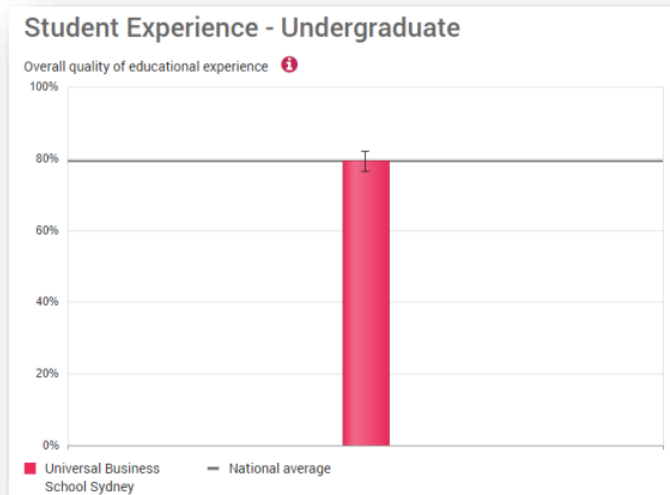
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Graduating students are surveyed each year and the overall experience rating contradicts and essentially negates the risk assessment team conclusions/speculations –

Key Issues	2016	2017	2018	2019
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Satisfaction with assistance provided	79%	79%	71%	77%



QILT (2018 published in May 2019) places UBSS both undergraduate (79.4%) and postgraduate (81.4%) *above* national average leaving the risk assessment team speculation highly dubious –



The argument of part-time versus full time has no relationship with quality – and is therefore of no value. It should be removed as a risk indicator all together – and certainly not used in the same sentence as quality and student satisfaction. It would appear the risk assessment team concern is unfounded and inappropriate.

It is important to note that employers' obligations under the FWA Act in regard to Casual, Part-time and Full time work changed in 2017. As a result GCA would have few, if any, casual staff. Furthermore, any employee who has worked for more than twelve months can request flexible working arrangements.

The denigrating of part-time work and/or such workers is in conflict with the spirit of the FWA Act.

GCA suggests that if this high risk rating is maintained it would be an action taken to coerce GCA to disadvantage staff who for personal/professional reasons would wish to exercise their rights to part-time employment under the FWA Act.

**Our assessment, then, is moderate risk as indicated in our risk assessments. We reject the TEQSA analysis and resultant assessment, it is fundamentally flawed, and replace the high risk with moderate.**

Risk Rating Summary		2014	2015	2016	2017	2018
Risk to Students		High	High	High	Moderate	Moderate
Risk to Financial Position		Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth		High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate		Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate		Low	Low	High	Low	Low
Indicator 4 - Completions		Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction		Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations		Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education		High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio		High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts		High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability		Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability		Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)





## Financial Sustainability

The TEQSA analysis –

11. Financial Sustainability			
Component Measures	Calculated Value	Weighted Score	TEQSA Comments
FS1 - Change in total revenue %	21.3 %	2.9	<p>Risks are posed by the significant growth in international higher education student enrolments, which has lead to international higher education revenue nearly doubling from 2016 (2016: \$8.8m to 2018: \$19.8m). Further the reliance on international higher education revenue has significantly increased over the past three years (2016: 52%, 2017: 69%, 2018: 80%), as a result of increased enrolments and the decline in revenue from GCA's non-higher education activities.</p> <p>This growth has not been supported by an equivalent investment in staffing resources, as evident through the deterioration of both the level of staff spending as a percentage of revenue and the large increase in the SSR.</p>
FS2 - Asset (Capital) replacement	1.9		
FS3 - Change in employee benefits ratio	-5.7 %		
FS4 - Year on Year change in commencements (EFTSL)	56.5 %		
FS5 - Revenue concentration	80.3 %		
Data source: Department of Education and Training			Rating High

Total weighted score is rated out of 5. An assigned score of 5 indicates the potential of lower financial risk while an assigned score of 1 indicates the potential of higher financial risk.

