Professor Mary O'Kane AC
Chair, Australian Universities Accord Panel
c/- Commonwealth Department of Education
By online submission

1 September 2023

Dear Professor O'Kane

Australian Universities Accord: Interim Report released 19 July 2023

Submission by IAT-D Foundation Partners – UTS, Macquarie University, Microsoft and TAFE NSW

The Foundation Partners in the Institute of Applied Technology – Digital (IAT-D) at Meadowbank, NSW welcome the opportunity to provide further comment on the Universities Accord Interim Report. As individual organisations, we will be making separate submissions on broader issues in the Interim Report, however given the Accord Panel's interest in the IAT model this submission provides some focused comments directly relevant to the IAT-D.

We believe that the IAT-D is an effective model, and a practically operating example capturing a number of the themes outlined in the Interim Report. We note the Interim Report's statement that *"The Review welcomes this success and supports this level of innovation as a successful model for future collaboration between the education sector and industry partners."*

Since our last submission, student and industry interest in the IAT-D has continued to grow. The most recent data shows:

- A total of 1,246 student enrolments in IAT-D microcredentials, including 330 in our 4th (most recent) teaching period.
- Over 28,000 enrolments in the 5 microskills offered by the IAT-D.
- 7.8 out of 10 rating from students on how useful they found the content for their current job or career progression.
- 8.3 out of 10 rating for how likely students were to recommend the IAT-D to a friend or colleague.
- 55% of students have enrolled to upskill and 24% have enrolled to reskill demonstrating the power of this model to impact positive workforce outcomes, particularly as pertains to digital transformation and productivity upon which our economy is highly dependent.
- Roughly a third of students have enrolled across more than one teaching period underlining the quality of the experience and potential to be significant in providing a trusted lifelong learning product.
- 36% of women have enrolled which is a greater representation than we are currently seeing in the tech workforce in general (around 29%).

In this submission, the IAT-D Foundation Partners seek to provide further detail and advice on the policy areas identified as "areas for further consideration" within the "Meeting Australia's future skills needs" chapter of the Interim Report. We have structured our response under the following policy areas, to the extent that they are relevant to the IAT-D.

1. **New policy levers to enhance capability across the tertiary education sector, enabling it to respond rapidly to Australia's skills needs and deliver the necessary numbers of graduates with professional, disciplinary and high order generic skills.**

One of the defining features of the IAT-D model is that it is deliberately and deeply collaborative. Industry and education partners co-create the educational principles and standards, pedagogy, curriculum, courses, content, delivery, and marketing to ensure that industry's skills needs are met and that students can see a clear pathway from the qualification to an in-demand employment opportunity. Likewise, it is important for industry to recognise the value of the model which is best achieved when they are not just consulted, but invested as equal stakeholders in the creation of the learning experience.

A key element of this approach is that the model recognises the value of industry certifications that sit alongside a credential issued by a university or VET institution. In this way, the knowledge *and* skills required by employers are unified in a single model, and skills can be easily and rapidly updated to flex with industry needs.

Another benefit of co-creation between industry and education has been the transfer of industry knowledge to educators. This benefits not just students at the IAT-D who receive a more balanced learning experience between knowledge and practice, but also students of the education partners more broadly. On numerous occasions, we've seen industry subject matter experts invited to enrich the course experiences of the individual education partners through guest lectures, curriculum consultation, and student interaction.

The IAT-D has also been strongly collaborative between university partners. Macquarie University and UTS have worked closely together in developing the model and educational content, along with TAFE NSW and Microsoft. By bringing together two universities, the IAT-D has been able to establish this innovative model and accelerate delivery.

New policy levers should encourage and incentivise early and deep collaboration in a deliberately cross-sectoral way, between VET providers such a TAFE, as the cornerstone public VET institution, universities and industry. New national policy levers should also seek to leverage the work already done at a State level, such as the IAT-D in NSW, as it will be challenging for industry partners to duplicate their engagement on state by state level for the same industry and skills.

