

Writer - Tony Feagan (BFet)

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The VET Gazette is a collection of information and relevant stories about goings on in the Vocational Education and Training sector. The VET Gazette is a free publication distributed every couple of months with stories and articles that hopefully contain some useful and relevant information for everyone. Our philosophy is to keep the information simple and in everyday language, with explanations of what often seems confusing.

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The writer has over 26 years experience in all areas of the VET sector including training and assessing, auditing, consulting, quality and risk management, project management, instructional design, administration and business development. He is a RABQSA Registered Lead Auditor and holds a Bachelor of Further Education and Training (USQ).

There are always changes in the VET sector but none more than at this very moment. Whilst the changes in regulation are yet to be fully implemented, the standards by which RTOs are regulated are up for discussion. RTOs should consider having their say on what affects them in this consultation process.

Review of Standards

This is one of the most important periods in VET in Australia.

Please read this article if you want to be part of the future of VET in Australia.

With Queensland the last State to refer powers to ASQA, we can safely say that ASQA now carries the national responsibility for regulating a large part of the VET sector. If we go back to the early days of the establishment of ASQA and the consultation undertaken, there's no doubt that one of the major issues ASQA was charged with was ensuring that there was national consistency in audit outcomes. Whilst these variations may not affect many of the smaller RTOs who only deliver in their home State, it has certainly been an issue in the past with those RTOs who have been subject to audits in different States. To take a quote from the ASQA website when explaining why changes were necessary:

The primary aim of the changes is to provide greater national consistency and more attention to the way providers are registered, courses are accredited and the system's quality is monitored.

As we all know, the grapevine of VET through various blogs and online discussions tells us a lot more than what we may read in any official report about national consistency. Bottom line is, to this point, there have been many questions over national consistency of audit outcomes. As a person who has conducted a lot of AQTF audits in various jurisdictions and having been a consultant to RTOs in a number of jurisdictions, my experience suggests that there's often little consistency between states and I would go as far as saying that in some jurisdictions there's some serious inconsistency even within the audit teams.

So in the 10 years I have been auditing and consulting I have tried many times, to understand why we have these inconsistencies and like many, I have come up with three possible causes for these inconsistencies:

1. The auditor
2. The RTO
3. The standards

Review of Standards cont'd

Some years ago on my return from attending an interstate audit, where I was acting in my role as a consultant, I recall wondering what standards the audit was actually conducted against. It was so far removed from any audit I had ever done (and at that stage I had completed over 250 audits against the AQTF standards). In one jurisdiction, part of the auditor's opening address included a statement that they audit the User's Guide despite the fact that the AQTF Audit Handbook (which was in force at that time) clearly stated that:

The registering body **will** assess the applicant's compliance with the *AQTF Essential Conditions and Standards for Initial/Continuing Registration*, including the Conditions of Registration, through audit.

Perhaps the auditor had read another section of the handbook which outlined that:

Auditors **should** particularly refer to the *AQTF Users' Guide to the Essential Conditions and Standards for Initial Registration* and the *AQTF Users' Guide to the Essential Conditions and Standards for Continuing Registration*. These Guides have been prepared to help applicants prepare for registration and RTOs to demonstrate their achievement of quality outcomes for clients. They are important **guides** for applicants, training organisations and auditors because they provide additional information about each element within the Standards and give **guidance** about evidence which **might** indicate that an applicant is sufficiently prepared to gain registration or that an RTO is continuously improving its training and assessment services (emphasis added).

A guide is what it says it is. It is not prescriptive.

So maybe individual auditors can take some of the blame in that they either don't know what they should be auditing or that they use a generic guide as their guide. So much for treating each RTO on its own merits.

What about RTO's? Are there some who just don't get it and some who get it better than others and what exactly is it they are trying to get?

In some cases operating an RTO seems to have become an exercise in pre-empting what the auditors are likely to look for and while you are looking over your shoulder trying to predict what an auditor may think, who is looking after the quality of the outcomes, i.e. industry relevant training and assessment? This is particularly difficult for very small RTOs. The sector has, in some cases, become very compliance focused and as everyone knows, energy spent on something means less energy for other things. So is there any correlation between the size of the RTO (and its capacity to keep a full time compliance person busy) and the likelihood that it can navigate an audit?

Having personally seen many variations in RTO composition (size, scope, staffing etc.), I don't believe there's a pattern which can link RTO type and makeup, to its ability to pass an audit. RTOs of all sizes fall foul to auditors and whilst the larger ones have dedicated compliance people, they also have more complex systems which, in my view, balances out those risks.

Whilst auditors and RTO staff contribute to overall success or failure, they each rely on interpreting standards. Referring back to the original discussion, standards is the third of our potential causes of problems.

The AQTF was born in June 2001 and was first audited in Queensland in January 2002. The standards underwent some changes in 2005, 2007 and again in 2010 before changing into the NVR Standards which we have now. The biggest change to the standards was in 2007 when they moved from 12 standards to 3 standards and 9 conditions. The most notable modification to the standards was in what the standards actually required RTOs to do.

