The Establishment of a Non-University Higher Education Institution – a reflection on the marketplace and the experience

*Dr Grant Jones

Macquarie Graduate School of Management, Macquarie University, Sydney 2109

grant.jones@mgsm.edu.au

Peter Ryan

Managing Director, Consult Ed, 57 Probert Street, Camperdown, NSW, 2050

Email: pryan@consulted.biz

Stream

Management Education and Development

Submitted for consideration in the refereed class

The Establishment of a Non-University Higher Education Institution – a reflection on the marketplace and the experience

Abstract

The Higher Education market has become contestable. This paper assembles data to present the diversity within the non university, higher education sector and a trend of consolidation that is creating intuitions big enough to challenge university based faculties. We present a participant observation of the establishment of a new institution which could be likened to a corporatized, privately owned business faculty. As two participants - the Chair of the institution's Academic Board and a consultant engaged by the company - we reflect on the meaning of policy and regulatory changes for those wishing to engage in the creation of a new institution.

Key Words: Accreditation, business education, management courses/curriculum, business schools[1]

A new sector in higher education provision is emerging which involves accredited providers of university level degrees and diplomas by institutions that are not universities. The level of awareness of this sector among academics working in universities is low having been over looked or, even worse, denied (Harman 2007:1). Based on data collected under the Higher Education Support Act 2003 through the Higher Education Information Management System (HEIMS)[2], we estimate that 10% of higher education students in Australia are studying at non university institutions. We use the term "non-university" provider because the simpler public/private distinction has become blurred and is no longer useful. Most universities have undergone a form of creeping privatisation as a greater and greater proportion of their revenues come from their students, commercial activities and benefactors with less and less coming from government appropriation. We provide a description of some important elements of the implementation of a federal and state government policy that is changing the nature of Australian higher education, especially in management education. The aim here is to present broad data on the sector and point to its significance for academics both in terms of threats and opportunities. At a more micro level, we present insights gained from our involvement in the process of establishing a new institution called the Australian Institute of Higher Education (AIH).

---

[1] A complete glossary of terms and acronyms is provided at the appendix.

[2] HEIMS - Higher Education Statistics Collections:
http://www.dest.gov.au/sectors/higher_education/publications_resources/statistics/publications_higher_education_statistics_collections.htm [accessed 25 September 2008]

The AIH can be easily understood as a corporatized, privately owned, business faculty. It plans to offer business related degrees in the areas of International Business, Accounting and Information Technology Management. One of the authors is the Chair of the AIH Academic Board and the other is a consultant who specialises in assisting new institutions through the regulatory and design issues that must be confronted to gain both initial registration of the institution as a higher education provider and accreditation of the higher education courses. We therefore offer both a strategic appreciation based on our research into developments in the sector and a participant observation of the establishment of a new institution from these two perspectives.

The paper will have practical value to those academics who are considering a role in the development of a new institution. We will show how the establishment and ongoing governance of a non-university higher education institution relies on support from academics based in the university sector. There are messages for these academics about the new competitive environment and the opportunities for involvement.

Methodology

The case study that is contextualised within a broader historical event (in our case, a trend towards privatisation of higher education and the growth of a contestable marketplace) has been endorsed by Yin (2003) as the best way to understand the why and how questions associated with an object of analysis. As active participants in the history, we are more associated with the *participants-as-observers* than the *observers-as-participant's* (Hammersley and Atkinson 1983) style of participant observation, which is the more subjective of the two positions. As leading stakeholders we have been careful to avoid a theory building of a kind which has been fairly described by Eisenhardt and Graebner (2007, p. 28) as "*just retrospective sense making by image conscious informants.*" We cannot hide behind the suggestion that as subjects of a sociology we can observe that sociology without changing it, especially in the light of structuration theory (Giddens 1984), which suggests that we contribute to social construction as we instantiate (or act out) its structures. We are even more active creators of social constructs than Giddens imagined. As one of us is the official leader of the

1

academic development of the institution and the other is an expert consultant we had a responsibility to contribute to the social construction of the reality that we here describe. We are more like Agyris and Schön's (1978) *reflective practitioners* or observers of *theories in action* (Agyris and Schön 1974; 1996) than the standard participant observers of cultural anthropology. What we can offer is an identification of issues that could not be anticipated just by examination of the espoused process. They had to be stumbled across and then understood. We offer our understanding of the real process, its traps and ambiguities.

The Nature of the Sector

What are the broad dimensions of the non university Higher Education sector? Table 1 gives broad information about the size of the sector today. It shows that not all institutions are businesses designed to create a profit.

Insert table 1 about here

Unlike universities these institutions are not self-accrediting and must be separately approved in each State and Territory in which they operate. While there are 145 unique institutions, as some operate across multiple jurisdictions, the number of approvals totals 196. The distribution across the various jurisdictions is shown in Table 2.

