Higher Education Accreditation

Introduction

Higher education accreditation involves universities, and other higher education providers, offering courses that lead to formal accreditation with a professional association. For example, to become an accountant in Australia, a student needs to complete a university course that complies with the requirements set by either of the two, main accounting professional associations: Chartered Accountants Australia and New Zealand ('CAANZ') and CPA Australia. To ensure courses lead to accreditation, universities work with the relevant professional associations to develop and agree on the content of the relevant courses. This can involve not only agreeing on the technical content of a course, but also what units or unit combinations will lead to accreditation and what student outcomes are required, both in terms of technical knowledge and practical skills. Such higher education accreditation is the bedrock of maintaining standards with the professions, particularly for new entrants to the professions.

In addition to these private, civil society arrangements, a national statutory body, Tertiary Education Quality and Standards Agency ('TEQSA'), was created in 2011 by the *TEQSA Act*[1] to improve and standardise higher education requirements, including those leading to professional accreditation. As such, the development and implementation of higher education accreditation in Australia has three main 'actors': the universities (and other higher education providers), the professional associations and the statutory regulator.

This title discusses the following issues relating to higher education accreditation:

- The benefits of accreditation
- Ensuring consistency across universities
- Statutory versus non-statutory accreditation bodies
- Levels of accreditation detail
- Increasing use of technology in education.

The Benefits of Accreditation

The primary benefit of having a system of accreditation for a profession is to ensure threshold entry levels for new entrants to the profession. This is the single most important way that a profession can maintain its standards. It ensures a continual stream of new, appropriately-qualified individuals into the profession. By professional associations joining with universities to develop relevant and practical, as well as conceptual courses, graduates should be well-suited to start their professional careers. For Engineering Australia, the peak professional association representing engineers, by 'providing an internationally benchmarked standard for judgement of undergraduate engineering education programs, the accreditation process publicly assures the competence of graduates and provides a guarantee of standing that is independent of the education provider'.[2] Further, it 'provides a basis for international comparability and reciprocal

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[1] *Tertiary Education Quality and Standards Agency Act 2011* (Cth).
[2] Engineers Australia, *Program Accreditation Overview* <https://www.engineersaustralia.org.au/About-Us/Accreditation/Accreditation-Overview> (accessed 16 March 2018).

recognition, facilitating the mobility of engineering graduates'.[3] CPA Australia describes the benefits of professional accreditation for its member accountants as, among other things, 'providing assurance to prospective students and employers of a quality higher education provider and accounting program'.[4]

There are also significant benefits to a university in having a professional association approve it as an accredited provider. As Mark Freeman describes it, the role of accreditation is to give recognition to a higher education provider that it has complied with the standards set by the profession and its accrediting body.[5] CPA Australia views the accreditation process as 'giving higher education providers guidance and visibility of benchmarks and standards' that the professional association expects from courses.[6] At a higher level, Freeman also views the accreditation process as creating status and legitimacy for the higher education provider.[7] John Beehler and Denise Luethge describe achieving accreditation status as providing an 'external signaling of quality'.[8] Further, the more reputable the accreditation agency, the greater the attraction of the university or school to students, academics and other stakeholders and networks.[9] Andrew Norton and Ittima Cherastidtham have shown that the level of tuition fees an institution charges for business fees in Australia is directly related to the reputation it has.[10] Accreditation inevitably enhances that reputation. This is particularly important in a deregulated education sector where fees are more directly impacted by reputation. Norton and Cherastidtham's study found that: 'Despite the cost, many international students prefer expensive universities [whereas] Australian students are less willing … to pay a large prestige premium'.[11] The importance international students place on reputation is particularly significant given university funding is increasingly coming from this demographic. There are then also the flow-on long-term benefits arising from increased funding, such as better education facilities, better libraries and other resources, and improved access and links to peers and other prestigious universities.[12]

Ensuring Consistency across Universities

There have been recent moves to develop greater consistency throughout Australia in the delivery of higher education standards leading to accreditation. These include two main developments. The first is that Universities Australia, the peak body representing universities,[13] and Professions Australia, representing 20

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[3] Engineers Australia, above n 2.

[4] CPA Australia, *Accreditation Guidelines for Higher Education Programs* <https://www.cpaaustralia.com.au/academics/accreditation-guidelines-for-higher-education-programs> (accessed 16 March 2018).

[5] Mark Freeman and Elaine Evans, 'Professional Associations, Accreditation and Higher Education: Foundations for Future Relations' in James Guthrie, Elaine Evans and Roger Burritt (eds), *Relevance and Professional Associations in 2026* (Chartered Accountants Australia and New Zealand, 2016) 63, 64.

