



UBSS ATTRITION 2016 – 2020

**A Response to TEQSA Condition 1a
Student Performance Monitoring**

Professor Andrew West
June 2022

Executive Summary

TEQSA granted re-registration to UBSS on 30th June 2021 for a four-year period to 30th June 2025. The re-registration came with three conditions. The first condition related to Student Performance Monitoring, specifically student attrition. There are two components to the meeting of Condition 1.

Condition 1a states:

Condition 1. Student Performance Monitoring

GCA must provide to TEQSA:


- a. by 30 June 2022, a report containing a comprehensive diagnostic analysis of the probable cause for observed rates and trends for student attrition for each accredited higher education course it offers, for the period 2016 – 2020 inclusive. Data on attrition rates must be calculated in accordance with the definition used in the TEQSA Risk Assessment Framework.

Condition 1b states:

- b. By 30 September 2022:
 - i. evidence that attrition as defined by the TEQSA Risk Assessments and adjusted attrition rates are regularly reported to the GCA Board of Directors and the Academic Senate, and
 - ii. evidence of the actions and mitigating strategies that have and will be implemented to address the continued high rate of unadjusted attrition.

The following report relates to Condition 1a and the reporting of student attrition for the period of 2016 to 2020. Condition 1b will be completed by 30 September 2022.

TEQSA continues to focus on unadjusted, what they call “normal” attrition. This is for first year undergraduate students, who have left the provider in the following from study The following is from TEQSA’s risk assessment for 2021, showing 2017 -2020.

 Australian Government Tertiary Education Quality and Standards Agency				
Provider:	Group Colleges Australia Pty Ltd	PRV12021	Risk Year:	2021
S2. Attrition Rate				
Data by Attrition Year				Risk Rating by Data Year
Header	2017 - 2018	2018 - 2019	2019 - 2020	Indicator
1. Onshore Domestic			16.67%	S2. Attrition Rate
2. Onshore International	32.78%	39.35%	34.78%	
Total	32.78%	39.35%	34.68%	
<i>NOTE: Offshore EFTSL includes Offshore Domestic students.</i>				
Header	2017 - 2018	2018 - 2019	2019 - 2020	
Total - Non-Returning Headcount (Year X)	394.00	508.00	394.00	
Total - Commencing Headcount (Year X - 1)	1,202.00	1,291.00	1,136.00	

The table below shows the most recent available data from the DESE data website and shows the period 2010 to 2019. This includes the 2019 attrition.

<https://www.dese.gov.au/higher-education-statistics/resources/2020-section-15-attrition-success-and-retention>

Table 15.11: New Normal Attrition Rate for overseas commencing bachelor students NUHEIs National Total.

Provider	New Adjusted Attrition Rate (+2nd year completions)										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NUHEIs I	32.44	24.64	25.44	26.96	30.73	36.34	32.85	27.6	26.58	30.15	NA
UBSS	11.5	13.61	24.13	32.81	39.69	30.67	33.82	33.12	32.78	39.35	34.68
Variance	-20.94	-11.03	-1.31	5.85	8.96	-5.67	0.97	5.52	6.2	9.2	NA

This table shows using the TEQSA normal attrition method, that the UBSS normal attrition rate is at 34.68% for 2020, which is down from 39.35% in 2019. This compares to 30.15% for all NUHEIs in Australia in 2019, which is a variance of 9.2%. In 2016 the normal attrition for UBSS was 33.82%, only a small variance in normal attrition between UBSS and other NUHEIs of 0.97%. This shows even by using the outdated attrition calculation used by TEQSA, UBSS is only marginally higher than the national NUHEI average. Over the period 2016 to 2019, the variance is 0.97% to 9.2%. For the period before the reporting period requested by TEQSA of 2016 – 2020, UBSS had a range of variance between -20.94% and 8.96%, with four of the years below the NUHEI attrition rate. Over the period 2010 to 2015, UBSS was below the NUHEI national average.

The problem with this calculation is that it does not consider those students who remain studying at another institution in Australia. UBSS uses the student visa system VEVO to identify those students who remain in Australia at other providers. This is the more accurate calculation of student attrition. This adjusted method is also acknowledged as the appropriate method by all other higher education bodies including the Department of Education and Skills and Employment, the Higher Education Standards Panel and Universities Australia, as well as the Federal Minister for Education.

Set out below is the Adjusted attrition for the period requested from 2016 to 2020. This shows that the UBSS adjusted attrition figure is in line with the National average, which includes all the universities. When compared to the NUHEIs, UBSS outperforms the other NUHEIs by between 10.83% and 12.87%.

The increase in 2020, can be attributed to the impact of COVID-19, which hit Australian higher education in March 2020, having an impact on returning students in 2021 as the student's lives and ability to maintain study was drastically impacted.

