

Taking stock and resetting for the new normal

LH Martin Institute/ALEM webinar

Held 12.30 to 2.00pm, 26 November 2020

Presented by Liz Bare, Janet Beard, Ian Marshman and Teresa Tjia

Responses to audience questions

This document provides responses to questions asked by audience members which, due to time constraint, were not able to be answered during the session.

The questions have been divided into seven themes, and the respondent has been identified.

Theme and Questions	Response
<p>1. HE in the future and the role of Government (Ian)</p> <ul style="list-style-type: none"> • Importance of, and confidence in Government to support and build the HE sector and to support research, in particular indirect costs of research. • How will the profile of HE change in the coming years e.g. will universities differentiate, or will there be changes in the number or type of HE providers? • What will be the impact of the new 'University College' category on the sector overall? • Given the government's view of HE and the financial pressures on Universities which shift the balance of power towards the government, where does this leave the role of Universities as providers of what might be termed 'education democracy' or 'education for the public good'. How will this be provided in the future? • How does the sector move away from the reliance on international student income which is always a risk for one reason or another? • Given university-government relations focusses on the federal sphere, are new forms of university-government engagement feasible at State and Local Government level e.g. funding research, scholarship programs, shared facilities etc? • Shouldn't public universities be collaborating across than board rather than just complying with the competitive market model? 	<p>I have very little confidence in the Government's support for the sector or its research. I base this view on:</p> <ul style="list-style-type: none"> - The very limited response to the COVID-19 response in support of HE - The steps taken to ensure public universities were ineligible for JobKeeper support and to render international students ineligible for JobKeeper/JobSeeker assistance - The Job-Ready Graduates legislation which has provided no additional funding for HE, merely repurposed some of the existing funding - Other steps being taken to increase regulatory burdens on Australian unis, including the Foreign Partnerships legislation, the National Integrity Commission and the Academic Freedom legislation - In terms of restoring international fee revenue support for Australian research, the Australians first policy in terms of allowing re-entry into Australia means that any rebuild of international student enrolments will be slow and gradual. In meantime the thousands of research jobs that funding was supporting will disappear. <p>The Australian HE profile is likely to change significantly as a result of:</p> <ul style="list-style-type: none"> - The huge short to medium term (at least) loss of international students - Changes to domestic student enrolments as a result of the JobReady Graduates legislation <p>The former will impact greatly on Australian universities with large onshore Full fee overseas student (FFOS) programs. The latter will impact on some Australian universities which are not able to compete with stronger branded Australian institutions which are able to deploy their total CGS funding in ways to attract larger numbers of domestic students (thereby reducing impact of the FFOS loss). Some universities will lose significant domestic market share. For other universities previous channels for recruitment of FFOS will change significantly. New competitors will emerge in the digital space. Australian universities will need to be more focused on their particular niche and optimise their brand within that niche. Some universities will need</p>

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	<p>to slim down significantly their disciplinary range and focus on those areas where they have strengths and demand. Mid-tier metropolitan universities may struggle unless they can sharpen their mission and target market.</p> <p>With respect to the University College category, it is probably too early to tell. As I understand it University College is a category for those institutions with some research active disciplines that are on a path to achieving Australian university category status. There may be some new entrants that pursue this track. Avondale College has already achieved Australian university college status.</p> <p>My view is that there may be a limited number of new entrants that seek this category. The barriers to entry as a HE provider are still profound and without actual CGS funding most HEIs will be challenged to achieve a shift from an almost exclusive focus on T&L to building some research and research training expertise.</p> <p>The question rightly raises the challenge. The more instrumental role being cast for Australian universities does risk erosion of the traditional education, scholarship research values. Large Aust universities will continue to have the scale and capacity to maintain the public good elements of HE, in my view. Smaller, outer metro and regional universities which have limited financial autonomy beyond Commonwealth funding may be more at risk. Greater public debate and discussion of these issues and values is warranted. One of the concerns with the way the Job Ready legislation was enacted is that there was no genuine opportunity for debate and discussion of these important issues.</p> <p>It seems to me that there are risks relying too much on any source of funding. Up until early this year, FFOS revenue was probably far more reliable than government funding. A diversity of funding sources is by far the best strategy. What those sources can be will depend significantly on the nature of each university and the markets in which it is most competitive.</p> <p>Universities can also become more financially resilient by making sure that they are not over-committing on any of their funding streams. Those that are building or sustaining healthy operating surpluses and consequent reserves have the greatest buffer against any future financial shocks, regardless of their nature.</p> <p>With respect to whether new forms of university-government engagement would be feasible at State and Local Government, I say that in an ideal world the answer is a definite yes. In today's world where States/Territories are already cash-strapped and have a multitude of competing claims for funding, it will regrettably be all too easy for States to say that HE is a Commonwealth funding responsibility. That being said, universities now have an even greater opportunity to align their programs to State and Territory strategic</p>