Insert Table 2 about here

The following figures gleaned from the various public registers provide a more fine-grained picture of the types of activities being undertaken by these institutions. 65 (45%) have gained approval to offer FEE-HELP support to their students since March 2005. Over half (81) are also Registered Training Organisations (RTOs) delivering vocational training as well as higher education courses. 61% (88) offer courses at postgraduate level. 14% (21) offer research degrees. 63% (91) are approved to deliver courses to overseas students.

The VET sector has been something of an incubator for new higher education institutions. Of the 88 institutions offering postgraduate courses, 35 are RTOs. Non-university higher education institutions are embracing research with 21 offering research

degrees at master or doctoral level. Also, not unlike the university sector, non-university higher education institutions also rely on overseas students to supplement enrolments with 91 institutions being listed on CRICOS.

The Future: strategic consolidation

While non-university higher education institutions are increasingly matching the product lines of universities there is currently a great deal of strategic consolidation occurring in the sector, which will soon give many of these institutions the kind of scale advantages that the universities currently enjoy. IBT Education (IBT) successfully listed on the Australian Stock Exchange (ASX) in December 2004 by merging a number of smaller entities[3] (mostly non-university higher education institutions in their own right) into a larger conglomerate suitable for public listing. IBT has followed its listing with an aggressive programme of strategic acquisitions[4] including CMS Knowledge in July2005 [AUD$3.5M]; The ACL Group (including the Australian College of Languages, Australian College of English and Australian Campus Network) [AUD$55.7M] in October 2005; The Australian College of Applied Psychology [AUD$13.1M subject to working capital and other adjustments] in August 2006; LM Training Specialists (English language training) [AUD$3M] in October 2006; Study Overseas Limited and its associated company Employment Overseas Ltd (specialising in overseas student recruitment in India) [GBP£3.74M] in December 2006; Hawthorn English Language Centres from the University of Melbourne [AUD$4.73M] in November 2007; 75% of Australian College of Business & Technology (offering pre-university, undergraduate and postgraduate courses in Sri Lanka) [price not available] in December 2007.

In November 2007 IBT changed its name to Navitas in recognition of the broader range of courses, other than business, offered by the group of institutions under its control. In his address to the 2007 Annual General Meeting, Navitas' CEO has committed the company to pursuing further opportunities for expansion. Navitas is currently ranked number 993 out of the top 2,000 companies in Australia.

---

[3] Including SIBT (Sydney) in association with Macquarie University, MIBT (Melbourne) in association with Deakin University, QIBT (Brisbane) in association with Griffith University, SAIBT (Adelaide) in association with University of South Australia, Eynesbury Institute (Adelaide), PIBT (Perth) in association with Edith Cowan University
[4] Source: ASX Company Announcements

In May 2006 Kaplan Inc, a US-based education provider owned by the Washington Post Company, was successful in its takeover bid for Tribeca, a publicly listed education provider based in NSW [AUD$56M]. Tribeca Learning has since been delisted, re-branded Kaplan Higher Education and achieved higher education approval in NSW to supplement its RTO status. Kaplan has continued down the acquisition path in 2007 by purchasing Bradford College and Grange Business School [price not available] and the education arm of the financial services professional association - Financial Services Institute of Australasia (FINSIA) [AUD$36M] in August. It is expected that these strategic acquisitions will be a conduit for Kaplan to bring its large suite of educational assets, including Kaplan University, to Australia.

The past three years has also been a busy time for venture capitalists. In August 2006 Champ Private Equity in partnership with Petersen Investments purchased Study Group from the UK Daily Mail Group for AUD$176.4M. In February 2007 Endeavour Learning Group (ELG), backed by Hastings Private Equity and a consortium of management shareholders, acquired the Australian College of Natural Medicine (ACNM) [price not available]. ELG's stated strategy is to expand its footprint in high growth sectors within the for-profit education sector through a mix of organic growth initiatives and targeted acquisitions. In March 2008, US investment group Tiger Global acquired a 30% stake in the Carrick Education Group [price not available] which includes the RTO, Carrick Institute of Education and the higher education institution, Carrick Higher Education. Carrick's Managing Director has stated that the cash injection will be used primarily for mergers and acquisitions.

The stand-out performer in the last two years has been Amadeus Education, an investment company set up to acquire, grow and develop education businesses. In its first purchase Amadeus acquired the Billy Blue Group from its private owners in November 2006. This was followed in quick succession by APM Training Institute in May 2007, the Australasian College of Natural Therapies (ACNT) and Jansen Newman Institute (JNI), both in October 2007. The price of these acquisitions was not made public but some measure of their value can be gleaned from the purchase of a 50% interest in Amadeus Education by Seek Limited for AUD$37.5M in October 2007. The

purchase price was broken down into two components; $17.5M for the purchase of shares from the existing shareholders, and $20M as subscription for new shares to fund future acquisitions. This would effectively value Amadeus' four initial acquisitions at $35M. Amadeus is currently actively seeking further acquisitions and was officially rebranded to Think:Education Group in June 2008.