State/Higher Education Institution	Adjusted Attrition rate (+ 2nd year completic				
	2016	2017	2018	2019	2020
Australia					
Table 15.1: New Adjusted Attrition Rate for domestic commencing bachelor students by State and Higher Education Institution (Tables A and B providers only), 2005 to 2019					
National Total	14.32	14.93	14.55	13.23	Not Available
Table 15.10: New Adjusted Attrition Rate for domestic commencing bachelor students by State and Higher Education Institution (NUHEIs only), 2005 to 2019					
NUHEIs National Total	26.62	26.51	24.87	25.13	Not Available
UBSS Adjusted Attrition (VEVO)	13.8	15	12	14.3	16.2
Variance	-12.82	-11.51	-12.87	-10.83	

The adjusted attrition has been able to remain low through the efforts of the UBSS management, lecturing staff student services and learning support services. This includes providing support for students through the whole student life cycle. The student satisfaction remains constantly high as observed by the SFUs over this period. Graduate outcomes remain positive and graduate satisfaction is high as seen by the graduate survey.

As requested by TEQSA, this report sets out the “student attrition for each accredited higher education course it offers, for the period 2016 – 2020 inclusive”. For UBSS these are the three programs of the Bachelor of Business, the Bachelor of Accounting, and the Master of Business Administration. This is provided below. Of note, is the low adjusted attrition of the MBA program over the five-year period from 2016 - 2020. The TEQSA attrition does not include post graduate studies in its calculation. As UBSS proportion of students in MBA is at 60% in 2020, the TEQSA attrition is not representative of the whole UBSS student cohort.

Table of Adjusted Attrition using VEVO data

	2016	2017	2018	2019	2020
Bachelor of Accounting	15.4%	17.3%	13.7%	20.2%	23.8%
Bachelor of Business	16.6%	19.9%	16.3%	20.7%	24.6%
MBA	8.4%	8.2%	8.0%	8.7%	10.9%
Total Adjusted Attrition	13.8%	15.0%	12.0%	14.3%	16.2%

The MBA has remained at the low adjusted attrition proportion from 2016 at 8.4% to a low of 8.0% in 2018. There has been a slight increase in the MBA adjusted attrition to 10.9% in 2020. March 2020 saw the first impact of COVID. Throughout the year, students did not move to another higher education provider, but chose more to return home for a range of personal and financial reasons. A similar adverse effect from COVID-19 impacted the undergraduate students.

The following report goes into more detail on the data, the methods of calculating student attrition and the strategies implemented by UBSS to ensure adjusted attrition remains low.

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TEQSA Condition 1 – Student Performance Monitoring

On the 30th June 2021, as part of the re-registration of Group Colleges Australia Pty Ltd (PRV12021) Trading as Universal Business School Sydney (UBSS), TEQSA imposed three conditions on the 4 year registration of UBSS. Condition 1 related to Student Performance Monitoring. This condition related specifically to student attrition. There are two components to the meeting of Condition 1

Condition 1a states:

Condition 1. Student Performance Monitoring

GCA must provide to TEQSA:

- a. by 30 June 2022, a report containing a comprehensive diagnostic analysis of the probable cause for observed rates and trends for student attrition for each accredited higher education course it offers, for the period 2016 – 2020 inclusive. Data on attrition rates must be calculated in accordance with the definition used in the TEQSA Risk Assessment Framework.

Condition 1b states:

- b. By 30 September 2022:
 - i. evidence that attrition as defined by the TEQSA Risk Assessments and adjusted attrition rates are regularly reported to the GCA Board of Directors and the Academic Senate, and
 - ii. evidence of the actions and mitigating strategies that have and will be implemented to address the continued high rate of unadjusted attrition.

This report on the student attrition at UBSS from 2016 to 2020 meets the requirements of Condition 1a. Subsequent analysis and reporting to the Group Colleges Australia Board and UBSS Academic Senate will meet Condition 1b, to be reported to TEQSA by September 2022.

TEQSA's Calculation of Attrition as per Risk Assessment Framework

The TEQSA Condition 1a requires that UBSS reports student attrition as per the Risk Assessment Framework. The definition and explanation of the various attritions used by TEQSA can be found at

<https://www.tcsisupport.gov.au/glossary/glossaryterm/Attrition%20rate> .

Attrition rate is a measure of the proportion of students leaving the higher education system after their first year.

The department publishes two types of attrition rates, Normal and Adjusted:

1. Normal Attrition rate:

The Normal Attrition rate for year(x) is the proportion of students who commenced a course in year(x) who neither complete in year(x) nor return in year(x + 1).

The normal attrition rate calculation is based on a match process using the students' StudentID. This gives a "crude" attrition rate, which identifies students that neither complete a course nor are retained the following year at the same institution. Students who remained at the same institution, but changed course are not counted in the attrition group. Students who changed institution are counted as attrited. This only includes undergraduate students. It does not include the post graduate students.

2. New Normal Attrition rate:

The New Normal Attrition rate for year(x) is the proportion of students who commenced a course in year(x) who neither complete in year(x) **or year(x + 1)** nor return in year(x + 1).