[6] CPA Australia, above n 4.

[7] Freeman and Evans, above n 5, 64.

[8] John Beehler and Denise Luethge, 'Achieving Success through Quality: The Role of Accreditation and Continuous Improvement in Management Education' in Andreas Altmann and Bernd Ebersberger (eds), *Universities in Change: Managing Higher Education Institutions in the Age of Globalization* (Springer, 2013) 277 as cited by Freeman and Evans, above n 5, 69.

[9] Freeman and Evans, above n 5, 69-70.

[10] Andrew Norton and Ittima Cherastidtham, *University Fees: What Students Pay in Deregulated Markets* (Grattan Institute, 2015) <http://grattan.edu.au/wp-content/uploads/2015/08/830-University-Fees.pdf> (accessed 16 March 2018) as cited by Freeman and Evans, above n 5, 69.

[11] Norton and Cherastidtham, above n 10, 1.

[12] See, e.g., Freeman and Evans, above n 5, 69-70; Raymond Zammuto, 'Accreditation and the Globalization of Business' (2008) 7 *Academy of Management Learning and Education* 256; Christophe Lejeune, and Alain Vas, 'Organizational Culture and Effectiveness in Business Schools: A Test of the Accreditation Impact' (2009) 28 *Journal of Management Development* 728.

[13] Universities Australia, *About Us* <https://www.universitiesaustralia.edu.au/about-us#.Wqcjn9JlKUl> (accessed 16 March 2018).

professional associations,[14] have agreed on a national set of Principles for Professional Accreditation.[15] The second is that TESQA is in the process of implementing a national statutory Higher Education Standards Framework[16] that aims to not only ensure minimum levels of quality in higher education but also develop nation-wide standards. Such national consistency is increasingly important given the ever-growing interstate nature of professional practice in Australia and the ever-increasing mobility of both practitioners and clients nationally.

Universities Australia and Professions Australia's Principles of Professional Accreditation

In 2016, Universities Australia and Professions Australia signed joint Principles for Professional Accreditation to promote national consistency of professional accreditation standards and consistency within each profession's requirements.[17] The Principles detail various joint responsibilities on issues such as promoting continuous improvement in the quality of university education and professional training, and monitoring changes that could impact on professional competency.[18] The agreement is still in the process of being implemented and some of the details still being developed. It is nonetheless a significant move towards the universities and professional associations developing consistent, national higher education accreditation standards. This is a move by the universities and certain professions to develop private, civil society arrangements that are both nationally consistent and more uniform between professional associations and, to some extent, the professions more generally than was the case previously.

TESQA and the Standards Framework

The *TESQA Act* establishes statutory arrangements for developing and improving higher education standards for Australian universities.[19] Thus, TEQSA oversees all education providers, both those with authority to self-accredit new degrees (which are mainly the universities) and those without such authority.[20] The Act's objectives include providing for 'national consistency in the regulation of higher education'.[21] In line with this, TESQA has developed a Standards Framework, which includes minimum acceptable requirements for the provision of higher education at a national level.[22] The Framework sets out, among other things, university course approval processes that apply to all courses of study including those that lead to professional accreditation.[23] It aims to ensure that all courses leading to a higher education qualification undergo a rigorous internal approval and accreditation process.[24] This then influences and can even drive the requirements that professional associations with universities set for higher education courses leading to

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[14] Professions Australia, *About Us* <http://www.professions.com.au/about-us> (accessed 16 March 2018).

[15] See Universities Australia, *Principles for Professional Accreditation* (17 March 2016) <https://www.universitiesaustralia.edu.au/uni-participation-quality/Quality/Principles-for-Professional-Accreditation/Principles-for-Professional-Accreditation#.WqcVGNJlKUl> (accessed 16 March 2018).

[16] *Higher Education Standards Framework (Threshold Standards) 2015* (Cth).

[17] Professions Australia and Universities Australia, *Joint Statement of Principles for Professional Accreditation* <http://www.professions.com.au/images/Joint_Statement_of_Principles_for_Professional_Accreditation_-_2016-03-09_SIGNING.pdf> (accessed 16 March 2018).

[18] Professions Australia and Universities Australia, above n 17.

[19] Tertiary Education Quality and Standards Agency, *What We Do* <https://www.teqsa.gov.au/what-we-do> (accessed 16 March 2018).

[20] Freeman and Evans, above n 5, 67.

[21] *Tertiary Education Quality and Standards Agency Act 2011* (Cth) s 3(a).

[22] *Higher Education Standards Framework (Threshold Standards) 2015* (Cth) Part A.