The pre 2007 standards were quite prescriptive i.e. they told RTOs what they had to do. So leading up to the changes of 2007, the consulted groups forced the change towards a much more descriptive set of standards that 'didn't tell RTOs how to run their businesses'. I can still recall the talk about the change being the modern approach to regulation in which a more self-regulatory approach was made. Now I don't disagree with a move away from a very prescriptive model but such a move has to rely on RTOs and auditors having a good discussion at audit about why that RTO does it a certain way if there is no clear way or 'recipe'.

Review of Standards Cont'd

What really happened in 2007, in my view, was that the standards removed the obligation for RTOs to undertake a number of established good practices and forward looking activities, or what you might call prospective quality assurance, like documenting all processes, business planning, risk assessing and conducting internal audits, and moved towards more of a system where the standards are sort of descriptive i.e. they vaguely describe what you have to do. The result was a huge swing away from a set of standards that were fairly black and white, to a set of standards that have more grey than a dulux colour chart. As a result we (auditors) started to encounter people who were trying to talk their way through an audit and I am sure the auditors I have worked with were receptive to verbal evidence but usually it was only to support the written evidence.

As I have said before, if you have grey standards you get grey audit outcomes.

An example of customer/client service:

From the 2001 AQTF standards, standard 6.3 read:

The RTO must disseminate clear information to each client, prior to enrolment, about each of the following:

- client selection, enrolment and induction/orientation procedures;
- course information, including content and vocational outcomes;
- fees and charges, including refund policy and exemptions (where applicable);
- provision for language, literacy and numeracy assessment;
- client support, including any external support the RTO has arranged for clients;
- flexible learning and assessment procedures;
- welfare and guidance services;
- appeals, complaints and grievance procedures;
- disciplinary procedures;
- staff responsibilities for access and equity; and
- Recognition of Prior Learning (RPL) arrangements.

The newer equivalents (for continuing RTOs) are perhaps 16.3 and 16.5 which respectively state:

- Before clients enrol or enter into an agreement, the NVR registered training organisation informs them about the training, assessment and support services to be provided, and about their rights and obligations.
- Learners receive training, assessment and support services that meet their individual needs.

Now I can't imagine anyone not agreeing that the previous set of standards provided a lot more clarity about what should be in the student handbook (for example). And this is just one of many examples. Yes they are prescriptive but it is hard not to get it right. The newer options are very open ended, inevitably leading to variations of interpretations.

I appreciate that we cannot treat everyone the same but consider the following:

Quality Management Systems throughout the world are based upon International Standards or typically the ISO9000 series. These standards make it very clear from the outset that processes need to be documented.

As the quality guru W. Edwards Deming said:

"If you can't describe what you are doing as a process, you don't know what you're doing".

Review of Standards Cont'd

ISO standards start off by stating:

"The organisation shall establish, document, implement and maintain a quality management system and continually improve its effectiveness in accordance with the requirements of this International Standard".

So here's another clear point. We must get back to ensuring that processes are clearly documented and RTOs must be forced to document what they do. If not, there's no clarity and without clarity there will be no consistency in interpretation either within the RTO or from external parties.

The second point I want to make here is really simple. The system has to force RTOs to plan ahead rather than purely 'whacking' people over the head for what they have done in the past. What we have now is a very backward looking model.

So you're probably asking why I am stating what appears to be obvious. Because right now, there's a review of the standards so **now** is the time to have your say and if you follow [this link](#) to the NSSC website, you can read about the review. You have until the 13th July so please, please have your say.

I am an educator, a businessman, a registered lead auditor and an RTO consultant and I believe that each of these roles would be so much simpler if the standards were clearer. If we are required to do something that has both educational and business value, why not tell us clearly what it is. I don't believe for one minute that RTOs should be forced to do something that has no value, but a bit of common sense when applying standard at audit should fix that. For example, under the original standards, RTOs were required to have an organisational chart and documented job descriptions. Rather than simply writing 'N/A' in a report for a one person RTO, some auditors made them 'not compliant'.

Systems can be changed if people have their say, so instead of waiting and scratching our heads wondering what the auditor will come up with next, respond to the request on the NSSC website and have your say.

Workshops

Part of the day to day grind of identifying improvements in our RTOs is to realise where the information is coming from and what impact it is going to have on the way in which we operate. Sometimes we chase this information and sometimes it just finds us.

A major external influence is happening to Queensland RTOs as I write this newsletter and it has already happened to many RTOs in other states. The external regulator is changing along with the standards by which RTOs are being regulated.

Queensland is now in line with The National VET Regulator, the Australian Skills Quality Authority (ASQA) and this is a significant change for all RTOs and there are a number of important issues that RTOs need to be aware of.

In July and August I will be conducting workshops throughout Queensland talking with RTOs about what the changes mean for their RTO. I will be focusing on exactly what RTOs need to do to convert to the new standards and more importantly how to stay compliant with them.

Visit the website www.wheretofromhere.com.au to find out more or register for a workshop [here](#).