

## Performance-Based Funding

### Flinders University Submission

Flinders University, as a member of the Innovative Research Universities, supports the IRU submission on the Performance-based funding discussion paper.

The points below compliment and expand on those in the IRU submission.

Flinders University believes there is no clear evidence that limiting funding for students who desire and are capable of studying towards a Bachelor-level qualification will improve the education outcomes for these students or increase the inherent motivation of universities to ensure that its students are successful in their studies.

Should a performance based system be introduced; Flinders supports:

1. Potential growth in funding to be linked to national population growth, not local area growth, reflecting the fact that students may access education across state and regional borders.
2. Yearly allocation, with non-allocated funds available the following year, or made available to support an increase in enabling, sub-bachelor or postgraduate places. A specific opportunity may exist to use non-allocated funds to provide greater support for regional, rural or remote education.
3. Performance assessed against an agreed standard (criterion-referenced), not against performance of other universities as a ranking (norm-referenced). The sole purpose of distribution of funds to, say, 50% of universities on some measure would seem to be as a mechanism to withhold funding from the other 50% of universities. This does not meet the requirement for performance-based funding to improve educational outcomes across the board, or to lift the standard of the sector overall.
4. Selection of measures which are:
  - timely (ie reflect recent performance, not past performance),
  - relevant for students and the community (such as student satisfaction and employability)
  - reflect a university's particular context (ie take account of the diversity of students and courses).
  - be aligned with improvements in outcomes for students (measured against the university's past performance, not a sectoral average).

#### Comments on specific measures:

*Student satisfaction* (SES): the students' satisfaction with their course whilst they are studying could be a timely and relevant (for students) indicator of

university performance. Later-year students' perceptions would reflect the experience of those who have had more experience with the range of services and teaching at the university and provide a better indicator than the perception of students in their initial year of study.

*Attrition and/or retention:* universities are inherently motivated to retain students in their courses where possible. In a very real sense, 100% of funding is already at risk for a university if a student is not retained in the university. Were attrition or retention to be considered, this should measure those who are retained in higher education (not just the university) or who have made a transition into vocational education and training or employment in a relevant area. In our experience, students often leave to take up opportunities for employment which they would not have had without having studied part of a course. These students bring to their work and employer the skills, knowledge and industry connections which were developed in their initial years at university and which enabled them to take up opportunities for employment for which they are well prepared.

*Completion rate:* degree completion rates is a highly lagged measure of a university's performance and therefore not a useful measure to reflect improvement in university performance or student outcomes. Were it to be used it would need to be applied with reference to student equity factors, given the greater need of students from disadvantaged background to study part time in order to support themselves and their families during their studies.

*Employment:* Employment rate, not full-time employment rate, would be less influenced by local economic conditions which are beyond the influence of the university and would be a better measure of university performance. Workforce participation may be an even better indication of graduates' contribution to society after graduating given the potential for this measure to be less influenced by socioeconomic status of graduates than either employment rate or full-time employment rate.

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**INSPIRING  
ACHIEVEMENT**