GCA has three (3) Colleges: UBSS – HE; Central College – VET; and Metro English College – ELICOS.

UBSS has TEQSA approval for 1,650 students. We are successfully working towards this.

TEQSA has concluded that this standard is rated high risk, however, our considered view is that this is based on flawed arguments and incorrect figures.

Essentially, TEQSA has noted concerns with Employee Benefits and Revenue Diversification.

### a) Employee Benefits

The TEQSA-derived SSR forecast of 55.6 for 2018 is just plain wrong and exaggerated. We are yet to officially lodge the SSR for 2018 but it is 42.4 and slightly lower than 2017. Not spiralling out of control as implied and displayed to an ill-informed reader but steady and managed

We also note that TEQSA have incorrectly applied the Staff FTE for 2017 of 29.8 to the 2018 student EFTSL.

TEQSA do not provide an acceptable level or target for any of the “calculated value” components nor is there an explanation or description how all these actual calculated values are aggregated into the “Weighted Score” - refer *TEQSA Risk Assessment Framework (Version 2.3 – March 2019)*.

The practice of applying UBSS College specific SSR to Total Company – three colleges, mixed income streams and employee benefit costs – has no credibility at all. Another “apples and oranges’ misguided and lazy approach which has no sound argument and wrong.

What is required is to compare growth in revenue with growth in Academic/lecturing costs.

We note that many of the Non Academic and/or Support Costs – such as Administration, Finance, Student Services, IT, Marketing – do not necessarily increase in alignment with revenues as systems and technology enhancements and expenditure investments create significant efficiencies and cost savings. Also, note that these Non Academic costs invariably comprise more than half the total employee benefits approaching 55%.

The audited financials for 2018, 2017 and 2016 and the facts show very clearly that GCA has increased expenditures for Employee Benefits every year as displayed in the table below. Most importantly we underline that resources have been increased markedly, every year in UBSS for Academic Lecturers by 26.8% in 2018 and 55.5% in 2017. This revenue growth has been supported by a doubling of investment in Academic staffing resources from \$995k in 2016 to \$1,962k in 2018.

**Table 1. Employee Benefits ( \$'000)**

	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Total Company</b>	<b>\$7,949</b>	<b>\$7,639</b>	<b>\$7,429</b>
Non Academic Staff	\$4,435	\$4,185	\$4,163
Academic Lecturers	\$3,514	\$3,454	\$3,266
UBSS Academic Lecturers	\$1,962	\$1,547	\$995
<i>Growth</i>	<i>26.8%</i>	<i>55.5%</i>	

*Note. Extracts from audited Financials*

## b) Revenue Diversification

GCA's view is that lack of diversification is a business risk but not a risk to the students. GCA is in a strong financial position by any measure and all student tuition fees paid in Advance are "Protected" and deposited into a Designated bank account as required by the ESOS Act.

GCA relocated to Sydney CBD from the Redfern Campus in 2016. Although we were reaching the ASQA approved student capacity levels both the Central College (VET) and Metro English College (ELICOS) were marginal business at best. Operating Margins deteriorated from 2016 due to the relatively high premises rent to revenue ratio, flattening student growth and inability to increase prices in these Colleges as competition and discounting was strong.

The Table below will show that while the non-HE revenue was providing a wider base it remained concentrated on International students and compromised GCA's Financial Viability. These losses and drain on Cash could not be sustained, however, we could not exit the leases. Strategically, GCA decided to focus on HE and grow the business geographically within Australia, emphasise the MBA, and penetrate new markets with new Agents to add more diversification to our student cohort.