The normal attrition rate calculation is based on a match process using the students' StudentID. This gives a "crude" attrition rate, which identifies students that neither complete a course nor are retained the following year at the same institution. Students who remained at the same institution, but changed course are not counted in the attrition group. Students who changed institution are counted as attrited.

3. Adjusted Attrition rate:

The Adjusted Attrition rate for year(x) is the proportion of students who commenced a course in year(x) who neither complete in year(x) nor return in year(x + 1).

The adjusted attrition rate calculation is similar to the normal attrition rate calculation however it is based on a match process using both the StudentID and the Commonwealth Higher Education Student Support Number (CHESSN). This gives a more accurate attrition rate calculation, as it identifies students at either the same or a different higher education institution. In other words, if a student moves from one institution to another in the following year, he or she would be counted as retained in the adjusted attrition rate calculation, but attrited in the normal attrition

rate calculation. For the adjusted attrition rate, it is only those students who left the higher education system entirely (that is, they were no longer at any institution) that are counted as attrited.

4. New Adjusted Attrition rate:

The New Adjusted Attrition rate for year(x) is the proportion of students who commenced a course in year(x) who neither complete in year(x) **or year(x + 1)** nor return in year(x + 1).

The new adjusted attrition rate calculation is similar to the normal attrition rate calculation however it is based on a match process using both the StudentID and the Commonwealth Higher Education Student Support Number (CHESSN). This gives a more accurate attrition rate calculation, as it identifies students at either the same or a different higher education institution. In other words, if a student moves from one institution to another in the following year, he or she would be counted as retained in the adjusted attrition rate calculation, but attrited in the normal attrition rate calculation. For the adjusted attrition rate, it is only those students who left the higher education system entirely (that is, they were no longer at any institution) that are counted as attrited.

How does the department calculate new attrition rate?

The Attrition rate calculation involves four components – commencing students, completing students in year (x), completing students in year (x + 1) and returning students.

- commencing students – students who have enrolled in a course at a higher education provider with a commencement date in year (x)
- returning students – commencing students who have an enrolment record in year (x + 1) and have no completion record in year (x)
- completing students in year (x) – commencing students who have a completion record in year (x)
- completing students in year (x + 1) – commencing students who have a completion record in year (x + 1) and no enrolment record in year (x + 1)

UBSS Adjusted Attrition

To implement the use of adjusted attrition, GCA has developed a method to track international students who have left GCA, but not higher education. As stated previously, the current use of CHESN as the student identifier to check if a student has remained within the higher education sector only applies to FEE Help student. That is only to domestic students with FEE Help and not international students.

To overcome this shortfall, GCA uses the Visa Entitlement Verification Online (VEVO) system which is administered by the Department of Home Affairs. By using VEVO, GCA looks up those students who have left GCA but who still have a student visa and therefore assumed are still studying in the Australian higher education sector. The steps involved are-

- 1) Data retrieved from providers Student Management System;
- 2) Extracted records of students who discontinued in the first year of the course;
- 3) Flag status for students in both Under Grad and Post Grad programs to capture PostGrad students who complete Under Grad program and then proceed to Post Grad where appropriate;
- 4) Manually check students who qualify for 'attrition' in VEVO to verify visa record. These are students who no longer have a student visa. Therefore, it is assumed they are no longer studying, otherwise assume they have moved to another provider;
- 5) Compare dataset to HEIMS database.

This method excludes students on a bridging visa with study rights in the attrition calculation as the likelihood of study cannot be quantified. Students who have proceeded to receive permanent residency are also treated as attrition as it cannot be determined if these students have continued with their higher education studies. Therefore, this method results in a conservative calculation that is a higher adjusted attrition than may be the case.

TEQSA continues to focus on unadjusted, what they call "normal" attrition. This is for first year undergraduate students, who have left the provider in the following from study. The following is from TEQSA's risk assessment for 2021.

Australian Government Tertiary Education Quality and Standards Agency			
Provider:	Group Colleges Australia Pty Ltd	PRV12021	Risk Year: 2021
S2. Attrition Rate			
Data by Attrition Year			Risk Rating by Data Year
Header	2017 - 2018	2018 - 2019	2019 - 2020
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Total - Non-Returning Headcount (Year X)	394.00	508.00	394.00
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The table below shows the most recent available data from the DESE data website and shows the period 2010 to 2019. This includes the 2020 attrition for UBSS.

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Variance	-20.94	-11.03	-1.31	5.85	8.96	-5.67	0.97	5.52	6.2	9.2	NA

This table shows using the TEQSA normal attrition method, that the UBSS normal attrition rate is at 34.68% for 2020, which is down from 39.35 in 2019. This compares 30.15% for all NUHEIs in Australia, which is a variance of 9.2%. In 2016 the normal attrition for UBSS was 33.82%, only a small variance in normal attrition between UBSS and other NUHEIs of 0.97%. Over the period 2016 to 2019, the variance is 0.97% to 9.2%. For the period before the reporting period requested by TEQSA of 2016 – 2020, UBSS had a range of variance between -20.94% and 8.96%, with four of the years below the NUHEI attrition rate. This shows even by using the outdated attrition calculation used by TEQSA, UBSS is only marginally higher than the national NUHEI average.