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	<p>priorities (e.g. development in regions, bio-tech, vocational ed) and in doing so may attract substantial additional funding for such programs.</p> <p>I agree that public universities should be collaborating across than board rather than just complying with the competitive market model! In some respects the Job Ready Graduates legislation has been very cleverly crafted as it effectively pits one part of the sector against others, thereby minimising the incentives for greater collaboration. Over the past 20 years at least the sector has shown very little genuine desire for meaningful collaboration. To date this year there has been regrettably very little sign of this changing.</p>
<p>2. <u>Professional staff (Teresa and Liz)</u></p> <ul style="list-style-type: none"> • What is the profile of professional staff numbers by classification over the last 20 years if IT and marketing professionals were separated out? • Does Uniforum have useful data on staff profiles by function (HR, IT, student services etc)? • How should universities upskill their professional staff with up to date and relevant programs in readiness for 2025 and how can this expense be counted as an investment rather than an expense which is easily cut, especially in these difficult financial times as a result of COVID-19? 	<p>There is limited publicly available data on the professional staff profiles and university areas they are employed in over time. Data sources (such as Uniforum data) is available to participating universities only.</p> <p>Continuing to invest in staff development, upskilling and reskilling is important and essential to enable universities to continually improve organisational capability and the workforce for future of work and digital transformation. Developing a workforce capability plan would be the starting point for delivering a targeted and consistent upskilling program for all staff. There are many cost-effective ways to deliver professional and skills development programs, in particular:</p> <ul style="list-style-type: none"> • The Emerging Leaders and Managers Program run by the LH Martin Institute and the University of Melbourne’s Master of Tertiary Education Management, https://melbourne-cshe.unimelb.edu.au/lh-martin-institute/study/all-courses" https://melbourne-cshe.unimelb.edu.au/lh-martin-institute/study/all-courses • ATEM’s high quality professional development and leadership programs for the tertiary education sector in Australia, PNG and New Zealand, https://www.atem.org.au/" https://www.atem.org.au/ <p>Other programs include:</p> <ul style="list-style-type: none"> • Mentoring, coaching and shadowing programs, and secondment opportunities. • Support staff to participate in conferences, forums and communities of practice organised and delivered by sector organisations such as LH Martin, ATEM, UA/HES and professional or interest groups.