**Table 2. Profit/(Loss) before Tax**

( \$'000)	2019*	2018	2017	2016
<b>Total Company</b>	<b>\$8,620</b>	<b>\$5,236</b>	<b>\$868</b>	<b>-\$1,969</b>
Central College	-\$234	-\$414	-\$185	-\$138
Metro English College	-\$273	-\$339	-\$753	-\$392

*Note. Extracts from audited Financials*

*\*2019 is currently being audited*

We also note that GCA has attempted to enter the Domestic market through On-line delivery of Central College VET courses in 2013. This initiative was particular costly and despite best

endeavours failed to gain adequate enrolment numbers. We closed and/or “taught out” this Online College in 2015 as this new business was adversely affecting the Financial Viability with incurred losses of -\$1.4M.

GCA recognises the business risk and continues to seek out a more balanced revenue portfolio that may enhance both the Sustainability and Viability and has a strategy to achieve same.

GCA is surprised with the TEQSA commentary. GCA’s auditors, bankers and tax advisors – all major companies in their fields – regard the GCA financial situation as very positive in no small part due to the restructure over the last four years. GCA employs highly regarded financial professionals for business/accounting purposes. The excellent financial results support that decision. GCA is mystified (in fact) by the comments in the risk rating commentary.

Further, Growth does not equate to risk if managed appropriately. GCA has managed its growth well demonstrated by quality outcomes evidenced in both internal review and external endorsement.

SFUs over 10 trimesters indicate high levels of student satisfaction with teaching and learning processes –

Survey Questions		Bachelor of Business									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.38	4.30	4.36	4.28	4.57	4.44	4.35	4.35	4.26
Q2	The learning outcomes were achievable	4.09	4.29	4.27	4.30	4.25	4.55	4.36	4.23	4.23	4.21
Q3	The subject workload was manageable	4.06	4.00	4.14	4.20	4.17	4.51	4.21	4.19	4.19	4.16
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.17	4.20	4.27	4.31	4.26	4.55	4.35	4.24	4.30	4.25
Q5	The lecturer was well prepared for each class	4.35	4.45	4.44	4.39	4.40	4.62	4.54	4.42	4.20	4.25
Q6	The lecturer provided useful feedback	4.29	4.37	4.35	4.30	4.32	4.56	4.47	4.33	4.33	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.28	4.52	4.46	4.41	4.39	4.69	4.54	4.47	4.45	4.30
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.31	4.45	4.33	4.34	4.33	4.56	4.45	4.39	4.39	4.24
Q9	The lecturer was available to discuss learning problems outside of class time	4.13	4.28	4.18	4.27	4.14	4.55	4.37	4.24	4.53	4.20
Q10	The assessment requirements were clearly explained	4.27	4.28	4.28	4.32	4.27	4.63	4.41	4.34	4.33	4.17
Q11	Overall the teaching in the subject was of a high quality	4.30	4.37	4.31	4.28	4.29	4.52	4.45	4.37	4.32	4.30
		4.22	4.33	4.30	4.32	4.28	4.57	4.42	4.32	4.33	4.23

Survey Questions		Bachelor of Accounting									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.15	4.43	4.16	4.36	4.18	4.26	4.27	4.34	4.34	4.25
Q2	The learning outcomes were achievable	4.05	4.39	4.10	4.30	4.07	4.25	4.17	4.32	4.32	4.23
Q3	The subject workload was manageable	3.95	4.09	4.10	4.20	3.98	4.17	4.11	4.21	4.21	4.13
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	4.10	4.32	4.15	4.31	4.04	4.20	4.10	4.29	4.10	4.22
Q5	The lecturer was well prepared for each class	4.26	4.48	4.27	4.39	4.16	4.29	4.29	4.41	4.30	4.26
Q6	The lecturer provided useful feedback	4.19	4.38	4.16	4.30	4.04	4.19	4.20	4.37	4.30	4.23
Q7	The lecturer had a good knowledge of the subject matter	4.29	4.36	4.25	4.41	4.18	4.34	4.33	4.48	4.20	4.31
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.24	4.46	4.22	4.34	4.11	4.29	4.25	4.43	4.20	4.26
Q9	The lecturer was available to discuss learning problems outside of class time	4.03	4.26	4.04	4.27	3.98	4.17	4.16	4.30	4.10	4.19
Q10	The assessment requirements were clearly explained	4.19	4.34	4.15	4.32	4.08	4.23	4.24	4.35	4.20	4.25
Q11	Overall the teaching in the subject was of a high quality	4.15	4.40	4.17	4.28	4.07	4.24	4.19	4.34	4.20	4.16
		4.15	4.35	4.16	4.32	4.08	4.24	4.22	4.35	4.22	4.23

