

NATIONAL VOCATIONAL EDUCATION
AND TRAINING RESEARCH PROGRAM

OCCASIONAL PAPER

Issues for VET providers delivering associate and bachelor degrees: literature review

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Australian Government
Department of Industry



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The views and opinions expressed in this document are those of the author/
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About the research

Issues for VET providers delivering associate and bachelor degrees: literature review

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This literature review examines the available research on vocational education and training (VET) institutions delivering associate and bachelor degrees and also sets the scene for a larger research project, *VET providers delivering associate and bachelor degrees: issues and impacts*, the findings of which will be released mid-2014.

This paper looks at the overlap between VET and higher education providers delivering diplomas, advanced diplomas, associate degrees and bachelor degrees (Australian Qualifications Framework levels 5 to 7), as well as briefly mentioning the changing nature of vocational education and training and higher education. The paper identifies a number of issues that VET providers face when transitioning into higher education.

Key messages

- VET organisations have been encroached from above by some universities delivering VET qualifications and from below with the expansion of VET in Schools. VET institutes are looking at other areas of delivery in order to maintain and expand their provision.
- The delivery of higher education qualifications in VET institutions supports efforts to improve access to higher education for disadvantaged groups.
- There is some argument that VET organisations choose to deliver higher education qualifications in order to confer more status on and recognition to the organisation.
- The use of non-graded assessment in VET raises questions over the capability of VET providers to deliver higher education qualifications, which are based on graded assessment.
- VET providers who choose to deliver higher education qualifications face significant operational, financial, human resource and administrative costs.
- VET institutions with more effective credit transfer arrangements have specific support strategies in place to help students to transition to higher education qualifications.

The larger project will draw on case studies with both public and private VET providers who are delivering associate and bachelor degrees in order to understand why they chose to deliver these predominantly higher education degrees and the issues that they face in their delivery. This will help to inform models of best practice.

Rod Camm
Managing Director, NCVET

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Introduction

The aim of this research project is to investigate public and private vocational education and training (VET) providers that deliver associate and bachelor degrees. A core focus of attention is on their experiences in designing, accrediting and delivering these predominantly higher education degrees. Linked to these experiences is an understanding of the strategic thinking and positioning behind the decisions of VET providers to offer these qualifications, the operational issues they face and how they support staff and students to ensure the successful delivery of these higher education qualifications.

This literature review is the first phase of this research project. It provides a brief overview of past research to explore what is currently known about the strategic, operational and support issues related to the topic, and in doing so, identifies areas that need to be more fully understood. In addressing these issues in more depth through case studies during the second phase, the research aims to provide practical advice and insights that will be useful to those public and private providers offering or deciding to offer these qualifications and to those responsible for policy decisions in this area.

As a starting point, the Council for Australian Governments (COAG) has set clear targets at the diploma to bachelor degree levels. For vocational education and training, the target is that, by 2020, the number of Australians holding diploma and advanced diploma qualifications will double. For higher education, by 2025, 40% of people aged 25 to 34 years will hold a bachelor degree, up from 32% in 2008. It is anticipated that meeting the VET targets will aid the achievement of the higher education target, as some students use VET diplomas as a stepping stone into higher education bachelor degree qualifications. An associate degree qualification is also a key stepping stone to the bachelor degree. Overall, achieving the Council of Australian Governments targets through improved educational pathways and other strategies will fill the growing number of paraprofessional and professional jobs that are projected to be required to keep Australia internationally competitive (Burke & Shah 2006; Access Economics 2009).

The Bradley Review (Bradley et al. 2008) emphasised the importance of these improved pathways between educational sectors in achieving higher levels of occupational progression. Today there are numerous examples of VET providers who have partnered with higher education providers to develop pathways between their VET and higher education qualifications through articulation and credit transfer arrangements (Phillips KPA 2006; Wheelahan et al. 2009, 2012). In addition, some educational institutions have become a provider of both vocational education and training and higher education in their own right, achieving vertical tertiary education integration within their own institution.