In August 2006 Seek Limited was selected as the successful bidder to acquire a 50% stake in IDP Education Pty Ltd from its university shareholders for AUD$36M. 2006 also saw a number of overseas institutions gain a foothold in the Australian higher education marketplace, both through acquisition and in their own right. Carnegie Mellon University (Pittsburgh, USA) and Herriot-Watt University (Edinburgh, UK) gained regulatory approval for operations in South Australia and New South Wales respectively. This represented the first foray of overseas universities into the Australian higher education marketplace and the success, or otherwise, of their Australian operations is yet to be fully measured.

The Policy Context - Privatisation of Australian higher education and management education

The future holds further challenges to the regulated privileges enjoyed by universities. Protocol C of the revised National Protocols (MCEETYA 2006:8-9) has set the broad parameters to facilitate the approval of self-accrediting status for non-university higher education institutions and a methodology for applying for self-accrediting status is currently under development.

The right to use the title "university" is also being debated. Professor Glyn Davis has noted that "private institutions can recruit local and international students, offer deferred loans from the Commonwealth[5] and award degrees, yet cannot call themselves a university. How long before they push for that final marketing edge?" (2004:6). According to Kirp (2003 quoted by Davis 2004) United States experience suggests the word 'university' is the key to full participation in the higher education market by the private sector.

The establishment of the "teaching only" universities would add to the claims of the non-university higher education sector for the right to adopt a term since they would be in the same

---

[5] FEE-HELP

business. Understandably, some have lobbied for a continuation of the status quo (AVCC 2005) whilst some (Davis 2004, University of Melbourne 2005) have advocated for change, albeit with clear criteria and use of a qualified title such as 'University College' or 'University Institute' which would distinguish such institutions from the traditional universities. Protocol D of the revised National Protocols (MCEETYA 2006:10) provides for specialised institutions to access a modified university title. However, a methodology for applying and being granted such status is yet to be developed. Legislative change will also be necessary to facilitate this process.

The academic from the university system who becomes involved in the development of a new non-university higher education institution must confront a dizzying array of legal and regulatory requirements that are at best remote from day to day academic life and the self accrediting nature of the university. Some of these regulations and processes have the imprint of the VET sector, which is where most of the thinking developed for control of the quality of provision by private education providers. The template for what a degree should look like is defined by the Australian Qualifications Framework (AQF). In the VET sector the AQF carries with it highly developed competency profiles and associated curriculum handbooks[6] for each competency unit. In the higher education sector what constitutes an award course is described generally by the AQF in a single A4 page. As such, what goes into a higher education course is largely determined by the experiences and folklore of the academics involved in the process plus the proscriptions for content required for accreditation with the various professional organisations: the CPA Australia, the Australian Computer Society, the Institution of Engineers Australia etc.

The registration and accreditation process is run by State and Territory Departments of Education and Training[7] and is not unlike the approval processes for new vocational courses, but at a higher level. In NSW the Department of Education and Training invites experts from the university sector, other non-university higher education institutions and industrial bodies to form assessment panels who review each institution's structure and offerings. A favourable recommendation from these panels is endorsed by a superior body, the Higher Education Advisory Committee (HEAC), and

---

[6] National Training Packages
[7] Known as STAAs – State and Territory Accreditation Agencies

provides the right to offer the courses so accredited for five years after which the institution's performance and right to continue its offerings are reviewed. Because non-university higher education institutions are not self accrediting, any new course or a major change to existing subjects must go back to the State and Territory Accreditation Agency (STAA) for endorsement.

While the State/Territory Government confers the right to offer degrees, the Commonwealth confers access to student loans and the right to serve students who come from overseas. So recognition from two levels of Government is required if demand for your course is to be optimised. These approvals and the separate interests of the State/ Territory Government and the Commonwealth are represented in Figure 1.

Insert figure 1 about here

The rules to which an institution must conform are all represented by the frameworks from which these processes hang.

The Case of the Australian Institute of Higher Education (AIH)

In our case the financial commitment of the proprietor was assessed by the STAA before the application was referred to an assessment panel. The owner had committed an amount of $1.5 million in a start up process that would take 18 months to complete before the first student would pay a fee. This was judged to be adequate. Then detailed submissions from AIH could be assigned to a registration assessment panel and an accreditation assessment panel. The registration panel had a brief to scrutinise the governance structure, constitution and policies of the new institution. The accreditation panel met independently to scrutinise the curriculum and approach to teaching and learning. Both panels had a common chair person, but were otherwise composed of different members.