[23] *Higher Education Standards Framework (Threshold Standards) 2015* (Cth) s 5.1.2.

[24] *Higher Education Standards Framework (Threshold Standards) 2015* (Cth) s 5.1.3.

professional accreditation at a national level. It also gives the universities a level of statutory support when negotiating course terms with relevant professional associations.

Statutory versus Non-Statutory Accreditation Bodies

Higher education accreditation bodies can be either statutory bodies or professional association bodies. Where a profession is regulated primarily under a statutory regime, the regime will generally also have a statutory accreditation body. Conversely, professions that are largely not statutory-regulated will usually establish their own accreditation body or arrangements.

NSW lawyers, for example, are statutory regulated under the *Legal Profession Uniform Law*[25] and this *Law* has created the Legal Profession Admission Board as its accreditation body, with the Board approving law degrees offered by universities.[26] Similarly, financial planners are currently regulated by a statutory regime, the *Corporations Act*,[27] with the statutory regulator, Australian Securities and Investments Commission ('ASIC'), accrediting courses financial planners need to complete before providing advice.[28]

By contrast, accountants are largely a self-regulated profession and thus have established their own accreditation processes with Chartered Accountants Australian and New Zealand taking on the role of accrediting courses itself.[29] In a further variation, there are situations where a statutory regime may outsource accreditation to a professional association-related body in a co-regulatory arrangement. This can have benefits due to the professional association having a better understanding of and closer links to the profession than the statutory regulator. It also allows the statutory regulator to focus its energy on other aspects of its regulatory role.

For example, a new accreditation regime for financial planners is currently being developed under the *Corporations Act*.[30] A new statutory body, the Financial Advisers Standards and Ethics Authority ('FASEA'), has been tasked with, among other things, the role of higher education accreditation.[31] To accomplish this, FASEA has partnered with a private professional association-based accreditation body, the Financial

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[25] *Legal Profession Uniform Law 2014* (NSW).

[26] *Legal Profession Uniform Law Application Act 2014* (NSW) pt 3 div 1; *Legal Profession Uniform Admission Rules 2015* (NSW) r 5.

[27] *Corporations Act 2001* (Cth).

[28] See ASIC, *Regulatory Guide 146: Licensing: Training of Financial Product Advisors* (July 2012) <http://asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/rg-146-licensing-training-of-financial-product-advisers/> (accessed 16 March 2018). But see below re the new additional statutory regulator, the Financial Adviser Standards and Ethics Authority.

[29] Chartered Accountants Australian and New Zealand, *Recognised Academic Qualifications* <https://www.charteredaccountantsanz.com/become-a-member/entry-requirements/chartered-accountant/recognised-qualifications> (accessed 16 March 2018).

[30] *Corporations Act 2001* (Cth) pt 7.6 divs 8A-C.

[31] Financial Adviser Standards and Ethics Authority, *Standards Authority – Background* <https://fasea.gov.au/> (accessed 16 March 2018).

Planning Education Council ('FPEC'). FPEC is the primary professional association representing financial planners, the Financial Planning Association of Australia ('FPA'), established several years ago for accrediting FPA's own, independent 'Certified Financial Planner' program.[32] Under this arrangement, FASEA has partly outsourced its accreditation role by working with FPEC and officially authorising FPEC's list of approved degrees for accreditation under the Act.[33] This type of co-regulation has benefits, allowing the profession to maintain some level of self-regulation, while the statutory regulator still retains an oversight role. (For further detail on the concepts of statutory regulation, self-regulation and co-regulation, see the Regulatory Structures title.)

Levels of Accreditation Detail

There are two main approaches to how a higher education accreditation body can prescribe, for a University or other educational body, what courses and subject are acceptable.

One is to establish a fully prescriptive list that specifies not only the university (or other higher education institution) and the degree, but also accredits specific, identified subjects within a degree. The other is a less prescriptive approach where the accreditation body, while specifying the university and degree, only prescribes generic subjects the degree must offer. For example, for financial planners, FPEC's list of accredited courses under the new statutory requirements often specifies not only which universities and degrees are accredited but also which specific subjects currently offered within the degree are accredited.[34] Thus, it cites the subject name and identifying number such as, for example, 'Principles of Income Tax Law MLC 301'.[35] This approach allows for precision and certainty in the accreditation process. However, it also results in less flexibility.

