

## Submission to the Review of Higher Education (Accord)

### Executive summary

*The scale of issues covered by the Interim Report is significant and there is a danger that the Final Report will have too many recommendations. A roadmap for implementation which is realistic will be required with a focus on principles and no over prescription.*

*As much of the resources in HE must be dedicated to education, student learning, research and innovation as is possible. This is not the case in our present system. Whilst many universities state that they are research-led this is not true of their administrative structures. Due to the underfunding of research the domain is too often seen as a cost and not an investment.*

*The creation of a Tertiary Education Commission with due separation of powers is to be welcomed.*

*Overall administration and management have become bloated in order to cope with the lack of certainty, increasing regulation and the revolving doors of government policy. I welcome the recommendation to address university governance but there is also a need to make sweeping changes to university regulation and in turn to university management. In the next decade education and research must be placed firmly at the heart of HE. Universities have become too hierarchical and managerial and quasi-corporate which is killing diversity and variety.*

*The area of research and research training will need greater attention in the Final Report. A move to fully funded research is essential but perfection should not be the enemy of improvement. A 100% indirect cost rate implemented over several budget cycles should be included in the final Report. This can be justified without any major accounting or audit.*

*The Final Report must seek to ensure the creation of new funding streams in the non-medical sciences focussed on translation and implementation. Additional obligations have been placed on universities without additional funding. Universities must be given sufficient block grant to play the role they are capable of playing in society without chasing very dollar.*

*The report must avoid creating too many targets as this will lead to increasing bureaucratisation and lack of focus on the individual. 'Target' is mentioned 103 times in the Interim Report whilst the word 'excellence' only 34 times and this is often used in a descriptive or process sense rather than with an outcome focus. The Final Report should have education and learning for life at its heart rather than an undue emphasis on skills many of which are industry specific and should be provided through TAFE or direct in-house industry training.*

*The new National Regional University should be framed as the National Indigenous University accepting students from across Australia from all backgrounds but driven by a First Nations philosophy and concern for Country.*

*In any new system funding and time for scholarship must be protected for all staff engaged in teaching.*

*The Accord should recommend a framework of dimensions from which each university should select a smaller number for their focus on excellence and this should be built into the Accord funding model. The Block Grant drivers need significant change and need to avoid conditioning the system to chase the dollar and focus on areas where each university can be excellent. The system must be diverse and agile without a single definition of what defines a good university. Not all universities need to*

*undertake research but all need to be fully engaged in scholarship. The review should address the principles leaving details to be worked out by the Tertiary Education Commission.*

*In summary the Final Report must avoid getting dragged into detail and must focus on individuals and their outcomes not statistical game playing or target setting.*

### Overall comments on the Interim Report

It is a well put together report which covers a huge diversity of issues. The danger is that implementation will be so complex that it is at risk of gathering dust whilst government struggles to prioritise areas for action. As with the interim report it will be essential that the final report provides **a roadmap for implementation** with key priorities flagged for action over different timescales.

Overall **the area of research and innovation will need greater attention in the final report.**

It is also the case that many areas of action will only be possible through engagement with other parts of government and the private sector these contingencies need to be flagged.

For the Accord to have done its work effectively it should paint a picture of what it expects the system to look like in five to ten years time. From my perspective this should be a diverse one with new institutions created with specific foci rather than seeking for uniformity of action across the sector. The solution is not one of universities of increasing size. The challenge of access and attainment will not simply be met by betting on technological implementation but by building the best of new technology into a system with people at its heart. As some of the examples in the Interim Report demonstrate tutoring and small group work is essential if we are to both deliver excellence in academic attainment and support those struggling to access the system in its present form. This is not a cost neutral investment.

### Where I agree with the Interim Report with comments for further consideration.

**Access and attainment are key.** But care must be taken not to see the solution as resting solely with, and in, HE. Other parts of our education system suffer from the same burdensome bureaucratisation which, whilst often well intentioned, results in a reduced focus on learning and education and an increased focus on administration and audit. The recent NAPLAN results in literacy and numeracy are an ample demonstration of this.

Moving towards **the full funding of research** is essential, however, given the national budget position this is likely to require a multi-year phased strategy. The UK made significant progress in this direction many years ago but still failed to achieve full funding. There needs to be a whole of government strategy with government departments and agencies also providing the appropriate contribution to full costs for activities they fund. It is rather galling to see the level of charges paid for consultancy by Government departments to commercial contractors driven solely by the profit motive whilst underfunding not-for-profit university contracted activities and haggling over indirect costs (see below).

