



## **New Zealand Association for Training and Development Response to NZQA Consultation Proposal for Rules for Training Schemes**

### **About the Respondent**

The New Zealand Association for Training and Development (NZATD) is New Zealand's professional association for workplace learning and performance, training and development, and adult education specialists. The organisation encourages high standards of performance in all aspects of learning and development and organisational development amongst members and the community through sharing information and best practices.

NZATD's aims are to:

- Foster the development of professional competence and high standards of performance in training and development.
- Promote understanding of training and development and its contribution to the performance of individuals and organisations.

NZATD monitors issues relevant to members and where necessary represents their interests to ensure that the needs of training and development professionals are understood and addressed.

NZATD members represents a wide range of learning professionals and counts among its members those who work in Private Training Establishments, tertiary institutions and small providers of adult workplace learning programmes, many of whom provide short tailored learning programmes, typically of a duration from one half-day to five days in a corporate or industrial setting. These courses may lead to a formal assessment of competence, through a Registered Assessor where the learner seeks recognition of learning.

---

**Reason for Submission**

NZQA is currently seeking feedback on proposed changes to the Rules governing training schemes. These changes arise from the Education Amendment Act 2011 and will impact on the provision of training in modules or papers which can be assessed under the assessment standards under the Directory of Assessment Standards.

Many of the members of NZATD are involved in the development, delivery and/or assessment of such modules or standards, primarily targeted at supporting people in full time employment who would not otherwise be able to gain units contributing towards formal recognition. In general the target audience for these courses would not be involved in full-time education.

The focus for providers of these modules is one which approaches this form of training and assessment from a demand perspective. Prospective learners (or their employers) will approach the provider with a very specific need and expect a highly targeted and rapid response which will include:

- a learning needs analysis
- development of an appropriate training course
- delivery of the learning programme
- assessment from a qualified assessor.

---

Continued on next page

**Reason for Submission (continued)**

Providers who work in this way are not providing long term or tertiary equivalent courses. They focus on developing and measuring workplace competence for those already required to use specific on-the job skills. They do not generally apply for, or expect, government funding and so do not present a financial risk to the government. Often the turnaround time for such courses is short and cost is frequently a constraining issue for employers.

Within this submission we contend that the proposed changes to the Rules will unfairly impact on those who provide training in this way. This is because the Rules appear to take a supply focus, looking at institutions seeking to actively market their services with a view to applying for government funding to provide courses. The drivers for such institutions are quite different and by solely focusing on Rules to manage this group, the members we represent seem to have been overlooked. In doing so, the Rules, as now presented, will potentially drive many small providers out of business and leave many employers and workplace learners no longer able to access learning that can be nationally recognised.

We also feel compelled to highlight that the Qualifications Framework was originally established on the promise that it would shift control of training and education away from providers “pushing” courses by placing control into the hands of the employers and individuals in the workplace. Rather than having to choose a “one size fits all” approach, they would have the ability to tailor learning programmes to their workplace needs. This “demand driving supply” approach was a leading educational breakthrough in New Zealand but is in danger of reverting, under the proposed rules, once more to a supplier led approach.

---

## **Overview of Response**

Overall, NZATD welcomes the intention to ensure that high standards of training and assessment are maintained. However, there are six specific areas of concern for our membership:

1. Increased cost of compliance - increased costs will mean that the ability of many employers to afford small programmes will be reduced and costs may even be prohibitive.
2. Unacceptable lead times - The length of time that approvals will require means that the lead in time for course development is prohibitive for most employers who typically expect a turnaround time of two to three weeks.
3. Inability to brand training programmes - The inability for small providers to associate their names to their courses places a barrier on competition, without any gain, given that the assessment, rather than the course delivery is what is important for NZQA.
4. Too limited consultation - There has been inadequate consultation in pulling together this current consultation as the views of small independent providers have not been represented.
5. Undermining of RPL and RCC – The consultation document only refers to recognition of prior learning within the content of approved courses.
6. Increase in bureaucracy - The new accreditation rules feels like an attempt for NZQA to justify its position rather than to find an approach that will benefit learners.

These points are further expanded in the following pages.

---

### **1. Increased cost of compliance**

In the Rules as presented for consultation, it implies that every short course (be it half day, one day, two day or five day course) will require approval from NZQA. However, this does not take into account that such courses are generally tailored specifically for a client and may draw on a range of different modules. In this sense each course is unique, even though the content within the course itself will be drawn from a range of existing modules.

If every single variation will need separate approval, this will mean that such courses will become prohibitively expensive for employers. At present providers are able to have modules approved and spread the compliance costs across a number of clients so that when individual courses are developed they remain affordable.

Furthermore, as there is no indication of any capping of the amount to be paid for approvals (it is being expressed in terms on a payment “per hour”) providers will be unable to accurately cost their courses or give employers an accurate indication of how much they would be liable to pay. As most employers expect to know prospective costs up front, this will potentially mean that small providers will lose business.