As Moodie (2012) reports, there is growing evidence that the sharp distinctions between the VET and higher education sectors, and between publicly funded and privately funded institutions, are giving way to a more differentiated single tertiary education sector. In particular, greater institutional diversity is emerging in the tertiary education sector in Australia, with at least four types of providers, as outlined in table 1.

While there remain many single-sector providers, of either VET or higher education, there is a growing number of tertiary education providers accredited to offer both vocational and higher education. Moodie's tertiary education provider classification system covers mixed-sector, dual-sector and cross-sector institutions. In this research the providers of interest are those that fall into the 'mixed-sector' institutions category, and particularly the subgroup of VET institutions with some offerings in the higher education sector. These VET providers have to deal with a range of funding, reporting,

curriculum, and other operational factors that need to be managed as they make the transition into delivering higher education qualifications in their own right. Dual-sector tertiary institutions which provide higher education in their VET division are not within scope because they have the advantage of having in place the required higher education arrangements.

Table 1 Categories of tertiary education institutions in Australia

Category (and definition)	Subgroups
Single-sector institutions (with 97% or more of their student load enrolled in one sector)	a VET providers or b Higher education providers
Cross-sector institutions (have some load in both vocational and higher education)	Institutions which may be single- or mixed-sector institutions but cannot be distinguished because of data limitations
Mixed-sector institutions (with at least 3% but no more than 20% of their load enrolled in the minority sector)	a <i>VET providers with some offerings in higher education</i> and b Higher education providers with some offerings in VET
Dual-sector institutions (offer a substantial proportion of their load in each sector and at least 20% but less than 80% in each sector)	a Dual-sector institutions who provide higher education in the higher education division and VET in their VET division (most common) and b Dual-sector institutions who provide some higher education within their VET division (less common)

Note: Tertiary education institutions of interest to this study are in italics.

Source: Moodie (2012 with subgroups added).

Context

VET and higher education provision

There has been considerable change in the size and composition of the Australian non-university higher education sector, especially in the past decade, after two decades of relatively little change (Ryan & Associates 2012): from 2005 to 2011, 54 of the 132 currently registered non-university higher education providers gained approval to become higher education providers. The majority of the new entrants to the higher education sector are private entities (78%), while the second largest number of new providers are government instrumentalities (15%), predominantly government-owned (technical and further education – TAFE) colleges, especially in Victoria. At the same time, 58 previously approved institutions have left the sector, mostly by failing to achieve re-registration or through amalgamation (for example, Qantm College combined with SAE Institute; the Southern School of Natural Therapies was subsumed by Think: Colleges).

In the past, only five public providers were permitted through their legislation to provide both VET and higher education qualifications (Dow & Braithwaite 2013). These dual-sector providers were the result of amalgamations of a traditional VET provider and a higher education university provider (University of Ballarat & Swinburne University of Technology 2010) and they deliver a substantial proportion of their load in each sector. Batchelor Institute of Indigenous Tertiary Education in the Northern Territory has both formal VET status (that is, a registered training organisation) and self-accrediting higher education status through special legislation, as do the dual-sector providers already noted. Today, 20 universities are also registered as registered training organisations, and of the 61 TAFE institutes, more than 20 are offering higher education qualifications (Dow & Braithwaite 2013).

The higher education sector is being encouraged to shift from a traditional, supply-led approach, whereby governments promote education through funding allocations, to a more responsive system. In 2012 we witnessed the first year of a demand-driven funding system in higher education. This student demand-driven system permits public universities to compete for Commonwealth funding on the basis of student demand. These developments are further shaping how higher education providers and VET institutions operate, collaborate or compete.

In addition, in a number of states TAFE institutes and several private VET providers offer associate and bachelor degrees. Of the 61 TAFE institutes, more than 20 offered higher education qualifications in 2010. However, as Moodie and his associates reported (Moodie et al. 2009; Moodie & Fredman 2013), while TAFE institutes have broadened and expanded into higher education programs, participation in these programs in TAFE is still small. At the time of their report, Moodie and his associates estimated TAFE institutes' enrolments in associate and bachelor degree programs to be fewer than 2000 students or 0.12% of total vocational education enrolments of 1.6 million students. Significantly, this provision was expected to increase in response to the policies of the Australian and state governments, which encouraged more diversity and competition among all educational providers in the tertiary education space at the diploma to bachelor degree levels. Indeed, IBISWorld (2013) reports that the overall enrolment in associate degree courses has increased dramatically in the past five years, with the number of students taking associate degrees jumping over 250% between 2007 and 2011. However, looking ahead, IBISWorld (2013) predicts that the extraordinary growth of the past will not be sustained, and they report data already indicating a slowing demand for associate degrees.