The Australian Institute of Higher Education is typical of many institutions in the sector in that its proponent is an education entrepreneur. Jim Yang bought a Registered Training Organisation (RTO) in 2000 called the Australian Institute of Commerce and Language (AICL) and built it up over the next 6 years from 400 to over 1500 students with the help of an able and charismatic operations

executive (Natalie Scott). This success had been based on sound marketing judgments and an ability to liaise with industry groups and build partnerships with major providers such as NSW TAFE.

Building the Institutional Governance

In 2006 Jim Yang decided to move into higher education. He chose to create a new company, separate from AICL. There are a number of reasons why this is significant. First the new company had its own Board of Directors responsible only for the development of the Higher Education Institution, making AIH distinct from AICL which was predominantly a vocational training provider. It would be driven by people whose only concerns were to build a higher education business and culture. The directors then searched out and appointed an academic board consisting of academics from Sydney and Macquarie Universities and Swinburne University of Technology, who each represented one of the three programs to be offered: and Information Technology Management, International Business and Accounting.

Insert figure 2 about here

Figure 2 shows the structure of the company designed by the Board of Directors. Of particular importance to the growth of the academic culture is the separation of the Academic Board (and its subordinate committees) and the governance of the business. The status of the Academic Board and its structural independence from the process of business decision making, not only gave the academics sovereignty over issues such as entry requirements, curriculum development, articulation arrangements and assessment standards; it would later to be crucial in gaining the confidence of the assessment panel that recommended registration.

The three academic board members went about the task of selecting and recruiting Course Advisory Committees (CACs) to develop the actual structure and content of three Bachelor degrees, including the individual subjects to be offered, topics and the identification of appropriate support materials. The Academic Board wanted the CAC members to be people who were not only eminent in their fields but to have considerable higher education teaching experience. Some were academics with industrial experience and current connections with industry; others were industry executives, who had high level qualifications and experience teaching at a university level. The aim would also

be to develop courses which would attract endorsement by industry bodies such as the CPA Australia and the Australian Computer Society (ACS). All in all the Academic Board had created a structure consisting of 10 academics to supervise and direct the development of the institution's courseware.

The Registration and Accreditation Panels – Critical Reflections

The panels that assess the proposals are each made up of three to four academics and an industry representative. Understandably then the panel members were more interested in scholarship, the quality of the student experience and the commitment of resources to educational quality than they were about the business plan. They wanted to see a higher education structure, not a corporate structure. They expressed a need to establish trust in the Academic Board and a desire to see that it had real power to control the educational offerings and the resourcing behind those offerings.

There are a number of critical observations that can be made of this process of review and the composition of the assessment panels. The focus of the panels on academic issues would seem overly narrow if one were to adopt the perspective of the Government or the potential students. Both have an interest in the ongoing sustainability of the institution. The Government needs to maintain a credible industry. The students want degrees that are going to be recognised and come from institutions that can be expected to survive at least as long as the students live. Therefore the business plan is at least as important as the academic quality and resourcing commitment. There was no interest shown by either of the panels in fee structures, profit and loss projections, risk management, growth projections or debt/equity or return ratios. Nor was there any scrutiny of the quality of the Board of Directors who is ultimately responsible for these factors.

Participation in the panels creates potential for a conflicts of interest. Because the panels need expertise in the disciplines being assessed for accreditation, they are necessarily business competitors. If an institution looks too strong, there is an incentive to try to deny access to the market. In our case, the industry representative on the registration panel, which had a mandate to assess the governance structure of AIH, was also a non-university deliverer of business education. The accreditation panel was necessarily composed of members of rival faculties. The only hope is that the Chair of the panel has no conflict of interest and the grace, skill and personal power to negotiate such conflicts. A better

design would be to require that for both the industry representative and the chair to have no financial interest in the delivery of higher education.

In our case we were surprised and eventually pleased at the rigorous scrutiny the panel gave our submission. Whatever, the internal dynamics of the panel, the result was a series of useful suggestions. On the day of the review the panel chair represented these suggestions as requirements and adopted an uncompromising tone. In reality these were recommendations to the Higher Education Assessment Committee (HEAC), some of which HEAC would block as outside of the mandate of the panel. However, we adopted the attitude that positive responses would strengthen the institution. As a result of these changes, the sovereignty of the Academic Board was made more explicit. The organisation chart was also redesigned. The panel had regarded the draft organisational chart as too managerial; not academic enough. The original chart had showed an executive committee composed of a Chief Executive Officer, A Chief Operating Officer, a Chief Marketing Officer and A Chief Finance Officer. The registration panel wanted either the CEO or the COO to be a person with higher education experience and credentials. We responded by placing the position of Dean on the executive committee, removing the role of COO and reframing the Dean's responsibilities to include operational management (see figure 2)., a change which reflects the responsibilities of most Deans of Business faculties. While this diluted our original concept of strict separation between academic governance and business management, it achieved the panel's requirement of strengthening the academic input into the day to day operations of the whole company.