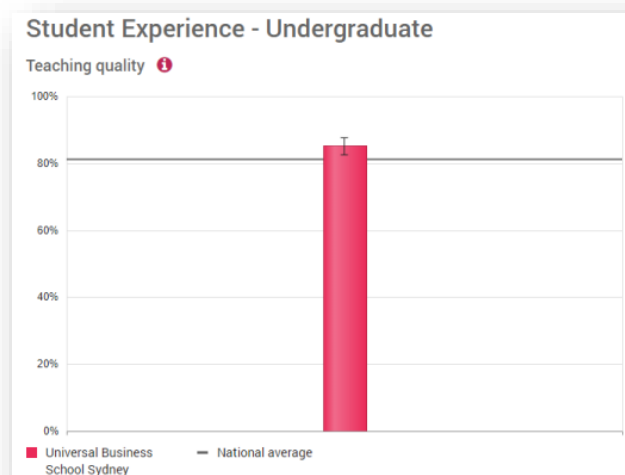
  

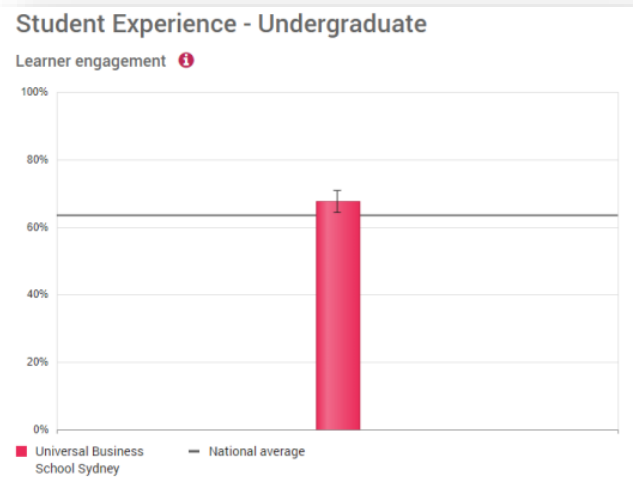
Survey Questions		Master of Business Administration									
		T2 16	T3 16	T1 17	T2 17	T3 17	T1 18	T2 18	T3 18	T1 19	T2 19
Q1	The subject provided useful knowledge and skills	4.20	4.44	4.27	4.24	4.35	4.40	4.27	4.37	4.37	4.33
Q2	The learning outcomes were achievable	4.00	4.36	4.15	4.17	4.27	4.37	4.19	4.28	4.28	4.31
Q3	The subject workload was manageable	3.90	4.21	4.09	4.08	4.18	4.25	4.15	4.25	4.35	4.25
Q4	The subject helped to develop relevant professional skills such as problem solving and critical thinking	3.90	4.40	4.11	4.12	4.25	4.31	4.19	4.27	4.27	4.29
Q5	The lecturer was well prepared for each class	4.20	4.59	4.17	4.29	4.42	4.44	4.37	4.42	4.42	4.38
Q6	The lecturer provided useful feedback	4.10	4.44	4.19	4.17	4.31	4.33	4.26	4.32	4.50	4.28
Q7	The lecturer had a good knowledge of the subject matter	4.30	4.58	4.30	4.38	4.43	4.48	4.41	4.48	4.48	4.41
Q8	The lecturer used e-learning resources eg smartboard moodle in a way that aided learning in the subject	4.10	4.51	4.27	4.29	4.31	4.37	4.30	4.40	4.40	4.31
Q9	The lecturer was available to discuss learning problems outside of class time	4.00	4.26	4.13	4.12	4.20	4.20	4.11	4.21	4.25	4.24
Q10	The assessment requirements were clearly explained	4.00	4.51	4.17	4.22	4.28	4.38	4.26	4.34	4.35	4.35
Q11	Overall the teaching in the subject was of a high quality	4.10	4.41	4.09	4.18	4.26	4.32	4.23	4.31	4.36	4.27
		4.07	4.43	4.17	4.21	4.30	4.35	4.25	4.33	4.37	4.31