Qualifications at the VET-higher education interface

It is at levels 5 through to 7 of the Australian Qualifications Framework (AQF 2011) that VET providers and higher education providers overlap. Australia has both VET-accredited and -delivered diplomas and advanced diplomas and higher education-accredited diplomas and advanced diplomas, which sit respectively at AQF level 5 and AQF level 6. The diploma and advanced diploma are crossover or dual-sector qualifications. Also at AQF level 6 is the relatively new qualification, the associate degree, endorsed by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) in 2003. The associate degree is accredited as a higher education qualification. The successful growth of associate degrees is a new and key strategy to achieving the bachelor degree achievement targets at AQF level 7, and potentially the associate degree is in competition with the diplomas and advanced diplomas of both sectors.

Turning to outcomes, the relationship between employment outcomes and higher-level diploma and advanced VET qualifications is complex. As noted by Foster and her associates (2007), higher-level VET qualifications are aligned to employment at the associate professional level of occupations. However, growth in these occupations is not matched by growth in participation in higher-level VET qualifications, and in recent times enrolments in higher-level VET have declined. In addition, while graduates of higher-level VET qualifications do gain employment at a higher rate than do other VET graduates, their employment can be in lower positions. As entry-level job applicants with a higher-level VET qualification, they compete against existing workers with high levels of technical competence and job experience and with university bachelor degree graduates. On a more positive note, employers link the completion of higher-level VET qualifications to job applicants who have better skills in communication, teamwork, self-management and problem-solving.

Karmel and Lu (2012) have provided an interesting analysis of the choices made by students between undertaking a VET advanced diploma and an associate degree. Central to their analysis is the interplay between FEE-HELP, career aspirations, available curriculum and credit transfer. They found that a VET advanced diploma is a substantially cheaper proposition than a higher education associate degree. The advanced diploma is very attractive for a student seeking a two-year qualification for immediate entry to the labour market. If the student decides to articulate into a four-year degree, the associate degree is the better proposition, as it is given more credit in a degree program. According to Karmel and Lu (2012), looking ahead, the advanced diploma will need to be restructured if it is to provide as much credit as the associate degree.

Changing nature of vocational education and training and university

Various commentators reflect that a university education provides students with a grounding in relevant academic and professional knowledge, preparing them for professional practice (for example, Young 2008). Universities promote higher education as creating and transferring knowledge. This new knowledge needs to be of a world-class standard, linked to an interface between ongoing research and relevant professional practice (Queensland University of Technology 2008). On the other hand, Karmel, Mlotkowski and Awodeyi (2008) assert: 'Vocational education and training ... is, by definition, vocational in intent. Its purpose is unashamedly instrumental; it is about acquiring skills to be used at work' (p.7).

Marron (2013) notes the differences between VET and higher education in his review of the attributes that would be brought together if a merger occurred between the University of Canberra and the Canberra Institute of Technology, a TAFE organisation. He notes that a university's strengths lie in the

provision of practice-led teaching at the undergraduate degree level, with research underpinning the knowledge, which is communicated through good curriculum design and innovation in teaching. The Canberra Institute of Technology as a TAFE organisation brings a greater industry focus and more applied learning, which prepares students for the workforce.

Also commenting upon the VET and higher education divide, bodies such as the Australian Council for Private Education and Training (ACPET) contend that universities no longer have a monopoly over the generation of new knowledge and its dissemination. Rather, they argue that where Australian universities fit in the future will depend on how well they respond to markets and employer needs. The Australian Council for Private Education and Training observes that degrees, like diplomas and certificates, relate to industry expectations and that students want to be educated for careers in the workplace. To show how markets and employer needs evolve, they note that professional degrees (for example, medicine, business) have long had vocational elements, while many vocational courses are now provided as degrees (Australian Council for Private Education and Training 2008).