2. **The creation of a universal learning entitlement that helps all Australians access high-quality tertiary education and makes lifelong learning a reality**

The IAT-D has an important role in lifelong learning, and the Foundation Partners support models that provide appropriate funding for further study as people progress through their careers. With our focus on digital technology, we recognise that emerging and changing technologies are going to require significant upskilling and reskilling for many in the workforce.

We have found that students are willing to contribute to the cost of their upskilling in recognition of the importance of lifelong learning for success in the workforce. We believe that there is also strong potential for employer contribution, particularly where the upskilling is tightly correlated to employer needs.

However, funding support from government that recognises the public benefit of a more knowledgeable and skilled community is also critical. The IAT -D has received strong funding support from the NSW Government recognising this need. However, the IAT-D is currently part of a NSW Government funded trial program, and at this stage does not have secured long-term funding.

While there is strong student interest, the IAT-D model does not fit within a Commonwealth funding program, or within the existing VET funding structures at a State level. A defined Commonwealth model that funds high quality training by industry-supported and recognised providers will be important to the long-term success of the IAT-D.

3. **Examining new and effective mechanisms for rapid reskilling, including microcredentials**

The IAT-D has developed a flexible model for the delivery of microcredentials that deliberately seeks to bridge the VET and university sector and approach, and dramatically accelerate the time to reskill and upskill. Key to the IAT-D microcredential approach is:

- The IAT-D offers distinct microcredential levels recognising different learner entry points, needs, and education levels. This includes microcredentials for Foundational Learners (indicative AQF 5-6), Intermediate Level (Indicative AQF 7), Advanced Level (Indicative AQF 8,9). Preceding these levels are a series of "microskills" for those learners wishing to explore pathways of interest before making a commitment. Learners can start where they are and move vertically through a pre-defined skills

pathway or horizontally and diagonally based on their or their employer's specific needs across skills pathways.

- Embedded industry certification, to provide students with practical credentials that are valued by industry and employers.
- Stackability and pathways to further study at university, and considering these pathways in the development and design of the microcredentials.
- A skills-first approach that clearly identifies for employers the skills that have been attained. This is becoming increasingly important as industry moves to skills-based hiring practices which recognise skills earned from alternative education pathways such as the IAT-D.
- Provision to deliver a "digital apprenticeship" model in partnership with industry sponsors that can serve to effectively reskill adult learners who need to "earn while they learn".
- The option for students to complete supervised and supported work-integrated learning bootcamps incorporating miccrocredentials that can provide a trusted talent pipeline to industry.

Together, these elements provide a digestible and attractive model for students, while maintaining a strong and trusted academic framework that supports further learning and gives students clear options for further study.

4. Improving the integration of higher education and VET to create new types of qualifications – starting in areas of national priority – like clean energy, the care economy, and defence

The IAT-D Foundation Partners strongly support greater collaboration between VET, higher education and industry, and would recommend the IAT-D as a practical model of this policy direction in action. Key to this approach is joint development of a partnership, education model, and content from the beginning and co-ownership of the product.

The IAT-D Foundation Partners would note that this process of joint development is often time consuming and takes a significant commitment from organisational senior leaders. While this is critical to success, it is a costly commitment from the partners.

If the Accord is considering expanding an IAT-like model to other sectors, consideration should be given to providing grant funding to support the initial development of new IAT partnerships, and to incentivise the development of these deep relationships.

Options to address this might include funding a 'mission' style approach in areas of defined skill shortage that bring together TAFE, universities, and industry to co-design a series of flexible education responses to skills needs. This was essentially the process of establishing the IAT-D (and IAT Construction). Given the success of this model, it has the potential to be replicated in other sectors.