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<p>3. Leadership in HE (Teresa and Liz)</p> <ul style="list-style-type: none"> • What strategic priorities are being introduced to ensure that Universities enhance governance and risk management (and these not become TEQSA’s responsibilities). Weakness in these areas may be a contributor to the difficult circumstances that universities find themselves in. • What is the state of University leadership across the sector, and if problematic, how can it be strengthened? • Has there been any research into why universities are spending so much on management consulting, and is this needed? Why are executives being paid so much if the work they should/could be doing is being outsourced? • Are staff cuts as a result of COVID-19 being used by university executives as a cost cutting measure without looking at other possible measures? 	<p>The formal reporting of improvements in governance and risk management throughout 2020 will be available in the universities’ 2020 annual reports, which will be published in 2021. From anecdotal reports, most universities have increased their governance, management, finance and risk committees, as well as critical incident management meetings. From daily meetings during the initial lockdown and scaling down as conditions improved, some areas which may be prioritised going forward include: financial resilience; agile rolling forecasting; and responsive scenario planning. For more information: see https://campusmorningmail.com.au/news/managing-pandemic-risks-answers-for-institutions/ https://campusmorningmail.com.au/news/managing-pandemic-risks-answers-for-institutions/</p> <p>Throughout 2020, leadership across all parts of community has been challenged and grown in different ways. It is likely particular attributes will be recognised and valued going forward with the recovery and rebuilding phase, and ongoing risk management. For higher education, a systematic review to identify lessons and improvements in responding to the pandemic would provide lessons for leaders in future. For information, see this recent Fellow Voices article, https://melbourne-cshe.unimelb.edu.au/lh-martin-institute/fellow-voices/leadership-strategies-for-a-higher-education-sector-in-flux https://melbourne-cshe.unimelb.edu.au/lh-martin-institute/fellow-voices/leadership-strategies-for-a-higher-education-sector-in-flux</p> <p>Information on expenditure on consultants by universities is only available in a limited way. A limited understanding of expenditure on independent consultants can be found in the annual reports of Victorian and Queensland universities where identification of the reasons for expenditure is mandatory. In 2019, Victorian universities reported spending \$58m on consultancies valued over \$10,000 and Queensland universities reported a spend of \$87m (this is the total amount of spending on consultancies reported in their annual reports).</p> <p>An insight into the types of engagement of independent consultants is also found in university annual reports in Victoria and Queensland. In Queensland, the total value of consultancies and their broad purpose is reported according to standard broad headings. As noted earlier, in their 2019 Annual Reports, Queensland universities reported spend of \$87m. on consultancies, but the bulk of that expenditure was reported as “professional/technical” expenditure, with \$9.6m or 11% being spent on consultancies in management, HR, IT, communications and finance .</p> <p>Universities have implemented a range of cost-cutting measures, with immediate cuts and deferrals of non-salary costs, particularly infrastructure and building programs and other non-essential non-salary costs.</p>

	<p>With employment related costs making up 57% of university expenditure and no access to JobKeeper, for most universities job cuts would be required manage the budget shortfall. Some universities managed reductions in employment related costs through staff supported EA changes, including salary increase deferrals and leave purchase, which protected some jobs.</p>
<p>4. Industrial matters (Liz)</p> <ul style="list-style-type: none"> • What changes are going to be necessary in the industrial frameworks to align with the new environment? • What is a third space professional (or ‘pracademic’) and who defined this categorisation – are they academic or professional staff. There are important issues about the professional identity of these roles (learning designers/educational technologists / learning technologists) and how institutions view these roles (which are often not understood or get equated as just being “technical roles”. 	<p>We have written another paper which explores this in detail which might soon be on the LH Martin Institute’s Fellow Voices site. There are many provisions in awards and enterprise agreements which were put there for good reason at a time when student numbers and budgets were stable or expanding. As universities enter more uncertain times, some of these provisions have the potential to limit a reasonable and fair response to the current situation. These include: the Award based limitation on the use of fixed term contracts to a range of activities which exclude teaching; the inclusion of complex academic workload clauses in enterprise agreements; the structure of casual workforce engagement; and exploring whether the current casual academic staff pay structure accurately reflects the work undertaken. Changes to any of these would not be easy and would require extensive collaboration, but it important to note that more nimble private providers do not have such constraints in their IR arrangements.</p> <p>Dr. Celia Whitchurch in the UK observed and developed the concept of Third Space Academics in 2000s. She developed the concept of “third space” where work fell between academic staff and professional roles. Some characteristics of third space roles are:</p> <ul style="list-style-type: none"> • Involve creativity or original thought based on research or high levels of expertise based on qualifications • Often aligned to emerging technologies in research or learning • May be entrepreneurial • Require academic or higher education knowledge gained over a period time. • Could be done by an academic staff member or a professional staff member <p>You can read more about Third Space professionals in the following publications:</p> <ul style="list-style-type: none"> • The rise of the blended professional in higher education: a comparison between the United Kingdom, Australia and the United States. C Whitchurch - Higher Education, 2009 • MacFarlane, B. (2011). “The Morphing of Academic Practice: Unbundling and the Rise of the Para-academic.” Higher Education Quarterly 65(1): p59-73. • Whitchurch, C. (2012). Reconstructing Identities in Higher Education: The Rise of ‘Third Space’ Professionals. Hoboken, Taylor and Francis. • Whitchurch C. (2015) The Rise of <i>Third Space</i> Professionals: Paradoxes and Dilemmas. In: Teichler U., Cummings W. (eds) <i>Forming, Recruiting and Managing the Academic Profession. The Changing Academy – The Changing Academic Profession in International Comparative</i>