Karmel (2009) takes the view that there is more similarity than difference between VET and higher education. He sees the missions of vocational education and training and universities as overlapping, although most believe that VET is focused more immediately on the present needs of the employer and is not involved as closely with building upon academic and professional knowledge. However, the missions of both are essentially instrumental in nature, as both sectors develop in their students the skills and knowledge that will be useful in the labour market. Both deliver large amounts of vocational and more generic skills, and, while university graduates aspire to professional roles, VET graduates are more likely to aim for technical, associate professional, trades and other jobs.

Issues arising

The transition by VET providers into higher education raises several issues, which are outlined in this section.

Strategic issues

Clearly, some interesting strategic positions are being taken by organisations in both sectors vis-à-vis how they respond to the emerging tertiary sector. There is evidence that some universities are encroaching from above on the position of TAFE institutes. Some have moved into VET provision in their own right (as registered training organisations; Wheelahan et al. 2012). Others have begun to increase delivery of their higher education diplomas and advanced diplomas after decades of reducing enrolments in these qualifications (Moodie & Fredman 2013).

The position of many TAFE institutes is also being challenged from below by the expansion of VET in Schools, much of which can be offered by schools rather than TAFE institutes. For example, most schools deliver VET in Schools directly as registered training organisations in Queensland and New South Wales, whereas in Western Australia, VET in Schools is offered mainly by training providers. Partnerships are also common across jurisdictions, where schools work with providers such as TAFE institutes to deliver training programs (Nguyen 2010).

TAFE institutes are seeking other areas of provision to maintain and possibly expand their provision overall. For these organisations there are multiple motives at work in their positioning and re-positioning (see Moodie 2010, 2012). There is the desire to: achieve the policy objectives in the skills plans of their state governments; compete with private VET providers offering higher education programs; and compete against universities offering associate degree qualifications, often driven by their desire to broaden activities with the potential for increasing the numbers of students enrolled from disadvantaged backgrounds.

There is growing evidence of different missions, goals and values in VET and higher education institutions. For instance, institutions with a stronger commitment to credit transfer are more likely to have missions that emphasise equity and access, student diversity, regional engagement and partnerships (Marron 2013; Phillips KPA 2006). The position adopted by TAFE Directors Australia (2008) supports this diversity. They advocate that it is not appropriate to use funding arrangements or a qualifications framework to limit the scope of individual TAFE institutions; rather, both public and private institutions, including universities, increasingly should be able to offer a mix of qualifications drawn from both the higher education and VET sectors.

Some VET institutions see improved tertiary education pathways through partnerships with higher education providers and the delivery of higher education qualifications on their own as significant elements of their future direction (Phillips KPA 2006). Although organisations in each sector have their own distinctive mission, purpose, values and strategies, there are many activities in both sectors that are very similar – as in many industries. For some VET institutions, a strategic move towards offering higher education courses and focusing on the upper-level awards fits well with initiatives that involve either collaboration with higher education institutions, competition with them, or both strategy options. It can also be argued that VET institutions that offer associate degree and degree qualifications have at least begun the journey to find the common ground and will be better situated

to consider a wider range of positioning strategies that sustain the future of their organisations when the environment and government policy both change, yet again.

Some TAFE institutes propose that moving into higher education provision is a natural extension of the special strengths of individual institutes, while providing a continuum of opportunities for vocational skill development (Canberra Institute of Technology 2008). TAFE higher education provision supports efforts to meet the needs of an increasingly diverse population seeking tertiary education, especially improving access for disadvantaged groups. Also, the provision of TAFE higher education is a cost-effective means of maximising the value of TAFE resources, strengths and industry partnerships.

Clearly, various VET and higher education institutions have already implemented their strategies. For example, Victoria University as a dual-sector institution has integrated its higher education and diploma-level VET options into eight subject-themed colleges, in part to allow this strategic option (Victoria University 2012). With merger discussions with the Canberra Institute of Technology stalled, the University of Canberra intends to develop its own polytechnic, which would offer diploma courses that articulate into the degrees of the University of Canberra (Hare 2011).