Staff surveys over 9 trimesters indicate high levels of staff satisfaction –

	Survey Questions	T2 2016	T3 2016	T1 2017	T2 2017	T3 2017	T1 2018	T2 2018	T3 2018	T1 2019
Q1	You are provided with the tools and resources to do your job well	4.10	4.00	4.87	4.63	4.81	4.83	4.62	4.54	4.40
Q2	Your job requirements are clearly communicated and goals and strategies are clearly defined	4.20	4.40	4.80	4.68	4.75	4.83	4.71	4.69	4.67
Q3	You feel encouraged to come up with new and better ways of doing things	4.10	4.20	4.73	4.53	4.50	4.61	4.67	4.54	4.73
Q4	Your supervisor visibly demonstrates a commitment to quality	4.10	4.20	4.87	4.79	4.69	4.72	4.71	4.77	4.87
Q5	You are satisfied with the level of involvement in decisions that directly affect your work?	3.90	4.20	4.53	4.37	4.63	4.56	4.62	4.69	4.60
Q6	UBSS does a good job of keeping employees informed about matters affecting your work?	4.00	4.30	4.93	4.79	4.81	4.89	4.62	4.77	4.80
Q7	Overall, you are satisfied with your job?	4.20	4.50	4.87	4.79	4.88	4.94	4.76	4.85	4.87
Average		4.09	4.26	4.80	4.65	4.72	4.77	4.67	4.69	4.70

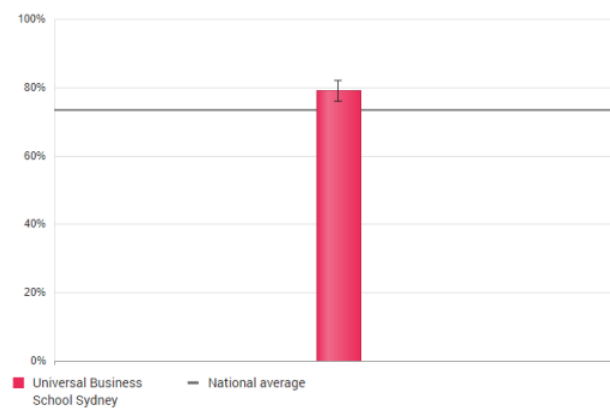
QILT (2018 published in May 2019) indicates UBSS is performing above national average at both undergraduate and postgraduate levels -