Set out below is the Adjusted attrition for the period requested from 2016 to 2020. This shows that the UBSS Adjusted figure is in line with the National average, which includes all the universities. When compared to the NUHEIs, UBSS outperforms the other NUHEIs by between 10.83% and 12.87%. The UBSS performance is in line with the national average year on year for the period 2016 to 2020.

The increase in 2020, can be attributed to the impact of COVID-19, which hit Australian higher education in March 2020, having an impact on returning students in 2021 as the student's lives and ability to maintain study was drastically impacted.

State/Higher Education Institution	Adjusted Attrition rate (+ 2nd year completic				
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Variance	-12.82	-11.51	-12.87	-10.83	

Adjusted Attrition by Course

As requested by TEQSA, this report sets out the “student attrition for each accredited higher education course it offers, for the period 2016 – 2020 inclusive. For UBSS these are the three programs of the Bachelor of Business, the Bachelor of Accounting, and the Master of Business Administration.

The table below shows the total number of students enrolled at UBSS for each of the five years from 2016 to 2020. This shows that during this period, the total number of students increased to the highest level in 2018 at a figure of 1,877. Over this period the number of students studying a Bachelor of Accounting went from a proportion of 49% in 2016 to 23% in 2020. The proportion of Bachelor of Business students stayed reasonably constant, declining from 25% in 2016 to 17% in 2020. The MBA program had the reverse trend, increasing from 27% of the total student cohort to 60% of the students in 2020.

Table of Total Student Numbers by Course for Period 2016 to 2020

	2016		2017		2018		2019		2020	
	Students	%	Students	%	Students	%	Students	%	Students	%
Bachelor of Accounting	535	49%	726	47%	717	38%	496	30%	355	23%
Bachelor of Business	274	25%	338	22%	410	22%	307	18%	254	17%
MBA	293	27%	488	31%	750	40%	872	52%	913	60%
Total Adjusted Attrition	1,102	100%	1,552	100%	1,877	100%	1,675	100%	1,522	100%

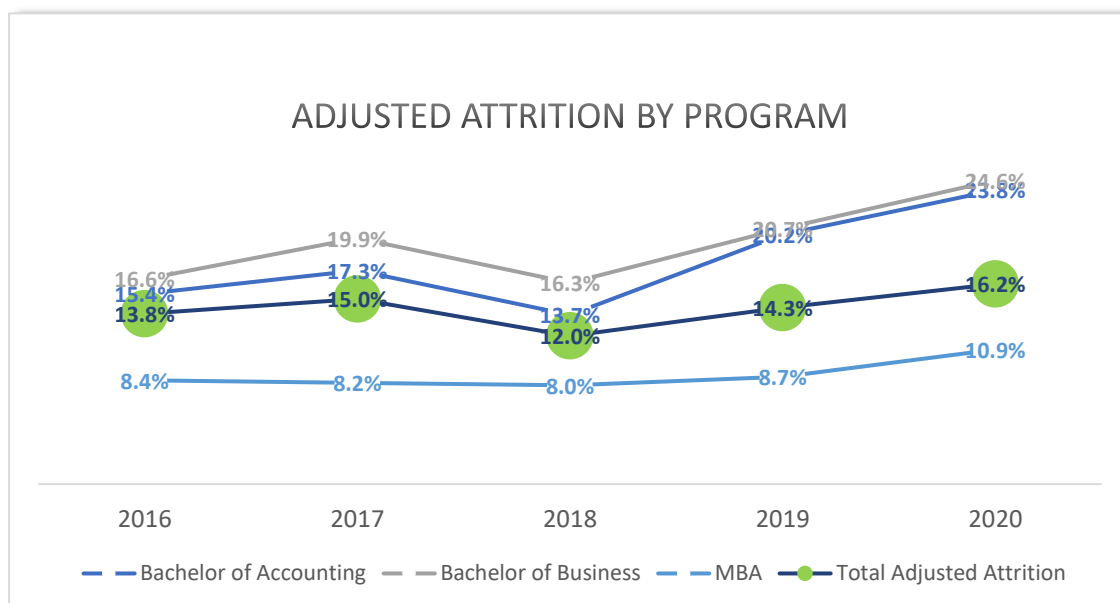
This is significant, as the post graduate students show a lower level of attrition, remaining at UBSS to complete the three-year program, compared to the three-year bachelor’s degrees.

Of note, is the low adjusted attrition of the MBA program over the five-year period from 2016 - 2020. The TEQSA attrition does not include post graduate studies in its calculation. As UBSS proportion of students in MBA is at 60% in 2020. Most of the adjusted attrition is in the undergraduate programs, which is all that is used in the TEQSA data.