In contrast, the *Legal Profession Uniform Law*, regulating lawyers, does not certify the specific subjects currently offered. Instead, the rules only prescribe that each accredited University law course must include 11 subject areas, known as the 'priestly 11', namely, criminal law and procedure, torts, contracts, property, equity, company law, administrative law, constitutional law, civil dispute resolution, evidence, and ethics and professional responsibility.[36] The rules then provide a general description of what each of these subjects must cover.[37] This approach provides greater flexibility for the university to tailor and alter its subjects as it sees fit and allows for flexibility in the elective subjects the degree may offer along-side the compulsory subjects. However, it also requires a level of trust from the accreditation body that the university will ensure that each subject remains within the general description and that the electives have some level of relevance to professional practice.

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[32] Financial Adviser Standards and Ethics Authority, *October Board Meeting Update* <https://img1.wsimg.com/blobby/go/eeb843b7-7fd9-4db4-9555-0573271ca65d/downloads/1bt8bahpc_321442.pdf> (accessed 16 March 2018).
[33] Financial Planning Education Council, 'List of Existing Approved Higher Education Providers (Degree and Postgraduate Programs) That Will be Adopted by FASEA for Authorisation - 24 October 2017', FASEA, *FASEA Releases* <https://fasea.gov.au/standards-and-guidance> (accessed 16 March 2018).
[34] Financial Planning Education Council, above n 33.
[35] Financial Planning Education Council, above n 33.
[36] *Legal Profession Uniform Admission Rules 2015* (NSW) sch 1.
[37] *Legal Profession Uniform Admission Rules 2015* (NSW) sch 1.

Increasing Use of Technology in Education

An important area of development in higher education leading to accreditation is the increasing importance of using technology in learning. Technology allows for new forms of education content delivery. This includes online delivery of courses which can be accessed at any time and at any location.

For example, 'the Chartered Accountants Australia and New Zealand CA program operates after hours, delivering a more personalised service that suits the program's students who are also employed and therefore not accessing the program 9 to 5'.[38]

Such online courses can include automated assessment through multiple choice testing, allowing for immediate feedback. It can also allow for 'second attempts' at questions as part of the course to ensure understanding before a user continues to the next topic. This is a different kind of learning model which has benefits over the more traditional approach of delivering information once and then testing, which can focus more on punishment than on ensuring learning outcomes. Newer delivery methods also include 'learning communities' that allow for more collaborative learning and the sharing of knowledge and ideas rather than the more usual 'top down' education method. As Jason Dale describes it: 'While fundamental skills continue to be provided in a formal learning environment, such as university, and traditional forms of ongoing education …, collaborative learning leverages a learning community and involves social media, think tanks, mentoring and distributed learning'.[39]

Technology can also create real-time, real-life simulations for learning. These are particularly valuable in higher education leading to professional accreditation given that professional practice is focused on the real-world application of knowledge. As Dale describes the concept: 'rather than an academic online delivery of … content, students participate in real world or simulated environments from simulated FX trading to working on a real-time problem for a multinational company with participants and a team from 10 different locations'.[40] Such scenarios can often now be an intrinsic part of professional practice and thus introducing them into a professional-focused course is highly valuable.

Architectural and engineering students today need practice with building design software such as AutoCAD[41] that they will use when employed, to properly develop their skills. Pilots need to practice in flight simulators before they take the controls of an airplane. Further, the ability to manage, access and 'mine' data is increasingly important for professions. In the accountancy profession, being able to gather and manipulate databases is especially important. Dale notes that 'accountants of the future need to be technology literate and Chartered Accountants Australia and New Zealand has identified employer demand for big data knowledge in new graduates'.[42] Subjects that can offer practice in such data manipulation are becoming

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[38] Jason Dale, 'The Role and Nature of Professional Development Education in the Future' in James Guthrie, Elaine Evans and Roger Burritt (eds), *Relevance and Professional Associations in 2026* (Chartered Accountants Australia and New Zealand, 2016) 57, 60.
[39] Dale, above n 38, 60.
[40] Dale, above n 38, 60.
[41] See AutoDesk, *AutoCAD* <https://www.autodesk.com.au/products/autocad/overview> (accessed 16 March 2018).
[42] Dale, above n 38, 59.

increasingly important and are thus more likely to be accredited by a professional association. (For further discussion about the future role of technology in professional education and the professions more generally, see the Future of Professions title.)

Summary

This title looks at the concept of how professional associations and statutory regulators accredit university and other higher education courses that lead to entry into the professions. This accreditation process is fundamental in ensuring that graduates are leaving universities and other schools with the relevant knowledge and skill sets they will need to start their professional careers. Ideally, statutory regulators, professional associations and the universities should be working together to ensure that courses are tailored to provide both academic and practical outcomes that offer graduates the best opportunity to become skilled and ethical members of their profession.

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