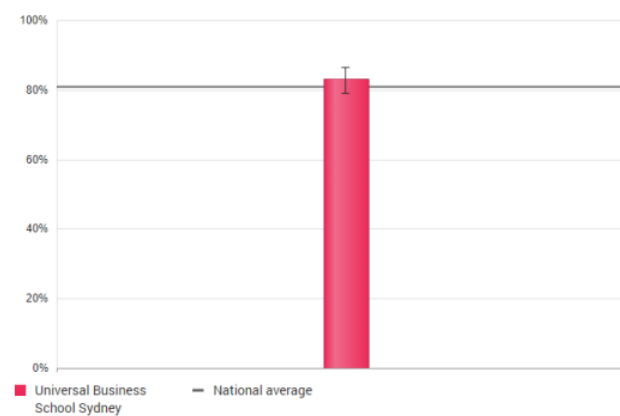
## Student Experience - Undergraduate

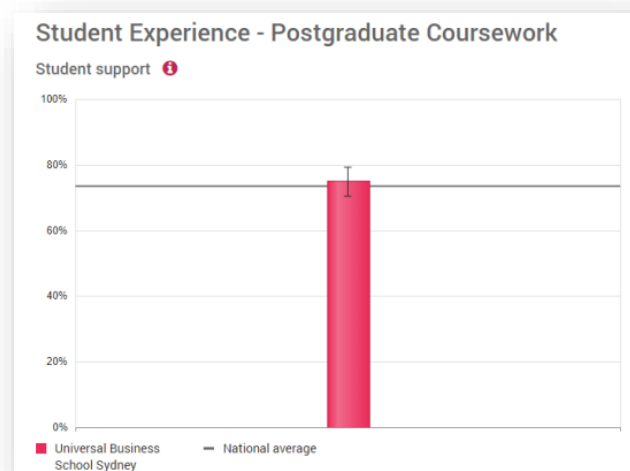
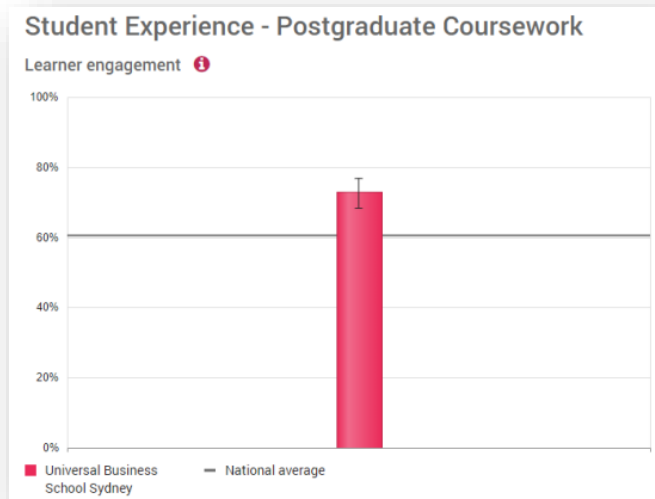
Student support ⓘ



## Student Experience - Postgraduate Coursework

Teaching quality ⓘ





In terms of the **overall student experience** all indicators (both internal, external and benchmarked) would suggest UBSS is well placed in the sector.

Graduating students are surveyed each year and the overall experience rating would contradict and essentially negate the risk assessment team conclusions/speculations –

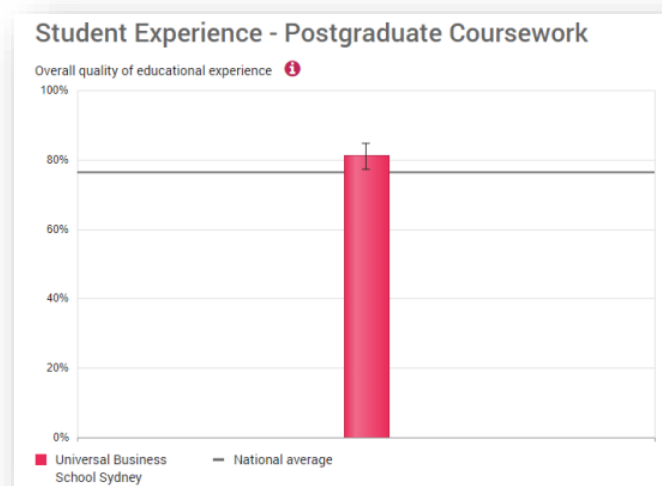


Key Issues	2016	2017	2018	2019
Satisfaction with overall UBSS experience	73%	84%	78%	<b>91%</b>
Satisfaction with assistance provided	79%	79%	71%	<b>77%</b>



QILT (2018 published in May 2019) places UBSS both undergraduate (79.4%) and postgraduate (81.4%) *above* national average leaving the risk assessment team speculation highly dubious –





The reliance on international students and associated funding appears to be a considerably safer context to the ever-changing and volatile HECS and FEE HELP environment on which Universities in particular have become reliant. In fact the most common strategy for Universities at present is to heighten international enrolment to assist with funding shortages – hardly a risk issue then.

