

RTO Performance Indicators Project

Extract of final evaluation report

Prepared for the

Higher Education and Skills Group
Victorian Department of Education and Training

Centre for International Research on Education Systems

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RTO Performance Indicators- Background

In 2013, National Senior Officials Committee (NSOC) agreed that Registered Training Organisation (RTO) performance indicators were required for improved performance monitoring for training delivery in the Vocational Education and Training (VET) sector. Eleven performance indicators and fifteen associated measures were proposed for trialling (see Table 1). The aim of the RTO Performance Indicator trial was to *have statistically valid data for endorsed performance measures collected for all RTOs to underpin student and employer choice, RTO improvement, better targeted, risk-based contracting and regulation, and better policy.*

The trial was led by the Victorian Department of Education and Training. In 2014, two survey instruments were developed, one for learners and one for employers, to collect information about the course training and outcomes at the RTO level. Approximately 80,000 students were selected to participate in the trial survey based on completion or their likely completion of an accredited course in 2013 as reported through AVETMISS training activity. An employer survey was directed to approximately 10,700 employers of apprentices or trainees who completed a Training Contract in 2013. The Centre for International Research on Education Systems (CIRES) at Victoria University was commissioned to undertake an evaluation of the *RTO Performance Indicator Project*. The following is an extracted summary from the final report of the evaluation.

Key findings of the evaluation

Survey data supported successful construction of the trial Performance Measures

A key finding of the evaluation is that the methodology—including the design of both the sampling base and the completer and employer survey instruments—is robust and supports construction of all of the trial survey performance measures for application at state, region and RTO level.

Comprehensive performance measures of RTOs would benefit from inclusion of non-completers

The course completer survey excluded the views of module completers and non-completers. Extending the scope of the survey to include to module completers and non-completers would be an important extension for the performance framework to provide input into the Department's and regulators' risk assessment frameworks and to enhance the contractual and quality assurance processes. There would be merit in calculating the performance measures for completers and non-completers separately as well as together.

Nine measures were constructed using data from the survey of course completers

The sampling framework for the survey of course completers was found to meet two critical requirements: (1) to maximise the number of course completers in the base population for any given calendar year; and (2) to ensure survey responses from as many as possible of the publicly-funded RTOs.

Three measures were successfully constructed using data from the survey of employers

The employer survey sought views from all employers of apprentices and trainees who had completed a training contract (inferring course completion) in 2013 at a publicly-funded RTO. As per the completer survey, the employer survey methodology established an accountable relationship between the respondent, RTO and course. The evaluation found that the sampling framework used in the trial employer survey was sufficient for state-wide and regional estimates to be generated, weighted by industry area. The sampling was also adequate for RTO reporting, although the minimum threshold of five or more survey responses has a greater effect of removing RTOs from the reporting pool.

Opportunities for enhancing performance measures

Factoring in student intentions

Factoring in student motivations or intention at the commencement of their training and cross-tabulating performance against intention as part of the reporting process would lead to a more nuanced understanding of the performance measures. The indicators would be strengthened as there is much more likely to be a causal relationship between the training experience and outcomes such as getting a job or going on to another course, when intent is taken into consideration.

Taking account of RTO context differences using intake-adjusted analysis

The RTO performance measures as they have been presented do not take into account the differing VET learner characteristics across RTOs. Providers enrolling different student populations may operate under different contexts, and this should be taken into consideration in order to make fair comparisons between providers.

Creating composite assessments of performance using the measures

Key composite measures can be developed from the stand-alone RTO performance measures creating 'headline' or summary indicators. The evaluation combines some measures to consider the following five composite measures for each RTO; Engagement, Labour market outcomes, Course and quality teaching experience, Overall completer satisfaction and Overall employer satisfaction.

Communicating results

Public and primary stakeholder reporting

Information provided in the public domain should incorporate recommendations for presenting the data accompanied by information that describes the origin of the data and clear instructions for interpreting the data.

The employment-related outcome measures should be reported to RTOs only as the labour market can be volatile, the drivers of which are beyond the reach of RTOs. A negative rating may be a reflection of the current labour market conditions, but this may not be understood clearly in the broader community in the context of presenting comparative RTO performance measures.

Reporting RTO-level indicators

RTO-level indicators should be presented unweighted and reports should present RTO's own performance measures with comparisons with all RTOs using box and whisker charts. Confidence intervals can be used to give a measure of error, and provision of differences between the surveyed cohort and the full completer cohort would be useful for context.