Table of Adjusted Attrition using VEVO data for the Period 2016 to 2020

	2016	2017	2018	2019	2020
Bachelor of Accounting	15.4%	17.3%	13.7%	20.2%	23.8%
Bachelor of Business	16.6%	19.9%	16.3%	20.7%	24.6%
MBA	8.4%	8.2%	8.0%	8.7%	10.9%
Total Adjusted Attrition	13.8%	15.0%	12.0%	14.3%	16.2%

Graph of Adjusted Attrition using VEVO data for the Period 2016 to 2020



The MBA has remained at the low adjusted attrition proportion from 2016 at 8.4% to a low of 8.0% in 2018. There has been a slight increase in the MBA adjusted attrition to 10.9% in 2020. In March 2020 was the first impact of COVID. Throughout the year, students did not move to another higher education provider, but chose more to return home for a range of personal and financial reasons.

It can be seen from 2016 to 2020 a steady increase in the adjusted attrition for both the Bachelor of Accounting and Bachelor of Business. Both these programs made up a lower

proportion of the student cohort, so their impact on the total adjusted attrition declined. However, the increase went from a low in 2018 of 13.7% for Bachelor of Accounting and 16.3% for Bachelor of Business, to highs of 23.8% and 24.6% respectively. The impact of COVID can be seen again, as students did not return in 2021, and also did not transfer to other providers. They understandably were adversely affected by the impact of COVID-19.

Adjusted not Normal Attrition is Appropriate

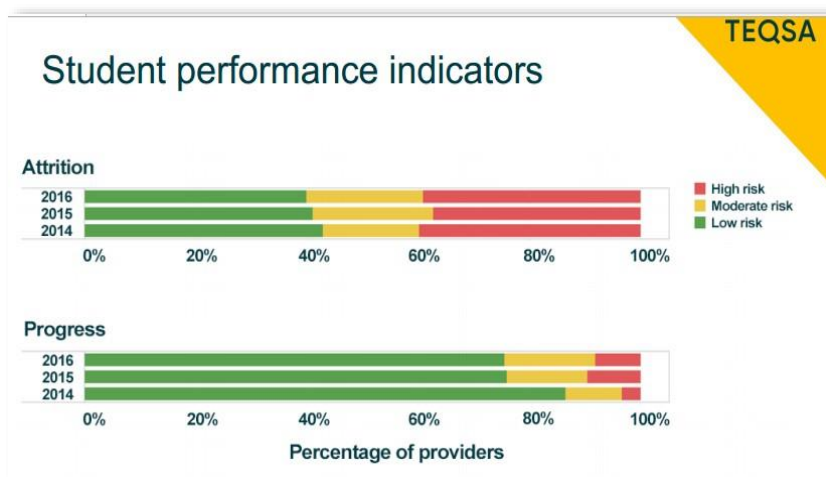
The basis of the reason for using adjusted attrition by GCA is that this is the accepted measure of attrition in the Higher Education sector. The Higher Education Standards Panel (HESP) recommended the use of adjusted attrition in 2017. In 2018 the Government Education and Training Department supported the 18 recommendations from HESP, including the use of adjusted attrition. Since 2018 The Department of Education, Skills and Employment (DESE) has accepted adjusted attrition, creating a new definition for the New Adjusted Attrition.

However, due to limitation of the CHESN only relating to domestic students, international students cannot be adjusted. Universities Australia (UA) and its members have used adjusted attrition for many years and have outlined the problems with using normal (raw) attrition. The only organisation to continue to advocate and use normal (raw) attrition is TEQSA. TEQSA is clearly out of step with the rest of the whole of the higher education industry. GCA has chosen to follow the Federal Government, HESP, DESE and UniversitiesAustralia and the rest of the Higher Education Sector in the use of adjusted attrition.

The following provides further details of each organisations' reasons for using adjusted attrition and the forthcoming implementation of a Universal Student Identifier (USI) to all adjusted attrition across all cohorts of students.

At the TEQSA conference in November 2017, Chief Commissioner Professor Saunders gave a presentation titled "Learning from TEQSA's First 6 years". In the presentation he outlined percentages of providers' risk levels of high, moderate and low against the student performance indicators and staff indicators for the years 2014, 2015 and 2016.

As can be seen in the slides from the presentation (below), of the five indicators provided, attrition has by far the greatest proportion of high risk providers at approximately 40% of providers. Furthermore, less than 40% are low risk on the attrition indicator. The other indicators ranged between 10-20% depending on the indicator and year. In this analysis, TEQSA uses the normal (raw) attrition, not adjusted attrition.