Staffing resource is appropriate to the endeavour of the organisation. Ask the staff, for example –

	Survey Questions	T2 2016	T3 2016	T1 2017	T2 2017	T3 2017	T1 2018	T2 2018	T3 2018	T1 2019
Q1	You are provided with the tools and resources to do your job well	4.10	4.00	4.87	4.63	4.81	4.83	4.62	4.54	4.40
Q2	Your job requirements are clearly communicated and goals and strategies are clearly defined	4.20	4.40	4.80	4.68	4.75	4.83	4.71	4.69	4.67
Q3	You feel encouraged to come up with new and better ways of doing things	4.10	4.20	4.73	4.53	4.50	4.61	4.67	4.54	4.73
Q4	Your supervisor visibly demonstrates a commitment to quality	4.10	4.20	4.87	4.79	4.69	4.72	4.71	4.77	4.87
Q5	You are satisfied with the level of involvement in decisions that directly affect your work?	3.90	4.20	4.53	4.37	4.63	4.56	4.62	4.69	4.60
Q6	UBSS does a good job of keeping employees informed about matters affecting your work?	4.00	4.30	4.93	4.79	4.81	4.89	4.62	4.77	4.80
Q7	Overall, you are satisfied with your job?	4.20	4.50	4.87	4.79	4.88	4.94	4.76	4.85	4.87
	Average	4.09	4.26	4.80	4.65	4.72	4.77	4.67	4.69	4.70

The ongoing attempt to associate SSR with quality provision is now a tired, exhausted topic. There is simply no correlation.

**Our assessment, then, is moderate risk as indicated in our risk assessments. In fact looking at 2018 and 2019 the assessment is heading into the low category. This will**

become evident to TEQSA in the next couple of years as they align their historic data with real data. We reject the TEQSA analysis and resultant assessment, it is fundamentally flawed, and replace the high risk with moderate.

Risk Rating Summary		2014	2015	2016	2017	2018
Risk to Students		High	High	High	Moderate	Moderate
Risk to Financial Position		Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth		High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate		Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate		Low	Low	High	Low	Low
Indicator 4 - Completions		Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction		Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations		Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education		High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio		High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts		High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability		Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability		Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS – NP = Suspended (New Provider)



## Summary

As consequence of this discussion the macro summaries for **Risk to Students** are incorrect and needs adjustment – (in fact should be dismissed outright).

From –

Risk Rating Summary	2015	2016	2017	2018	2019
Risk to Students	High	High	High	High	High
Risk to Financial Position	High	Moderate	High	Moderate	Moderate
Indicator 1 - Student Growth	Moderate	Low	Low	High	High
Indicator 2 - Attrition Rate	High	High	High	High	High
Indicator 3 - Progress Rate	Low	High	High	High	High
Indicator 4 - Completions	Low	Low	Moderate	High	High
Indicator 5 - Graduate Satisfaction	High	High	High	Moderate	Low
Indicator 6 - Graduate Destinations	High	Low	High	Low	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education	High	Low	Low	Low	Low
Indicator 8 - Student to Staff Ratio	High	Moderate	High	High	High
Indicator 9 - Academic Staff on Casual Work Contracts	Moderate	High	High	High	High
Indicator 10 - Financial Viability	High	Moderate	High	Moderate	Low
Indicator 11 - Financial Sustainability	Moderate	Moderate	Low	Low	High