5. Improving skills pathways by creating qualifications that are more modular, stackable and transferable between institutions and institution types

and

Improving the Recognition of Prior Learning (RPL) and relevant work experience through a national skills passport or similar mechanism

As noted above, the IAT-D education model has been deliberately designed to be modular in nature, allowing students to take a series of microskills and microcredentials that stack toward a cohesive whole if that is needed by the learner, or that can be recognised by the education partners. There is a challenge is allowing sufficient flexibility to allow students to choose content that is relevant to their interests and learning needs, but to also ensure that when a set of microcredentials is combined that they collectively deliver learning outcomes that employers value, or that education partners can recognise toward further learning

Transferability and recognition of IAT-D credentials to UTS and Macquarie has also been a key part of the model, and has been successfully achieved. While universities have flexibility in their recognition of prior learning, the highly regulated nationally recognised training framework for vocational education makes credit transfer for an IAT-D microcredential towards a further VET qualification more complex to achieve. RPL is possible with gap training and this is managed by case-to-case basis at TAFE.

The IAT-D has also benefitted from the partnership of the NSW Department of Education and although it is not the specific remit of the IAT-D to provide a skills pathway for secondary students, there is clear potential

to offer some of the microskills and microcredentials as electives and also as an alternative pathway toward VET and Higher Education.

6. Addressing barriers that prevent VET and higher education working together, especially in courses and institutions that involve both sectors.

While the barriers to VET and higher education collaboration are reasonably well known and well defined – the challenge is to find a practical way to overcome or work around the barriers that exist. From the perspective of the IAT-D practical approaches to address these issues would include:

- Government deliberately valuing and encouraging cross sector collaboration. The aim of the IAT has been to value both VET and higher education experience and approaches. This was clear from the NSW Government's initial commitment to the IAT model and has been maintained throughout the program.
- Promoting the value to students and industry of programs that blend vocational and higher education approaches. Policy initiatives should not just focus on increasing the 'supply' of cross-sectoral offerings, but also aim to increase the 'demand' from students and industry, by ensuring that they understand and value these types of approaches.
- Specific funding streams for cross-sectoral programs. The availability of specific NSW Government funding that did not compete or rely on existing TAFE or university funding has been critical to achieving strong engagement and rapid progress from all of the partners involved in the IAT-D – and has allowed funding to be focused on the specific needs of the IAT-D, rather than being constrained by funding requirements from existing VET or higher education funding streams that are not designed for this kind of approach.
- Specific funding to support non-traditional apprenticeships (such as in digital technology) that incentivise higher education, VET, and industry to work together to accelerate the movement of adult learners into the greatest areas of industry need.

7. Extending CSPs at some AQF levels to the TAFE sector in areas of crucial skill need.

The extension of CSPs to a broader range of offerings is supported, provided it is additional to existing CSP places, reflecting the aspiration from the Accord panel for greater levels of training and education. From the perspective of the IAT-D, we would need to think carefully how CSP funding would be applied for courses based on stackable microcredentials.

It may be that a CSP approach would be appropriate for students that take a package of microcredentials, while alternative approaches might be more appropriate for students that commit to only one or two of the IAT-D's microcredentials

8. Increasing the absorptive capacity of new knowledge by Australian employers through greater collaboration with universities

One of the critical aspects of the IAT-D has been the committed involvement of industry partners. As a foundation partner, Microsoft has made a significant commitment to the development of the IAT-D. Salesforce, Adobe, SAP, and SAS have now come on board as industry partners and are engaged in the model. Conversations are underway with a significant number of additional industry partners from the digital technology sector. The IAT-D is also a member of the NSW Digital Skills Compact whose membership consists of numerous additional industry partners and federal associations that are seeking innovative models such as the IAT-D to meet their talent pipeline needs.

This industry engagement has proved attractive to students by ensuring that the education offered at the IAT-D is highly industry relevant and valued by employers. The industry partners have also benefited significantly, both through creating greater certainty in the pipeline for in-demand digital skills, but also by building stronger and deeper relationships with TAFE, UTS, and Macquarie University. This has created new opportunities for collaboration with each of the partners, both within the IAT-D context and with each of the partners individually.

UTS has prepared this paper in collaboration with TAFE NSW, Macquarie University and Microsoft Australia. If you would like further information on this submission, please contact Matt Crocker, Strategic Advisor, UTS on matt.crocker@uts.edu.au or [redacted].