A word of caution here is that any model proposed on funding of indirect costs should not seek to be unduly precise. The present gap is so large anything in the right direction will be an improvement. The UK wasted substantial resources on seeking to identify the full cost of activities in its transparency review. At the end of the process their findings broadly recognised what was already known in the sector. The indirect cost base of research varied from 100% - 130% of staff costs across institutions where they have made these calculations. Work in Australia has arrived at not dissimilar

figures – the optimal solution would be to **implement a final rate of indirect costs of 100% through multiple years** with additional uplift for those with exceptionally high-cost disciplines. Whether this is funded through the block grant or through funding agencies is worthy of discussion. Any additional uplift (above 100%) would need to be justified and supported at Institutional level on an auditable basis. This has the benefit of ensuring high-cost disciplines can be supported but also puts a constraint in the system for frivolous and wasteful exercises in cost justification at the margins. The rate could be uplifted over a number of budget cycles.

It is essential to place First Nations at the heart of the university system. I support the creation of a new Regional National University but would like to make a proposal which synthesises two aspects of the Interim Report. **The RNU should also be a First Nations University** with a shape and philosophy consistent with, and driven by, the longest surviving culture on the planet. The RNU would not be exclusively for First Nations students but would be open to all. There is the potential to create a truly remarkable, globally leading institution. At its heart it should have a major research agenda in the environment, biodiversity, language and cultural heritage. The RNU could be a stepping-stone into HE from existing providers and should not seek to replicate that which is already available.

A **Tertiary Education Commission** is essential. It must be established with a clear separation of powers from Government. It should have a mission which is both to support the sector to government but at the same time to challenge the sector to address issues of key national importance. The former HEFCE in England is a credible model.

#### *Points that are underplayed or missing from the Interim Report*

The Interim Report makes much of the uniqueness of each institution and each HEI is keen to demonstrate such uniqueness. There are few that are truly unique. As the Report demonstrates there is phenomenal diversity often within institutions. League tables have dogged the system by favouring institutions that look like the Ivy League in the USA. I propose the creation of a **framework of dimensions**. The first step would be to define the ingredients we want the whole system to contain across the entire HE spectrum and institutions would be required to select (say) at least five and no more than ten dimensions where they would commit to excellence. These individual frameworks would then be recorded in a five-year rolling plan (an Accord) agreed with the Tertiary Education Commission. Such a mechanism would hopefully ensure diversity and would allow the Commission to address areas of national need through rolling five-year plans.

**The word which was most under-played in the Interim Report was excellence**; it was mentioned 34 times but often in a descriptive capacity around processes and systems rather than a focus on producing staff and students who were truly excellent. It may be thought that this is a 'given' but there is a danger in the drive for improvements in access and completion we lose a focus on producing truly excellent outcomes. The nation needs a spectrum of intellectual abilities but it must be a **race to the top**.

The Report talked about student-centred learning but again often as process rather than as an outcome. The Final Report must seek to focus on outcomes and ensure that we do not create a behemoth of structures and processes that curtail the drive and enthusiasm in the sector to produce truly excellent outcomes for individuals, research and the nation.

The area of research was in general underplayed in the Report with **an over emphasis on application and an under emphasis on excellence**. Application is important but universities exist to do what

companies do not and it is easy to chase short term goals and do long term harm. The report needs to ensure that we do not undermine excellence by pursuing short term application goals. We need to create a new and agile workforce focussed on the translational space driven by innovation outcomes and not publication. Only by recognising the need for different skills will we take the next step in becoming an innovative nation. To fuel this workforce there is need for an additional non-medical research fund modelled on the lines of the MRFF. Massive savings were made in previous budgets from re-shaping the R&D tax credit but no additional investments were made. We must, at the very least, maintain the level of funds available to the ARC for its present mission but alongside this should sit **at least an equal level of funding committed to non-medical translational research and enterprise.**

A key question for the nation is excellence in what? Australia is a continent with much still to know and too few researchers studying matters specific to Australia and its neighbours. It is also the case that the ARC needs to ensure that our investment in understanding heritage and culture is recognised at a strategic level. The Report should recommend that the ARC make strategic decisions over the percentage of funding dedicated to different research domains and not merely respond to what individual researchers wish to study; the present system often results in areas of study which are already well served by other nations. I would suggest at least four such domains:

- First Nations and Australian studies including language, archeology, history, culture, flora, fauna and the environment
- Physical sciences and engineering
- Humanities, the arts and languages.
- Biosciences and agriculture.