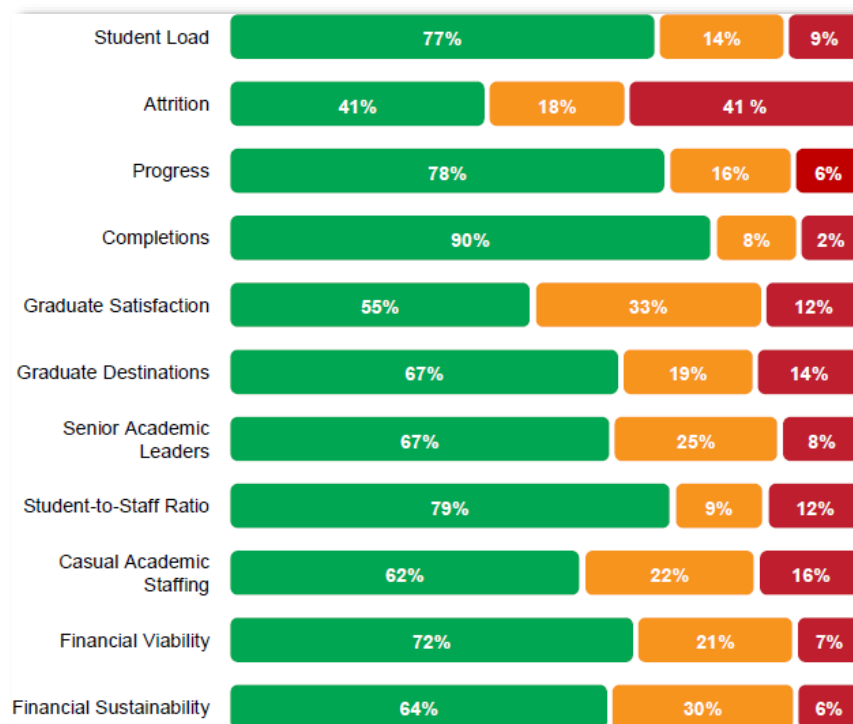


Source: Saunders (2017) Learning from TEQSA’s first 6 years: Professor Nick Saunders, Chief Commissioner TEQSA Conference 2017

Another graphic was provided in the analysis of all 11 risk assessment factors in the document “Academic Risk Factors Used by TEQSA to Evaluate Academic Risk of All Providers. Source: TEQSA (2019) TEQSA Key Risk Findings on Australia’s Higher Education Sector 2018”, page 19 –

<https://www.teqsa.gov.au/sites/default/files/key-risk-findings-2019-18-7-19.pdf?v=1563406977>

As can be seen in the graphic provided below, of all academic risk factors used by TEQSA, the highest proportion of high risk is Attrition at 41%, a continuation of the trend from 2014 –2016. Similarly, there remained only 41% at low risk of attrition. This graphic shows that all other risk indicators are in the range of 2 to 16% of high risk providers. In 2018, there continued to be a significant difference between attrition and all other risk factors.



Source: Academic Risk Factors Used by TEQSA to Evaluate Academic Risk of All Providers. Source: TEQSA(2019) TEQSA Key Risk Findings on Australia’s Higher Education Sector 2018, Page 19. <https://www.teqsa.gov.au/sites/default/files/key-risk-findings-2019-18-7-19.pdf?v=1563406977>

The difference between the indicators appears significant. This level of disparity is a concern. Either the Higher Education sector has a problem with attrition that requires immediate action *or* the measure being used is flawed and lacks validity. Attrition requires amore adequate measure.

In 2017 the Higher Education Standards Panel released their report “Final Report Improving Retention, Completion and Success in Higher Education Attrition Analysis” Discussion Paper

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https://docs.education.gov.au/system/files/doc/other/final_report_for_publishing.pdf

In the Report the HESP outlines the problems with the use of the normal (raw) attrition. Inthe Executive summary the following recent timeline was provided -

“In September 2016, following the release of 2015 student data by the Department of Education and Training (the department), media reports suggested that high attrition rates are symptomatic of poor admission standards; the lower a student’s Australian Tertiary Admission Rank (ATAR) the greater the risk of non-completion; and as a result of the demand driven system, higher student numbers are leading to greater

numbers of student drop-outs. The Panel argued in its November 2016 report that Improving the Transparency of Higher Education Admissions, that this media coverage was alarmist. Reports misrepresented the scale of the problem, **using attrition rates that were unadjusted for the impact of students changing courses or institutions.** However, the Panel also considered that it is not appropriate to be complacent about the issue and institutions should seek to reduce the levels of non-completion. In response to the Panel's report, the Minister for Education and Training, Senator the Hon Simon Birmingham asked the Panel to examine Australian Higher Education completion and attrition to ensure that students have the best chance of successfully completing their enrolled units, courses and qualifications."

In this HESP report the limitations of the normal (raw) attrition, namely that it does not take into consideration students who choose to move from one provider to the other, was highlighted. This is not a negative impact on student outcomes but is clearly freedom of choice. A student may choose to move due to moving location, gaining admission to a higher degree or perceived quality of qualification. HESP recommended the use of adjusted attrition, where students who remain studying in the higher education sector are removed from the calculation. This provides a clearer indication of attrition as it identifies the student who chooses to leave higher education completely.

The HESP provided the normal (raw) attrition definition as "calculated from a count of students commencing in courses and institutions in one year then comparing the number who enrol in the same course at the same institution for their second year of study." Source: HESP (2017) Final Report - Improving retention, completion and success in higher education.