The panel appeared to be motivated by a concern that they had a once-only chance to influence the future behaviour of the institution: they were focused on those structures that could be institutionalised. They were pleased by the fact that we had entered into long term leasing arrangements for faculties such as classrooms, staff offices, library space and recreational rooms. They approved of the level of commitment to providing computer hardware and software. They acknowledged the contract that we had with the neighbouring University of Technology Sydney to give students access to their library facility and our subscription to online databases providing full text retrieval from our own campus.   Although they accepted the legitimacy for a role for casual staff,

they required submission of a five year staffing plan that would see a gradual move to a position where 50% of classes would be taught by full time employees of AIH. They required that we redraft policies for professional development and workload to explicitly recognise the objective of the development of scholarship and provide appropriate resources in terms of time and organisational support.

It is essential to ensure that the academic governance structures give sovereignty to the academics involved rather than relegating them to the status of consultants. Finding the right academics is a challenge. They need to be eminent enough to be able to lend personal authority, but not elitist in their expectations of the institution or its potential students. They must have an acceptance of market realities but none the less be determined build an institution that maximises and independently audits student performance to ensure no slippage of standards.

Quality – a differentiated approach

Lacking the scale and prestige of the university, we were forced into finding a different approach to the development of a quality service and branding. Much attention was paid by the Academic Board to marketing, and marketing experts were brought in at the design stages to help the us determine the exact focus of the degrees. It was also necessary to benchmark requirements for entry and articulation arrangements against a range of universities. In examining articulation agreements from a variety of Australian universities that give credit for the achievement of Australian VET qualifications, we were both surprised and disappointed at what we found. There often seemed little relationship between what the AQF said students with a given VET qualification could actually do and the higher education subjects for which they were being given credit. An important part of our market appeal was to be an assurance to the students that having been given advanced standing, they could survive to complete the course. To this end we engaged in the laborious task of mapping VET level competencies against the outcomes that we had designed into the Bachelor degrees.

The consolidation of smaller institutions into large scale operations and the regulatory framework are two important drivers for quality. In the case of AIH, growth would need to be driven by market penetration, rather than acquisition. Some benefits of scale can be acquired by outsourcing,

such as access to libraries and service level agreements with other companies to provide organisational support. However, the need for growth creates a dilemma. The higher the projected student numbers the higher the proportion of full time staff required at or close to start up. The AIH Board of Directors controlled this risk by putting considerable resources into market research and the Academic Board controlled for this risk by focusing the degrees with some precision on market niches with clear unmet demand. Small scale was also turned into a virtue. The institution has chosen to offer smaller, more intimate classes than exist in the typical university's mass consumption model. This move allows the development of an approach that promises personalisation and pastoral care.

Conclusions

The establishment of a non-university higher education institution cannot be done without the support and cooperation of academics from established universities. They provide the status necessary to win over the assessment panels. They also provide the knowledge necessary to shape the content and structure of the degrees. Much of this knowledge is tacit. There is no higher education equivalent of the VET National Training Packages for providing direction in the development of content. The reliance of higher education entrepreneurs on the authority of practicing academics provides ample opportunities for academics to become involved. Developing an institution from nothing is an exciting and rewarding mission. The consolidation of institutions into larger institutions, demand from overseas and the quality assurance frameworks governing registration and accreditation in the sector are powerful formative influences. Given current growth in the sector there appears a strong prima facie case that these institutions will develop the capacity to seriously challenge the dominance of universities in the provision of higher education in Australia.

References

Agyris C. and Schön D. (1974) *Theory in Practice: increasing professional effectiveness,*

San Francisco Jossey-Bass

Argyris, C., & Schön, D. (1978) *Organizational learning: A theory of action perspective,* Reading,

Mass: Addison Wesley.

Agyris C., and Schön D.(1996). *Organisational Learning II: theory method* Reading Mass: Addison-

Wesley

 AVCC (2005) *Quality and Diversity: A framework for approving higher education providers* The

Australian Vice-Chancellors' Committee's response to Building University Diversity, May 2005

Bishop J (2006) *Greater Diversity in a Higher Education Market*, Media Release URL:

http://www.dest.gov.au/Ministers/Media/Bishop/2006/07/B005070706.asp [accessed 21 July 2006]

Davis G (2004) *Tiers or tears? The regulation of Australian higher education* The Inaugural

Melbourne Politics Lecture, Department of Political Science, University of Melbourne, Monday 22

November 2004

Eisenhardt K., and Graebner N. (2007) Theory Building From Cases: opportunities and challenges

Academy of Management Journal, 50: 25-32

Giddens A. (1984) *The Constitution of Society: outline of the theory of structuration* University of
California Press, Berkley

Hammersley, M. and Atkinson, P. (1983; 2004) *Ethnography. Principles in practice*, London:

Routledge

Harman E (2007) *Raised voices or raising voices? Taking business at its word in the new VU* AFR

Higher Education Summit, 4 April 2007

Kirp D (2003) *Shakespeare, Einstein, and the Bottom Line: The Marketing of Higher Education*

(Harvard University Press, Cambridge, Mass.)