Benchmarking performance

Benchmarking performance to compare changes in performance over time

The determination of benchmarks, or performance thresholds, for any set of measures or indicators in an education policy setting is a complex task. The approaches most commonly taken include using the base year results as a comparative standard, setting a threshold at a certain percentile, and setting a minimum standard at a certain point in a scale.

The most straightforward approach for the trial data is to benchmark the Performance Indicator results from the base year and use this as a reference point for subsequent surveys. As long as the measure is constructed in a consistent manner, comparisons can be made over time and the progression of RTO performance can be monitored in terms of change from one year to the next by policymakers and RTO themselves.

Recommendations from the evaluation

R1- Conducting a census

To improve coverage of RTOs the sample survey design used in the trial should be expanded to a census.

R2- Survey field time

The timing of the course completer survey should be in the earlier rather than later part of survey year to minimise the gap between course completion and time of survey.

R3- Revision of survey instrument

Consider changes to survey question and response design to improve measurement and data accuracy. For example; revise the pre- and post-training labour market status questions and sequencing to ensure consistency in responses and coding, revise the collection of salary information to include pre-training salary as well as post- training salary to investigate “change in earnings” and revise the context for the “Recommend the RTO” question from “recommend the RTO to family and friends” to “recommend to the other students”.

R4- Inclusion of module completers/ non completers

Extend the trial to module completers and non-completers for the broadest view of RTO performance. Additional survey questions would need to be developed specific to non-completers around reasons for discontinuing training.

R5- Expansion of employer survey

In order to maximise the number of RTOs for which the measures derived from the employer survey can be constructed, consideration should be given to surveying each employer contact about more than one RTO (and apprentice/trainee and associated course). In the trial, employers were only asked to provide feedback on one RTO even if they were associated with a number of RTOs.

R6- Use of student intention

In order to provide a more nuanced understanding of the results for policymakers, benefits would be gained by segmenting the Performance Measures by student intention. Where there are enough survey responses this could be repeated at the RTO-level for the benefit of individual providers.

R7- Adjust for intake cohorts

Calculate intake-adjusted measures to take into account the different student populations across RTOs and allow for a fairer and more objective comparison between them.

R8- Construct composite measures

Use composite measures to group and summarise the RTO Performance Measures.

R9- Benchmark performance

In order to help make useful RTO-comparisons over time, consider benchmarking the results from the base year, and using this as a reference point for subsequent surveys.

R10- Presentation of results

Consideration needs to be given to the presentation and communication of results. This is likely to vary according to the audience and to purpose. For the wider public and potential consumers, this could be by simple distribution chart for each performance measure locating an RTO in the distribution of RTOs for a given measure. For RTOs, more detailed information is needed providing absolute scores, error margins, and adjusted performance estimates.

R11- Support for interpreting results

Consider providing additional supporting information to RTOs and the wider community, in the form of a website, which provides more detailed information about the RTO performance measures and guides to aid in the interpretation of results.

R12- Further research

Consider maximising the potential of the collected survey datasets for use in further research to inform VET policy at the system level.

Table 1 Trial Performance Indicators and Measures

Indicator	Measure
Improved employment status for those who have completed training	1. Proportion of graduates and module completers with an improved employment status after training
Salary of full-time workers after training	2. Average salary of those employed full-time after training
Proportion of training completed	3. Module pass rate* 4. Qualification completion rate*
VET graduates have improved foundation skills following training completion	5. Proportion of graduates satisfied with generic skills and learning experiences 6. Proportion of employers reporting improvement in the generic skills of apprentices and trainees or employees who have recently completed training
VET graduates go onto further study	7. Proportion of VET graduates going onto further study at a higher level than their completed training
VET graduates acquire skills relevant to the labour market	8. Proportion of graduates employed in the same occupation as their training course
Learners are engaged in the training process	9. Proportion of graduates and module completers who achieved their main reason for training
Students have a positive perception of their learning experience	10. Proportion of graduates and module completers reporting a positive perception of teaching 11. Proportion of trainers with qualifications in teaching and training above Certificate IV level*
Clients of the VET system would recommend the institute	12. Proportion of graduates and module completers who recommend the RTO
Students have a positive perception of the assessment process	13. Proportion of graduates and module completers reporting a positive perception of the assessment process
Employers with direct relationships with RTOs are satisfied with interactions with RTO staff and the training provided by the RTO	14. Proportion of employers of apprentices and trainees who are satisfied with training provided by an RTO 15. Proportion of employers who recommend the RTO

*These measures are not generated from the survey data and are excluded from the evaluation.