Overall the effect of the increased cost of compliance will mean that many employers will no longer be able to pay for their staff to receive training that might help them lead to a recognised qualification, thereby reducing the uptake of such courses and lowering the number of people attracted to NZQA qualifications.

---

## **2. Unacceptable lead in times**

Besides the incurring of additional costs for the approval of individual courses, the time that will be required to obtain approval will be prohibitive. At present it can take several weeks to obtain approval and this is likely to significantly increase if the requirement is for providers to obtain approval for material they have already had approved previously. It is our assumption that NZQA will not be taking on more staff to deal with the extra work so it must be assumed that turnaround times will be further extended,

Typically employers will expect to engage the services of a provider with a specific timeframe in mind. The expectation is often that the provider can begin development and/or delivery of a course within a few days or couple of weeks.

Currently indications would suggest that lead in times would need to be extended over periods of several weeks or months. Again this would hinder small providers from offering quick turnaround times for courses, despite the content of those courses already being available and approved.

Longer turnaround time may mean that employers may start to choose to use providers who offer training which is outside the NZQA framework as this will meet their immediate needs. Thus, instead of enhancing the position of the NZQF framework as the upholder of workplace standards, the proposed new Rules will undermine those standards to the point where they will cease to be relevant for employers wanting to provide training for staff already in their employ.

---

## **3. Inability to brand training programmes**

The Rule 5.3 (c) states that approval will not be granted to training schemes that “include the name of a person, organisation or product unless the applicant satisfies NZQA that there is a sound educational justification for the inclusion”.

This Rule appears to place a barrier for small training providers to market their services as an independent provider. It removes the ability to differentiate their services in the market place and seems contrary to the spirit of competition legislation.

NZATD believes that providers should be allowed to include their name in the training scheme they are delivering provided that it is made clear that the assessment for qualifications is done under the auspices of NZQA and is subject to NZQA’s standards and guidelines.

---

## **4. Too Limited Consultation**

The proposal does not seem to take into account the specific circumstances of small training providers. Under the extensive list of parties included as having been involved in the development of the proposal only a single small provider appears to have been included, which in the opinion of NZATD, is not fully representative of this sector.

Further evidence of this lack of involvement has been advised to us by our members who inform us that the initial draft of the Rules did not acknowledge the student fee protection exemption for providers of courses of less than five day’s duration. This exemption was originally instigated in recognition that such courses rarely require upfront payment and even when they do, are for very small amounts per student. Also, such courses are not eligible for government funding and are as such low risk.

Such an oversight reinforces our fears that the Rules have paid inadequate attention to the needs to niche providers who do not provide full programmes of study or offer individual modules purely on a supply-on-demand basis.

---

## **5. Undermining RPL and RCC**

NZATD is concerned that the consultation document only refers to recognition of prior learning within the context of approved courses, presumably meaning those associated with larger providers. The Association recognises that these forms of assessment are a key accessibility issue primarily for those already in work rather than those undertaking a full course. It is a method that has far more relevance to smaller providers who are able to offer this service to individuals in the workplace. Indeed, it is a conflict of interest for many larger providers to promote this assessment method as it is likely to reduce the uptake of places on their courses.

By cutting smaller providers out of this process, NZQA risks reducing the value of the process, and will also inevitably reduce the number of people who choose to take up this option. This would be unfortunate as one of the founding principles of NZQA was around assessment of competence rather than delivery of courses.

---

## **6. Increase in bureaucracy**

At a time when the Government is targeting unnecessary bureaucracy, the proposed Rules seem to be introducing an additional level.

- Whereas currently course content and assessment standards need to be approved, under the new Rules, any changes to the way that this content is put together will result in the need go through the accreditation process again, even though the core evidence that will need to be provided with the application has been submitted before.
  - If a course has not been delivered within 12 months it will need to be resubmitted for approval, even if nothing substantial has changed, incurring cost and time unnecessarily. While it is recognised that some time limit is advisable to ensure that material remains current, the one year timeframe is far too short and should be revised to a period such as five years.
  - Most of the paperwork being introduced as part of the proposed new Rules relates to the delivery of courses. However, the main focus of NZQA should be on rigorous assessment.
  - It is stated in the consultation document that extending NZQA control over training schemes has been introduced to “determine whether short courses had a coherent education and training focus, and how they would operate as an integrated whole”. This appears to imply that training schemes need to be more tightly controlled by NZQA, and seems to be a reflection of the recommendations put forward in the Rutherford Sloan report. However, that report was specifically targeted at foreign owned overseas student market providers. To take the recommendation and then extend this to all training scheme providers is not only naïve (given that other providers have little in common with the providers targeted in that report), but also increases a level of bureaucracy to all providers that is only required by certain segments of the provider population.
- 

## **Conclusion**

NZATD offers this feedback as part of NZQA’s consultation processes and trusts that the concerns that it expresses will be duly considered and addressed.

NZQA is welcome to approach NZATD for further clarification on the issues raised if required by contacting the National Office at [nzatd@nzatd.org.nz](mailto:nzatd@nzatd.org.nz) or by phone on 04 570 2460.