MCEETYA (2006) *National Protocols for Higher Education Approval Processes*

http://www.mceetya.edu.au/mceetya/default.asp?id=15212 [7 June 2008]

University of Melbourne (2005) Submission to the Building University Diversity review of the approval and accreditation processes for Australian higher education April 2005

Yin, R.K. (2003), *Case Study Research: Design and Methods*, 3rd ed., Sage, Thousand Oaks.

Table 1: Non-university higher education institutions by type

Type of Institution	No.	%
Private entity	66	45
Professional / membership association	14	10
Faith-based institution	42	29
Government instrumentality	19	13
University private arm	4	3
TOTAL	**145**	**100%**

(Source: State and Territory higher education registers[8])

Table 2: Non-university higher education approvals by jurisdiction

Jurisdiction	Campuses	%
New South Wales	53	27
Victoria	52	26
Queensland	30	15
South Australia	25	13
Western Australia	22	11
Tasmania	7	4
ACT	5	3
Northern Territory	2	1
Total	**196**	**100%**

(Source: State and Territory higher education registers[8])

---

[8] Sources of data for Tables 1 and 2 are State and Territory Higher Education Registers.

NSW: https://www.det.nsw.edu.au/hew/navigator.do?command=goToSearch [accessed 25 September 2008]

Victoria: http://www.vrqa.vic.gov.au/Search/ [accessed 25 September 2008]

Queensland:http://education.qld.gov.au/strategic/accreditation/courses/higher-education/accredited-courses.html [accessed 25 September 2008]

Western Australia: http://www.des.wa.gov.au/pages/higher_ed_non_uni.php [accessed 25 September 2008]

South Australia: http://www.training.sa.gov.au/OVETorgs/ [accessed 25 September 2008]

Tasmania: http://www.tqa.tas.gov.au/1672 [accessed 25 September 2008]

ACT:http://www.det.act.gov.au/__data/assets/pdf_file/0019/17506/ACT_HigherEducationRegister.pdf [accessed 25 September 2008]

Northern Territory: http://www.det.nt.gov.au/education/higher_education/providers.shtml [accessed 25 September 2008]