To -

Risk Rating Summary	2014	2015	2016	2017	2018
Risk to Students	High	High	High	Moderate	Moderate
Risk to Financial Position	Moderate	High	Moderate	Moderate	Moderate
Indicator 1 - Student Growth	High	Moderate	Low	Low	Moderate
Indicator 2 - Attrition Rate	Low	High	High	Moderate	Moderate
Indicator 3 - Progress Rate	Low	Low	High	Low	Low
Indicator 4 - Completions	Low	Low	Low	Moderate	Low
Indicator 5 - Graduate Satisfaction	Suspended	High	High	Moderate	Moderate
Indicator 6 - Graduate Destinations	Suspended	High	Low	Moderate	Low
Indicator 7 - Senior Academic Leaders to Broad Field of Education	High	High	Low	Low	Low
Indicator 8 - Student to Staff Ratio	High	High	Moderate	Moderate	Moderate
Indicator 9 - Academic Staff on Casual Work Contracts	High	Moderate	High	Moderate	Moderate
Indicator 10 - Financial Viability	Moderate	High	Moderate	Moderate	Low
Indicator 11 - Financial Sustainability	Moderate	Moderate	Moderate	Low	Low

NCID = No Confidence in Data; SUS = NP = Suspended (New Provider)



## **Addendum**

### **FURTHER COMMENTARY AND RECOMMENDATIONS**

We provide a brief report providing input to the annual TEQSA Risk Assessment Framework Review for 2019. It covers a few points that impact on UBSS as an independent higher education provider, based in Sydney, offering Bachelor of Accounting, Bachelor of Business, MBA with 100% international students, professional body accreditation with CPA, CA, IPA and IML.

#### **Timeliness**

The individual provider risk assessment is 2-3 years behind the current data. We are in a fast moving sector of international student business high education, as a small provider we are nimble and able to react to change. Applying risk assessment from 3 years ago bears little resemblance or relevance to the current situation and the response from providers.

**Recommendation:** TEQSA should aim to provide more timely risk assessment and put more weight to current risk assessments.

#### **One Size Fits All Risk Assessment**

It appears that the risk levels are set across the whole higher education sector. This is inappropriate due to the varying composition of the providers to reach high quality student outcomes, which are fit for purpose for the students and their future career needs. An intensive creative arts provider, is very different to a business school. However, the same risk profiles are applied to establish levels of risk. This in particular impacts on Risk 8 Student to Staff Ratio and Risk 9 Academic Staff Casual Work Contracts.

**Recommendation:** TEQSA should have a more nuanced approach of varying risk profiles based on the academic discipline and student cohort.

#### **Adjusted Attrition**

TEQSA continues to use normal or raw attrition as the measure for Risk 2 Attrition Rate. In the framework TEQSA does invite individual providers to adjust attrition as “consideration may also be given to the reasons for attrition, such as the proportion of students who transfer to another higher education provider.” (TEQSA Risk Assessment Framework Version 2.3, March 2019, page 14).

Both the HESP in their recommendations to TEQSA in 2018 and Universities Australia have recommended TEQSA use Adjusted Attrition. This was accepted by TEQSA, however the normal unadjusted attrition continues to be used by TEQSA. International students who move from one higher education provider to another and thus remain in the sector, should be adjusted. The Department of Education and TEQSA have chosen not to adjust for International Students, as they do not have a CHESSN, which is the method used by DET and TEQSA to adjust attrition. DET and TEQSA should move to provide international students with an identifying number, so they can be tracked within the higher education sector. This will provide a whole range of benefits for the student, the provider and the various government departments involved.

**Recommendation:** Until this higher education sector wide international student numeric tracking system is in place, TEQSA should request for adjusted attrition via the annual Provider Information Request for the previous year. The PIR asks for a range of internally available data to inform the risk assessment. By adding this adjusted attrition request to the PIR, a more accurate and complete use of adjusted attrition will be included in the risk assessment.