Linked to strategy and positioning is the issue of institutional differentiation and status. All educational institutions are focused upon their branding and marketing and the promotion of their advantages relating to quality, flexibility, status and other factors. Marron (2013) mentions the issue of status in his reflections on the stalled merger between the University of Canberra and the Canberra Institute of Technology. He notes that the question of status, and what drives the respective sectors, was a critical one in relation to stakeholders. For instance, University of Canberra students debated via a blog whether their qualification would be less valued in a merged institution with a TAFE institute. While not a major motivation for the proposed merger between the Canberra Institute of Technology and the University of Canberra, it is possible that some TAFE institutions are moving into the delivery of associate and degree qualifications driven by status factors.

Indeed, the implicit assumption needs to be explored that being associated with higher-level qualifications will bring more status and public recognition to a VET organisation and its employees. Other reports (for example, Karmel & Lu 2012) assert that a university associate degree, with its current advantages of the availability of loans, easier articulation and greater prestige, will attract many students away from slightly cheaper higher VET diploma qualifications. There is evidence however that this has not occurred to date. From 2002 to 2011, diplomas in the VET sector maintained their share of student load, and since 2007 diplomas in particular have grown strongly although not uniformly. The share of student load attached to diplomas and advanced diplomas varies remarkably for different fields of education, suggesting that changes are due to factors in the particular field of education and industry area, rather than to the characteristics of the qualification type (Moodie & Fredman 2013).

Another major impact on the marketplace for VET higher degree qualifications was the passing of the *Higher Education Support Act*, which extended government loan support to the non-university higher education sector (Ryan and Associates 2012). Since the introduction in 2005 of the government-sponsored income-contingent loans (FEE-HELP), non-university providers have moved from receiving 9% (approximately \$31 million) of the total FEE-HELP funding in 2005, to 29% (\$291 million) in 2011. In addition, other factors at work behind this growth of non-university providers include the approval of new private higher education providers, merger and takeover activity among existing private providers and the introduction of large amounts of equity capital into the private higher education sector (Ryan and Associates 2012).

In short, government actions associated with contestability and entitlement have meant that the VET and higher education sectors are accelerating towards a model where market forces will increasingly determine the flows of funding from government. For over a decade, the VET sector has faced contestable funding from the Commonwealth Government, with the aim of promoting more effective delivery of training. Now with a newer trend emerging – funding based on entitlement (that is, the dollars are attached to eligible students and follow the choices made by students among competing providers) – providers compete for VET funding on the basis of the number of students they attract. These include TAFE institutes, private providers and universities that offer VET qualifications. Victoria and South Australia have adopted entitlement models, while New South Wales, Western Australia and Queensland are considering market-like solutions to increase training participation (Karmel & Lu 2012).

However, past work (Shah & Nair 2013) into public providers has found that they have some difficulty in these more contestable markets in competing against private providers. Public providers have additional costs, which include meeting industrial award conditions for employees as well as large capital infrastructure and capital maintenance costs, which are not experienced by the majority of private providers. They also have a community service obligation to provide free or low-cost courses for disadvantaged students.

Looking ahead, a recent report by IBISWorld (2013) proposes that any increase in the national unemployment rate will improve demand for VET courses, as employees seek to update their skills or retrain to improve their employment prospects. The VET sector offers a variety of qualifications, from certificate I to degree qualifications, which means that the sector is well positioned strategically to capture a large share of the market from higher education providers, which typically have higher entry requirements. However, IBISWorld (2013) predicts that the extension of the VET-FEE-HELP scheme will assist private providers more than TAFE institutions to increase their numbers for VET degree qualifications.

In summary, the public and private VET and higher education sectors are operating in a changing and complex marketplace, which will increasingly encourage the formation of alliances to share risk, develop curricula, deliver training programs and share facilities. Both sectors are responding to actions taken by the Commonwealth Government that push for a realisation of the many aspirations described in a variety of reports to government (Bradley et al. 2008; Dow & Braithwaite 2013). TAFE institutes will form alliances with each other, with universities and with private providers. However, some TAFE institutes and some private providers will offer associate degree and degree qualifications without establishing alliances, and their reasons for choosing this strategy is one issue that requires further investigation.