Figure 1: Higher education approval processes and underlying legislative authority
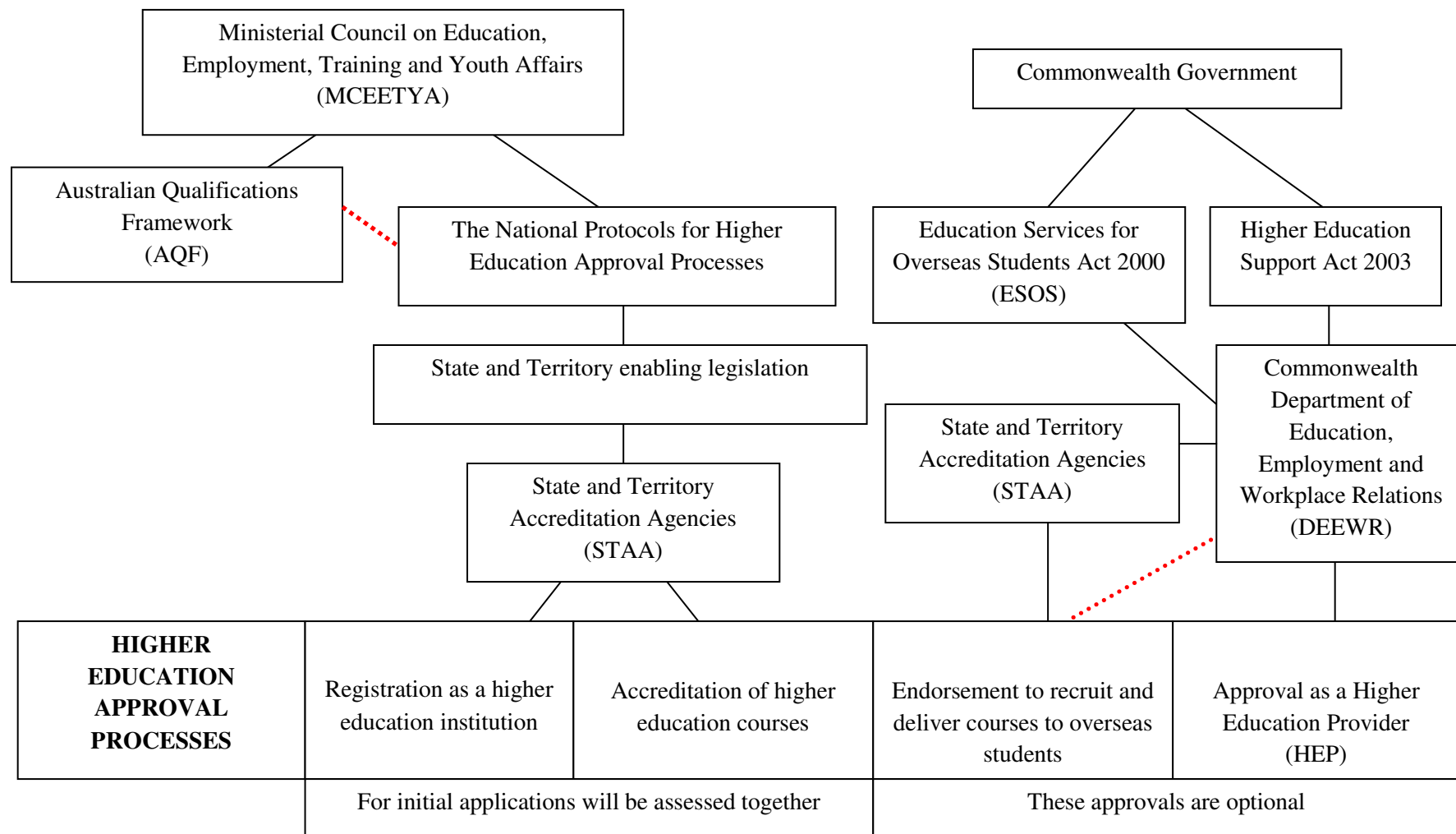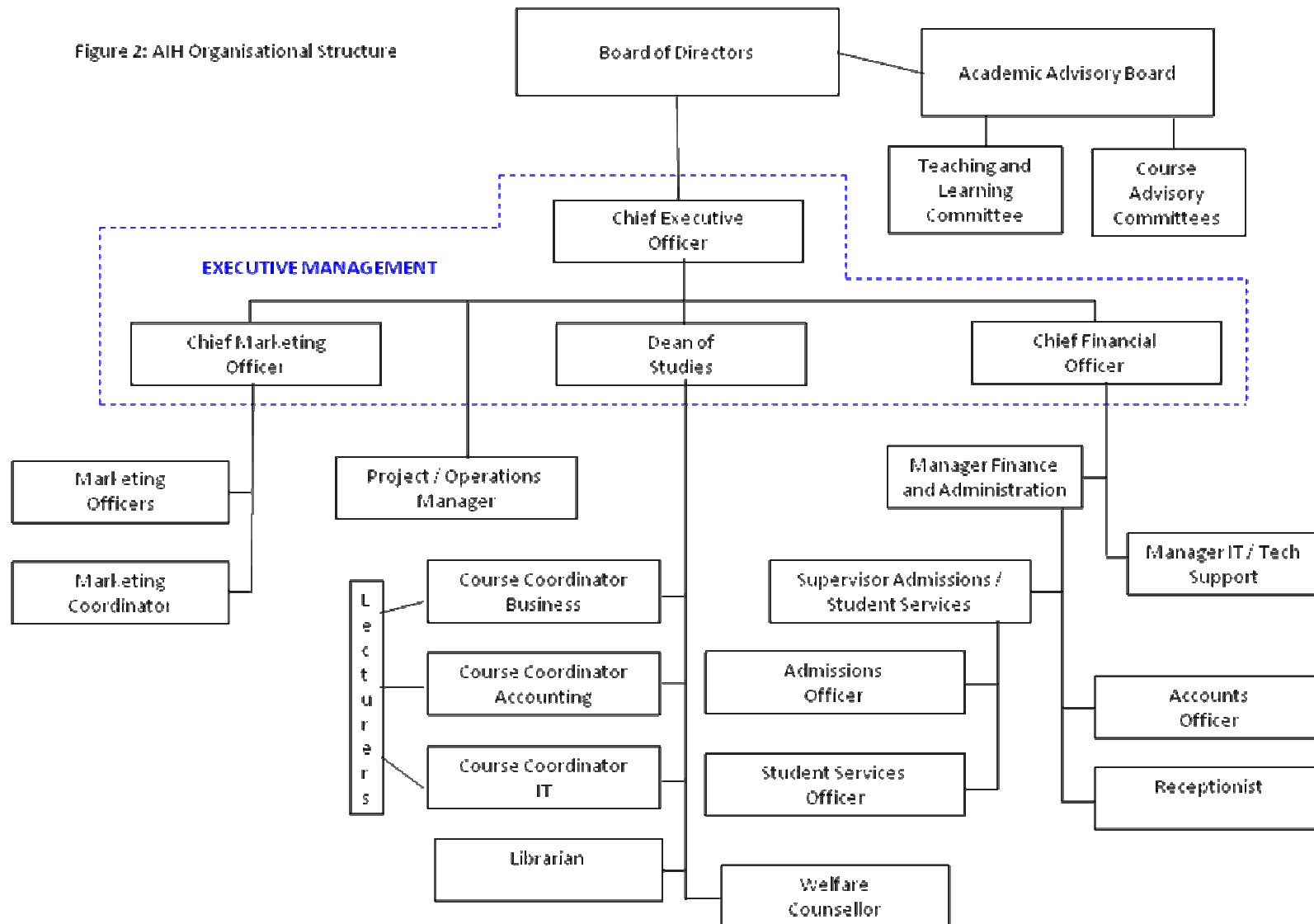
Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA)		Commonwealth Government	
Australian Qualifications Framework (AQF)	The National Protocols for Higher Education Approval Processes	Education Services for Overseas Students Act 2000 (ESOS)	Higher Education Support Act 2003
	State and Territory enabling legislation	State and Territory Accreditation Agencies (STAA)	Commonwealth Department of Education, Employment and Workplace Relations (DEEWR)
	State and Territory Accreditation Agencies (STAA)		