The HESP recommended the use of the Commonwealth Higher Education Student Support Number (CHESSN) as a student identifier. It states that "the use of CHESSN allows for a straightforward method of tracking each student by a unique identifier. This will restrict the data to domestic students who incur a HELP debt."

The difference between the measures is that the normal attrition rate is higher as it includes students who change course and/or institution; whereas the adjusted attrition rate only counts students as withdrawing if they leave higher education.

The HESP did recognise the limitation of the proposed method to calculate adjusted attrition using the CHESSN. This is only adjusting for students with a CHESSN - that is with a FEE HELP debt. It does not include domestic students who pay fees up front, but more significantly does not include any international students, as they are not eligible for FEE

HELP. This is a concern as Universities have up to 60% international students, with the average of 30%. NUHEIs have up to 100% international students.

The HESP concluded that 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.

In June 2018, the Minister for Education and Training, Senator the Hon Simon Birmingham, accepted the HESP recommendation to the Final Report Improving Retention Completion and Success Higher Education.

<https://www.dese.gov.au/uncategorised/resources/higher-education-standards-panel-final-report-improving-retention-completion-and-success-higher>

The report made 18 recommendations “to help students have the best chance of successfully completing their studies and transition into the workforce.”

<https://www.education.gov.au/news/release-final-report-improving-retention-completion-and-success-higher-education>

The minister accepted all 18 recommendations.

The press release also states that the Minister for Education and Training “has asked Universities Australia and the Tertiary Education Quality and Standards Agency to work with the department in developing an implementation plan for the recommendations.”

The DESE followed the Minister of Education and Training’s directive and provided a response to the June 2018 release of the HESP final report accepting all recommendations

<https://www.dese.gov.au/download/4224/response-recommendations-hesp-final-report-improving-retention-completion-and-success-higher/6289/document/pdf>

Following is a summary of the 4 recommendations that relate to attrition, within the DESE response -

HESP Recommendation	DESE Response
11. Greater understanding and clarity of definitions in attrition , retention, success and completions data.	Agreed, the department will undertake a consultation process.
13. The adjusted attrition rate should be the primary measure of attrition published for domestic commencing bachelor students.	Agreed, This is now the case.
14. DET should further develop and publish the calculation of attrition rates that take into account key student characteristics so as to better reflect institutional differences.	Agreed, This work is underway. Attrition rates adjusted for population will be supplementary to the current adjusted attrition figures, which will continue to be published.
16. DET should publish attrition data at more disaggregated levels, for example, by institution, by study area and by student characteristics.	Agreed. Being further developed.

As can be seen there was an acceptance of the use of adjusted attrition. This resulted in new definitions for attrition being introduced by DESE - that is New Normal Attrition and New Adjusted Attrition. There are -

“The **New Normal Attrition rate** for year(x) is the proportion of students who commenced a course in year(x) who neither complete in year(x) or year(x + 1) nor return in year(x + 1). The new normal attrition rate calculation is based on a match process using the students' Student ID. **This gives a "crude" attrition rate**, which identifies students that neither complete a course nor are retained the following year at the same institution. Students who remained at the same institution, but changed course are not counted in the attrition group. Students who changed institution are counted as attrited.”

“The **New Adjusted Attrition rate** for year(x) is the proportion of students who commenced a course in year (x) who neither complete in year(x) or year(x + 1) nor return in year(x + 1).

The new adjusted attrition rate calculation is similar to the normal attrition rate calculation, however it is based on a match process using both the Student ID and the Commonwealth Higher Education Student Support Number (CHESSN).

This gives a more accurate attrition rate calculation, as it identifies students at either the same or a different higher education institution. In other words, if a student moves from

one institution to another in the following year, he or she would be counted as retained in the new adjusted attrition rate calculation, but attrited in the normal attrition rate calculation.

For the new adjusted attrition rate, it is only those students who left the higher education system entirely (that is, they were no longer at any institution) that are counted as attrited.”

Source: <https://www.dese.gov.au/higher-education-statistics/resources/2019-section-15-attrition-success-and-retention>

To quote the Department of Education’s own notes for the definition - the new adjusted attrition “gives a more accurate attrition rate calculation” whilst the new normal attrition “gives a crude attrition rate.” UBSS has decided to follow the Department of Education’s definition and follow the more accurate attrition (adjusted) compared to the crude attrition (normal).

Universities Australia (UA) followed the Minister of Education and Trainings request to use adjusted attrition. UA had been using and advocating this measure for several years. The following is from the UA press release

<https://www.universitiesaustralia.edu.au/media-item/australian-unis-continue-to-keep-student-attrition-low-new-report/>

Universities Australia Chief Executive Designate Catriona Jackson welcomed the Government’s decision to adopt the report’s 18 recommendations. “These recommendations build on the incredible work undertaken by universities to keep attrition low at a time where there are more students than ever in higher education,” said Ms Jackson.