Capability and attitudinal issues

Another set of key questions relates to the capability of VET organisations to deliver associate and bachelor degree qualifications. Simons (2012) envisages that both sectors will compete for educators with the capabilities to work across sectors to support the development and maintenance of more integrated pathways for learners. She states that the preferred strategy is a model of workforce development that improves the capabilities of the teaching workforces of both sectors to achieve a more effective and high-performing tertiary sector. Looking at this issue, Oliver (2013) believes that the flexibility that universities currently have to employ teaching-focused academics will be a source of competitive advantage over TAFE institutes in attracting degree-level students on a cost basis.

There are some concerns about the capabilities of VET organisations to deliver higher education degree qualifications. VET organisations and their teachers are accustomed to the use of non-graded assessment in their sector, and this factor has been cited as a major barrier to the admission of VET students to higher education (Phillips KPA 2006). As a specific example, Foreman, Davis and Bone (2003) found that most assessors in VET institutions wanted more assessor skills and experience, and more time and resources to complete quality assessments, given the greater complexity associated with the assessment of diploma and advanced diploma-level qualifications. Indeed, many VET assessors reported that they had only basic assessment training.

Achieving the appropriate mix of applied and complex knowledge in higher-level VET qualifications is another challenge. Priest (2009) investigated the inclusion of theoretical knowledge in the competency-based format of the vocational qualification. She found that, as in any competency-based qualification, the level of cognitive skill is expressed in terms of actions and differs considerably from a higher education qualification in the same discipline. However, she also describes a process whereby VET practitioners might apply the competency-based framework to bring together theory and practice in a way that facilitates the articulation of the levels of tacit knowledge required by industry.

Apart from issues of teacher skills and knowledge, there are attitudinal barriers that need to be managed in winning the support of VET teachers in delivering new qualifications and promoting articulation. TAFE staff are described as 'quite passive' about articulation to higher education, judging articulation from diplomas and associate degrees to conflict with the primary mission of TAFE of achieving job outcomes. They are also concerned that TAFE-based qualifications are devalued and become 'mere doormats' to higher education (University of Ballarat & Swinburne Institute of Technology 2010).

Similarly, Priest (2009) found that VET teachers rate high-level VET qualifications as poor cousins to their university counterparts. However, she believes that TAFE higher education qualifications, if appropriately re-positioned, do offer a distinctive alternative to university-based qualifications and could alter public attitudes. She argues that, rather than imitate universities, VET high-level qualifications need to be put forward as a strong alternative to university graduate qualifications, with VET institutions focusing on the high levels of applied knowledge from their extensive industry experience and collaboration that they can bring to the delivery of these qualifications.

Operational issues

There are numerous operational factors that need to be considered by any VET provider moving into the delivery of associate and bachelor degree qualifications. A key factor is the cost of delivery. Demand for a wider variety of courses, such as higher-level qualifications programs, produces higher costs. In their examination of the 90 mixed-sector institutions that deliver VET and higher degree qualifications, Wheelahan and her associates (2012) concluded that it is difficult to understand how institutions can increase the richness of their teaching and learning in a small minority sector without spending a very large amount of money. The key challenge over time is to build economies of scale to ensure that provision is large enough to be profitable, but this will take time and strategic implementation.

Indeed, Brown (2013) warns that a fully market-driven model may further reduce the ability of current VET providers to deliver a full range of education services, due to the high costs of specialty programs. She proposes that the unrestrained entry of new players into the tertiary sector might

fragment a system already under pressure, but restricting those new entrants to highly regulated and well-managed operators might enhance the existing system in significant ways.