	<p>Perspective, vol 14. Springer, Cham. https://doi.org/10.1007/978-3-319-16080-1_5; https://link.springer.com/chapter/10.1007/978-3-319-16080-1_5</p>
<p>5. HE internationally (Liz)</p> <ul style="list-style-type: none"> Is there a report that looks into the changes to HE due to the pandemic at an international level? 	<p>The International Association of Universities is closely monitoring the impacts of COVID-19 on higher education around the world – see link for latest reports and updates. https://www.iau-aiu.net/COVID-19-Higher-Education-challenges-and-responses" https://www.iau-aiu.net/COVID-19-Higher-Education-challenges-and-responses</p> <p>Other international networks and national HE and regulatory bodies are monitoring country and international impacts. For example, in July 2020 the Association of Commonwealth Universities (ACU) HR in HE network held an international webinar looking at the early impact of COVID. The responses to the pandemic from speakers in Australia, South Africa, UK and Pakistan looked broadly similar, closure of campuses, move to online teaching and looking after students and staff, particularly those at risk. A similar workshop was held at the ACU's virtual HR in HE conference in September 2020. For more, see https://acu-ac-uk.azurewebsites.net/media/2344/acu-policy-brief-digital-engagement-2020.pdf" https://acu-ac-uk.azurewebsites.net/media/2344/acu-policy-brief-digital-engagement-2020.pdf</p> <p>A few academic articles and publications are being published. They are searchable via your library's online databases.</p>
<p>6. Teaching and learning (Teresa)</p> <ul style="list-style-type: none"> Producing Job Ready- Graduates. A degree may no longer provide students with an edge in becoming employable e.g. 45% of women and 32% of men between 25 to 29 have a degree. Is this a further risk that universities need to take into account in their strategic planning over the next 10 years? 	<p>Globally universities have been responding and innovating to deliver education that meets contemporary community, industry and student needs, and consider increased competition from new entrants, different delivery models and changing value of credentials. Post-pandemic, universities will need to continue to keep up with the accelerated pace of digital transformation, and assiduously deliver life-long learning and micro-credentials.</p>
<p>7. Other</p> <ul style="list-style-type: none"> Which HEI was recently sold? (Teresa) 	<p>On 29 July 2020, the American university owner Strategic Education Inc paid AUS\$900 million (US\$642.7 million) to acquire fellow American Laureate's Australian and New Zealand businesses, which includes Adelaide-based Torrens University.</p> <p>https://www.afr.com/street-talk/american-uni-owner-strategic-education-pounces-on-torrens-university-20200729-p55gf4</p> <p>https://www.globenewswire.com/news-release/2020/07/29/2069397/0/en/Laureate-Education-Inc-and-Strategic-Education-Inc-Enter-into-Definitive-Agreement-for-Sale-of-Laureate-s-Australian-and-New-Zealand-Operations.html</p>

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