The report also acknowledges that many of the drivers of attrition remain beyond the control of students or universities. “Work, caring responsibilities, financial hardship, illness — these all play a major role in why a student may choose to leave.”

“The Government’s largest survey shows the most common reasons students cite for thinking about leaving are to do with personal circumstances.”

In summary, the HESP, DESE and UA all accepted and implemented the Minister of Education’s 18 recommendations from the HESP Final Report. TEQSA by continuing to use normal (raw) attrition has not.

To implement the use of adjusted attrition, GCA has developed a method to track international students who have left GCA, but not higher education. As stated previously, the current use of CHESN as the student identifier to check if a student has remained

within the higher education sector only applies to FEE Help student. That is only to domestic students with FEE Help and not international students.

To overcome this shortfall, GCA uses the Visa Entitlement Verification Online (VEVO) system which is administered by the Department of Home Affairs. By using VEVO, GCA looks up those students who have left GCA but who still have a student visa and therefore assumed are still studying in the Australian higher education sector. The steps involved are –

- 1) Data retrieved from providers Student Management System;
- 2) Extracted records of students who discontinued in the first year of the course;
- 3) Flag status for students in both Under Grad and Post Grad programs to capture PostGrad students who complete Under Grad program and then proceed to Post Grad where appropriate;
- 4) Manually check students who qualify for 'attrition' in VEVO to verify visa record. These are students who no longer have a student visa. Therefore, it is assumed they are no longer studying, otherwise assume they have moved to another provider;
- 5) Compare dataset to HEIMS database.

This method excludes students on a bridging visa with study rights in the attrition calculation as the likelihood of study cannot be quantified. Students who have proceeded to receive permanent residency are also treated as attrition as it cannot be determined if these students have continued with their higher education studies. Therefore, this method results in a conservative calculation that is a higher adjusted attrition than may be the case.

The use of VEVO is not 100% accurate, but is the best solution given the data capture of international students at the current point in time. The Australian Government and DESE recognises that there is a better solution and that is a Unique Student Identifier for all students.

There are many benefits for domestic students having a USI. There are also benefits for international students having a USI as they can be tracked throughout their current studies in Australia and if they return to study.

As part of the 2017-18 Budget, the Government provided funding of \$14.3 million to the DET to develop the National Education Evidence Base, which included the development of the USI. This funding has continued to establish the USI. This is to create a more complete picture of pathways through the Australian education system and enable more connected analysis.

It was proposed to establish a **common student identifier** as part of the National Education Evidence Base to better understand student pathways across tertiary education. This has been developed as the USI and is in progress being implemented in the higher education sector. It is an extension of the USI used in the VET sector.

<https://www.usi.gov.au/>

From 1 January, 2021 all new commencing students must have registered for a USI to gain FEE Help. From 1 January 2023 all students must have a USI. This will enable the accurate calculation of adjusted attrition for all students, including international students. GCA has already commenced the implementation of the USI.

The attrition data has been drawn from a range of internal and external benchmarking exercises, with report and recommendations presented to the UBSS Academic Senate, UBSS Course Advisory Committee and the GCA Board on an ongoing basis.

In relation to the benchmarking conducted at UBSS refer to report
Benchmarking at UBSS February 2020

<https://www.ubss.edu.au/media/1185/benchmarking-february-2020.pdf> .

Now that the 2020 benchmark projects have been completed, the annual report to include the extensive 2020 benchmarking is due for release at the end of February 2021.

Attrition Reporting at UBSS

For further details on the reporting and consideration of normal attrition at GCA, a list of the reports that contained analysis of attrition presented to the Academic Senate over the past 4 years are presented below –

Academic Senate Meeting Date Thursday, August 30, 2018

HEPP_QN Grade Distribution Benchmarking Project (*Associate Professor Andrew West – Item and Attachment #19*)

Academic Senate Meeting Date Thursday, October 18, 2018

Strategies for improving attrition, progression and completions – an update (*Professor Greg Whateley – Item and Attachment #16*)

Academic Senate Meeting Date Thursday 1st August, 2019

International Students not counted in Adjusted Attrition, UBSS
Academic Senate Presentation

Academic Senate Meeting Date Wednesday, December 18, 2019

HEPP_QN Grade Distribution Benchmark V3 Report (*Associate Professor Andy West – Item and Attachments #19.1 and #19.2*)

4 x iHEP Grade Distribution Benchmark - (AIH, APIC, PIA and UBSS) (*Associate Professor Andrew West – Item and Attachments #20.1 and #20.2*)

Academic Senate Meeting Date Wednesday, October 02, 2019

Risk Assessment Adjustment Submission (*Associate Professor Andy West – Item and Attachments #18.1 and #18.2*)

Academic Senate Meeting Date Thursday, February 20, 2020

TEQSA Risk Assessment Consultation Summary Report (*Associate Professor Andrew West – Item and Attachments #16.1 and #16.2*)

Benchmarking 2019 Report (*Associate Professor Andrew West – Item and Attachment #17*)

End of Report