Another challenge is the quality assurance relating to VET higher degree qualifications. When it comes to these qualifications, providers must have the course accredited under the *Tertiary Education Quality and Standards Act* (TEQSA Act), or if the provider does not have self-accrediting status, as is the case for most VET providers, they must have the course accredited by the Tertiary Education Quality and Standards Authority. Meeting the authority's requirements may prove difficult for VET providers, based on prior studies that indicate high levels of variability in the implementation of quality assurance procedures in registered training organisations in relation to their own higher-level VET qualifications, which must meet the requirements of the Australian Quality Training Framework (Foreman, Davis & Bone 2003). While the majority of assessments at VET diploma and advanced diploma levels are judged to be of reasonable quality, the assessment policies and procedures of most providers were less than expected in the Australian Quality Training Framework. The responses to assessment of higher-level VET qualifications by registered training organisations in the Foreman, Davis and Bone (2003) study varied from constructing a significant set of procedures and processes for effective management, to situations where the major decision was to limit these assessments to one person or a small group of persons. The later approach was more common with smaller providers.

Experiences in dual-sector universities highlight other potential challenges associated with governance and identity and in developing knowledge of a different sector as well as undertaking appropriate planning (Marron 2013). As highlighted in various reviews (for example, Phillips KPA 2006), the sectors are governed by different policies, decision-making processes, curricula structures and, significantly, are accountable in different ways. In one analysis (University of Ballarat & Swinburne University of Technology 2010), a major barrier identified was the language and terminology used by TAFE and higher education teachers to describe themselves and their programs. Such differences can be a key source of misunderstanding and mistrust between the two sectors.

Considerable planning is required for the introduction of VET higher degree qualifications. Shah and Nair (2013) reflect that in larger organisations such as public TAFE institutes and universities, there is typically lengthy consultation and communication in making most key strategy decisions. The strategic plan outlines key priorities in the areas of learning and teaching, research, industry engagement, internationalisation, human resources, equity and resourcing and infrastructure needs. However, in the case of private higher education providers, they raise some concern in instances where the strategic plan is developed by the college executive or even by the owners of the college, with minimal consultation and communication with other stakeholders. There can be a lack of planning in managing the resources required to achieve this growth.

In addition, different industrial relations agreements are in place in universities, TAFE institutes and private training organisations. However, Oliver (2013) believes that these different arrangements are unlikely to impede the creation of a tertiary sector, as university and TAFE sectors do share many similarities. Both are relatively highly unionised, have growing levels of casualisation of staff, and have well-developed workforce structures and practices embedded into various awards and enterprise agreements. In contrast, private training organisations are advantaged in having low unionisation, less regulation and more flexibility in how they can employ their staff to take up new opportunities in a changing training market.

Finally, there are administrative issues that need to be considered in offering VET as opposed to higher education qualifications (Phillips KPA 2006; Queensland University of Technology 2008). These

include different needs and requirements relating to timetabling, reporting requirements, length and structures of study periods and study modules, course approval processes, student categories, methods of calculating student load, and the timing of assessment and reporting. Data from the recent *The Review of Higher Education Regulation* found that in 2011 a 'typical' Australian university spent over 2000 days of staff time and between \$800 000 and \$900 000 in meeting reporting requirements (Dow & Braithwaite 2013). The same report reveals that it cost the Holmesglen Institute \$42,000 in the time of senior staff to complete a material change process for the introduction of its Bachelor of Fashion and Business course.

In short, VET providers moving into the delivery of VET higher degree qualifications face considerable operational, financial, human resource and administrative costs, which need to be weighed up in making any business case for entering the new markets offered by diplomas, associate degree and degree qualifications.

Student support issues

It is widely accepted that the pedagogy of vocational education and training is more focused on the development of practical skills. The immediate attention is not upon skills such as critical thinking, independent study and critical analysis, which are required for higher education (Hammer & Green 2011; Gunn, Hearne & Sibthorpe 2011). For students to succeed in higher education, they need to develop different skills to enable them to complete their qualifications successfully. In the analyses of their case studies on successful credit transfer and cross-institutional partnerships, Phillips KPA (2006) found that institutions with more effective credit transfer arrangements had specific strategies in place to ensure that students were adequately supported during their transition from VET to higher education studies. These transition arrangements acknowledged the differences between vocational education and training and higher education in teaching and learning approaches, assessment, expectations, and policies and procedures.