HIGHER EDUCATION APPROVAL PROCESSES	Registration as a higher education institution	Accreditation of higher education courses	Endorsement to recruit and deliver courses to overseas students	Approval as a Higher Education Provider (HEP)
	For initial applications will be assessed together		These approvals are optional	

Figure 2: AIH Organisational Structure

Appendix - Glossary of Terms and Acronyms

Accreditation – the process whereby the courses of Higher Education Institutions are approved for delivery.

Australian Qualifications Framework (AQF) - is a unified system of national qualifications in schools, vocational education and training higher education sector as per the table below:

AQF Qualification by Sector of Accreditation

Schools Sector Accreditation	Vocational Education and Training Sector Accreditation	Higher Education Sector Accreditation
		Doctoral Degree
		Master Degree
	Vocational Graduate Diploma	Graduate Diploma
	Vocational Graduate Certificate	Graduate Certificate
		Bachelor Degree
	Advanced Diploma	Associate Degree, Advanced Diploma
	Diploma	Diploma
	Certificate IV	
Senior Secondary	Certificate III	
Certificate of Education	Certificate II	
	Certificate I	

Australian Quality Training Framework (AQTF) – a set of standards which provides the basis for a nationally consistent, quality vocational education and training system, based on a quality assured approach to the regulation of learning organisations seeking to deliver training, assess competency outcomes and issue qualifications.

Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) - a listing of approved providers and courses that may be offered to overseas students.

DEEWR – the Department of Education, Employment and Workplace Relations (Commonwealth); until December 2007 known as DEST – Department of Education, Science and Training in relation to its education remit.

FEE-HELP - A government sponsored loan scheme to assist Australian citizens and Australian resident permanent humanitarian visa holders to pay their higher education tuition fees.

Higher Education Assessment Committee (HEAC) - a committee appointed to oversee and moderate the decisions of independent panels in relation to the registration of Higher Education Institutions and accreditation of their courses.

Higher Education Information Management System (HEIMS) - an electronic information system created by the Commonwealth Government to collect, among other things, data about students studying with HEPs.

Higher Education Institution (HEI) – refer non-university higher education institution.

Higher Education Provider (HEP) – a higher education institution that has met the requirements of the *Higher Education Support Act 2003* (HESA).

Higher education regulator – a government department that is responsible for, among other things, the approval of non-university higher education institutions. Also referred to as State and Territory Accreditation Agencies (STAAs).

Higher Education Support Act 2003 (HESA) - an Act relating to the funding of higher education and providing financial support for students.

MCEETYA – Australian State, Territory, Commonwealth and New Zealand Ministers with responsibility for the portfolios of education, employment, training and youth affairs meeting as the *Ministerial Council on Education, Employment, Training and Youth Affairs*.

National Training Packages - sets of nationally endorsed standards and qualifications for specific industry sectors designed to facilitate the recognition and assessment of people's skills

National Protocols for Higher Education Approval Processes – a set of protocols designed to ensure consistent criteria and standards across all Australia jurisdictions in such matters as the recognition of new universities, the operation of overseas higher education institutions in Australia, and the accreditation of higher education courses to be offered by non self-accrediting providers. The National Protocols have been agreed to by all education and training ministers within Australia and New Zealand.

Non-university higher education institution – an educational institution which has been granted approval to deliver higher education courses as defined by the Australian Qualifications Framework but must seek registration to operate in the jurisdictions in which it proposes to deliver those higher education courses.

Registered Training Organisation (RTO) – A training organisation that has demonstrated compliance with the requirements of the AQTF.

Registration – the process of determining if an institution meets the criteria for approval as a Higher Education Institution.

State and Territory Accreditation Agencies (STAAs) – refer to higher education regulator.

Vocational Education and Training (VET) – a term used in Australia to describe education and training arrangements designed to prepare people for work or to improve the knowledge and skills of people already working.