Concern over timeline for Australian performance funding scheme

Australian government is underestimating the challenge, analysts say

December 31, 2018

By John Ross

Australian universities have expressed concern about the government’s timeline for the introduction of a performance-related funding scheme to guide the allocation of teaching grants.

Under a scheme with echoes of the UK’s teaching excellence framework, ministers want to use data on student retention, satisfaction and graduate employment to determine individual institutions’ share of additional teaching grants – initially expected to total about A$70 million (£39 million) – after a funding freeze is lifted in 2020.

Australian government presses ahead with performance funding
But the government is yet to announce the panel that will advise on the scheme’s implementation. Once assembled, the group will have until the end of March to produce an interim report, with final advice due by July, ahead of the first assessment the following month.

Margaret Sheil, vice-chancellor of Queensland University of Technology, warned that Australia’s research assessment exercise had taken years to construct.

“I know how hard it is to develop sensible metrics in research. It’s even more difficult in teaching,” said Professor Sheil, former chief executive of the Australian Research Council.

“It’s hard to get a robust framework that drives meaningful change. You get very perverse outcomes if you’re not careful.”

Professor Sheil said that the scheme’s ostensible goals – improved retention, teaching quality and graduate employment – are already key priorities for universities. “I’m not quite sure what problem the government is trying to solve,” she said.

Gwilym Croucher, principal policy adviser at the University of Melbourne, described the timeline for the new system as ambitious but “doable”. He said that the proposal is “modest” because it involves a relatively small amount of funding and legislation is not required to establish the scheme.

But he agreed that the government had underestimated the complexity of creating a performance-based funding scheme, noting that similar initiatives had been established and abandoned in Australian and US states.

“The evidence is that they don’t necessarily produce the outcomes the public and students are looking for,” Dr Croucher said.

Andrew Harvey, director of the Centre for Higher Education Equity and Diversity Research at La Trobe University, said that while the government had acknowledged the difficulty of measuring performance, it was downplaying the challenges.

“Once you start crunching the data, it’s very hard to get consistent indicators,” he said. “Employment is negatively correlated with all of the other indicators, and so is student satisfaction. So you’re forced to make arbitrary decisions about which ones you should prioritise.”

Dr Harvey said that student satisfaction was not a measure of teaching quality. “The fact that it’s not correlated with retention, success or completion tells us something about the limitations of all those metrics,” he said.

He said the project also requires a “trade-off” between accuracy and simplicity. “If it’s going to make one or two million dollars’ difference to universities, you run the risk that the cost of compliance and analysis becomes excessive,” he added.

“You need to balance the complexity so that it’s intelligible to students and universities can comply without having to employ armies of new people.”

john.ross@timeshighereducation.com