A NCVER report (White, forthcoming) explored information literacy support as a vehicle to assist students to transition from vocational education and training to university. VET students looking towards university, and university students who had made the transition from VET, were participants in the study. Information literacy was a frequently cited reason for attrition from university among VET students. All students identified the same three aspects of information literacy as a challenge: understanding the assessment or assignment task; bringing information together and preparing for the assessment; and adhering to the writing style and referencing of the assessment. Students reported higher expectations in the university sector in respect to these three aspects, while they also experienced timing and access issues regarding literacy support, especially external students working full-time while studying.

Furthermore, in an analysis of six associate degree qualifications at Polytechnic West in Western Australia, Torr and Hill (2013) found that students who enrol in associate degree courses with advanced standing were more likely to complete their course in a shorter timeframe than students who did not enrol with advanced standing. They propose that gaining credit motivated students by reducing the financial burden of study and increased their levels of self-esteem through the acknowledgement of their prior learning (see also Guthrie, Stanwick & Karmel 2011). However, students who graduated with an associate diploma for which they had received a large amount of credit exemption were less well prepared to succeed at university than students who completed a greater proportion of their higher education course through study. Students with the highest amount of credit had the poorest academic record as graduate students. A number of factors might explain

this outcome. One explanation offered by Torr and Hill (2013) is that VET training is focused more on the development of practical skills rather than the development of skills concerned with critical thinking and analysis and independent study, which are required for higher education. Other institutions (for example, Queensland University of Technology 2007) have discussed the increased complexity for students in making sense out of the myriad of pathways and options now provided by tertiary institutions. New tertiary learners, especially those from equity groups, need advice in determining their career options and in selecting the best pathway. Except for school-based guidance officers, independent advice is not typically available in schools or tertiary institutions.

On a similar note, Guthrie, Stanwick and Karmel (2011) suggest that we need to develop better approaches to providing the advice that individuals need to help them to select and access pathways. The advice must be relevant, individually tailored and readily available at critical times. On a more positive note, they see evidence of more collaboration among institutions in providing smoother inter- and intra-sectoral pathways and articulation arrangements. For the key pathways, they recommend the provision of adequate funding and support, including possible supplementary funding for disadvantaged students, to ensure good outcomes. In addition, they call for the consideration of grading for the VET programs that are part of pathways to higher education.

Special efforts are also required to assist the more disadvantaged learner who might access these higher-level qualifications. In a recent report, Bowman and Callan (forthcoming) have proposed a pedagogic framework for a more socially inclusive VET sector. They propose that the best outcomes are achieved for disadvantaged learners when VET practitioners embrace pedagogic principles that include being learner-centred, adopting a more strength-based approach, applying more goal-oriented learning, and implementing flexible learning and assessment processes. However, returning to the earlier points made in this paper about capability, they argue that to implement these principles and related strategies, the core capabilities of many VET practitioners need to be deepened.

Conclusion

The transition by public and private VET providers to the delivery of associate degrees and bachelor degrees poses some interesting questions. For these providers, this transition raises a number of strategic and operational issues, as well as questions about their capability to deliver higher education qualifications. However, there has been little detailed investigation of these issues to date, despite numerous newspaper and industry reports about the intentions of VET providers to offer higher education qualifications and the stated policies of the Australian and state governments that encourage more VET providers to move into the tertiary education space at the diploma to bachelor degree levels (for example, Moodie 2012). These key issues for investigation include:

- the strategic thinking and positioning of VET providers that have decided to deliver associate and bachelor degree qualifications, and whether these changes in positioning signal shifts in the purpose and identity of these training organisations
- the understanding and experiences of these organisations in terms of the operational issues that will need to be worked through, including a range of funding, reporting, curriculum, and teaching support factors, as well as support for students to enable their success in these higher education qualifications
- the best practices of public and private organisations that have made or are making the transition from delivering a VET form of study to a higher education form of study. The identification of these key features will provide a guide to the future for providers that decide to deliver these qualifications.

These three issues are being investigated in a recently commissioned NCVET study to be undertaken by Victor Callan and Kaye Bowman.

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