By identifying the first domain as part of the strategy we will ensure that we know more of the unknowns of our own continent. The new Tertiary Education Commission should have oversight of the ARC, ensuring a clear separation from over-used Ministerial powers and allowing development of a fully integrated funding model. The Haldane Principle must be followed rigorously.

There is talk in the report on separating funding for education from scholarship and research. This is the wrong division. All those engaged in higher education must have the capacity to engage in scholarship. I would recommend that at least 20% of every academic's time is dedicated to scholarship. Our students need to be taught by those fully up to date within their domains and with an increasing need to have time to synthesise across multiple disciplines providing fresh perspectives even where those staff do not undertake significant research. **Time for scholarship must be protected.**

The Interim Report whilst criticising the job ready graduate programme places an undue emphasis on short term skills needed in the present job market. The report should not play too strongly to the demands of business without underlining that each business has the responsibility for training and development of their own employees. Students are making a substantial contribution to their own education. This education is a foundation for life not just a stepping-stone to their first job. Some careers specialists have long recognised that individuals graduating now may have five or more different careers not just employers over their working life – few will end up where they start. Universities need to produce graduates who are learning focussed, flexible and curiosity driven. Increasingly employers cry out for similar competencies. To educate them solely for today's job market defined by skills which can easily be taught outside of a university setting is to consign them to a wasted future. We need to ensure universities focus on delivering world leading education at the

undergraduate level with a focus on training and re-skilling through TAFE, micro-credentials, short-term postgraduate courses and Masters courses.

**The report is unduly obsessed with targets.** Targets are loved by politicians but usually fail to effect the change intended. What is usually required is a stronger focus on culture. This again fails to recognise that students are making the choice of what they wish to study and a sweeping series of targets will further bureaucratise higher education and reduce its focus on education and outcomes.

The change sought in University governance is to be welcomed but too little attention is paid in the Interim Report to the corporatisation of university management. Universities are not businesses and whilst they need to be business-like they must have education, student learning, research and innovation at the very heart of their management team. The Services are there to support the primary activities of universities but too often I have seen universities' decisions driven by management structures weighed towards Finance and HR.

There has been a massive increase in the senior management positions in universities. When I started in HE the structure of a British University would broadly include have three lead executives; the VC, The Bursar and The Registrar. Whilst this probably under-represented the professional skills required in a university executive for the modern world it did ensure a strong academic voice which cared about education and research. The role of the Head of Department has been undermined continually over the last few decades with a significant increase in Directors of this, Deputy VCs of that, PVCs and Deans for everything else often with overlapping and confusing roles. Universities are complex organisms and the role of the Head of Department is pivotal in a healthy and enduring education system with the services role designed to support decisions in teaching and research.

**University management requires re-focussing aligned with the changes in governance.**

I am not convinced that a huge increase in graduates produced through our existing system as argued in the Report is the solution. I do not argue with the skills analysis but would ask the Working Group to think widely about what sort of institutions might be required in addition to those that already exist and to be unconstrained in their thinking. Universities need to maintain contact with their students and need to remain education and research focussed. The Report is right to indicate that universities should not be too big. But the present funding system favours increasing size. A suite of smaller more diverse institutions properly funded may well be the answer rather than burdening existing HE institutions with too many targets and ask them to be miracle workers in multiple domains.

The transition of students in and out of the system and through different universities is important. The ideas behind the skills passport are worthy but again the focus on skills rather than education is likely to make this highly bureaucratised and difficult to implement. **There needs to be a distinction between degrees where study is cumulative and those where study can be broadly based with students not only moving between subjects but also between universities.** Can we imagine a system where year 1 of an undergraduate degree is studied at the RNU, year 2 at a major metropolitan institution and year 3 at a third university. What a potentially wonderful experience that has the potential to be. To make this happen a potentially radical idea would be to do away with traditional degrees entirely (or to create discrete one-year degrees) and create a different suite of credentials built up through individual programmes of study. Clearly for those working towards a specific profession there may be constraints but for the vast majority of students it would allow them to piece together the best credentials that they see as important from the best institutions to equip them for the world as they see it. Students would still have the choice to stay at one institution but constraints against mobility would be removed. The programme of study could be built up over time

with students moving in and out of the workplace to complete their personalised programme of study. This would be truly student-centred education.

Research training needs a major reset. In a paper to be published in 2024 I argue for the need for PhD and Masters training to be re-vitalised. The range of research skills and techniques now required in many disciplines is impossible to acquire without every Masters and PhD focussing on the foundation of skills required. Too often the drive is too create research outputs rather than the outcome being **highly skilled, flexible, researchers.**