



TEC Investigation Report – Manukau Institute of Technology

Executive Summary

1. In September 2019 the TEC and the New Zealand Qualifications Authority (NZQA) received a complaint about Manukau Institute of Technology's (MIT's) business programmes. The concerns relevant to the TEC related to under-delivery of learning hours and issues with recognition of prior learning (RPL) and enrolment processes. This led the TEC to investigate MIT's NZ Diploma in Business (Level 5) and Bachelor of Applied Management (Level 7) for 2018 and 2019, to assess the veracity of the concerns.
2. The investigation was mainly desktop based, due to the restrictions imposed by the COVID-19 pandemic. It identified a small under-delivery of teaching hours totalling \$65.2k (GST exclusive) for both programmes, covering 2018 and 2019. We found no material issues in the other areas we assessed.
3. We wish to acknowledge MIT's active engagement and full co-operation throughout the process during challenging times.

Background

4. MIT was established in 1970 and is one of the largest providers of technical, vocational and professional education in South Auckland.
5. MIT delivered 3,665 equivalent full-time student (EFTS) of Student Achievement Component levels 3 and above (SAC3+) in 2018 and 3,686 in 2019. Its corresponding TEC funding was \$33.8 million and \$34.8 million. MIT received total funding of \$43m and \$40.2m for 2018 and 2019 respectively.

Reason for the investigation

6. In September 2019 TEC and NZQA received a complaint about MIT's business school. This included under-delivery of teaching hours for the NZ Diploma in Business (Level 5) and concerns over enrolment processes and RPL. Under-delivery of teaching hours was also raised by NZQA, following a review of the NZ Diploma in Business (Level 5).
7. Given these factors we considered it prudent to initiate an investigation to assess the validity and possible extent of the concerns raised by the complaint.

Scope of the investigation

8. The investigation was mostly conducted by desktop analysis due to the restrictions imposed by the onset of the COVID-19 pandemic in early 2020. It primarily focused on the New Zealand Diploma in Business (Level 5)¹ and the Bachelor of Applied Management (Level 7)², the latter because some courses are taught for both programmes. It included:
- interviewing a sample of staff from the business school (this occurred in late 2019 prior to the onset of the COVID-19 pandemic);
 - reviewing MIT's policies and/or procedures in relation to student enrolment processes, withdrawal processes and RPL/transfer of credit processes;
 - reviewing programme timetables for the New Zealand Diploma in Business (Level 5) and the Bachelor of Applied Management (Level 7); and
 - a sample of student records for which we assessed enrolment documentation, withdrawal documentation (if applicable), RPL (if applicable) and attendance records.

Findings of the investigation

9. We based our analysis of the New Zealand Diploma in Business (Level 5) and the Bachelor of Applied Management (Level 7) over the 2018 and 2019 period on the records supplied by MIT.
10. As a key issue raised in the complaint, our analysis focussed on the delivery of teaching hours, particularly on the evening and summer school delivery for each programme. We matched MIT's records to Single Data Return (SDR) data to assess the approved and funded delivery with the actual EFTS and dollar delivery associated with either daytime evening or summer delivery.
11. We found that the evening and summer delivery of teaching hours was compressed by four hours to 12 hours per week, compared to the daytime delivery of 16 hours per week. This equates to 75% of funded delivery in the evening and summer teaching hour components. This is underpinned by a NZQA review of the New Zealand Diploma in Business (Level 5), which also found some discrepancies in the actual delivery of the programme in the same areas.
12. Consequently we determined the combined value of the under-delivery of learning hours for 2018 and 2019³ to be \$65.2k (GST exclusive). The breakdown for the funding implications across 2018 and 2019 for both programmes is set out in the tables below.

NZ Diploma in Business Level 5	2018 (\$ GST excl)	2019 (\$ GST excl)
Total funded evening delivery (SDR)	68,930.50	57,441.00
Funded evening teaching hour proportion	29,410.35	24,508.53
Actual delivered evening teaching hour proportion (75%)	22,057.76	18,381.40
Under-delivery	7,352.59	6,127.13
Total under-delivery 2018/2019	13,479.72	

¹ The New Zealand Diploma in Business (Level 5) was first delivered in January 2017. The programme has been approved to be delivered within 1200 hours of study across 32 delivery weeks at a value of one Equivalent Full time Student (EFTS). That is an average of 37.5 total study hours per week split into 16 teaching and 21.5 self-directed learning hours.

² The Bachelor of Applied Management (Level 7) programme was created in January 2013. The programme has been approved to be delivered within 3600 hours of study across three years (96 delivery weeks) at a value of three (EFTS). That is an average of 37.5 total study hours per week split into 21.5 teaching and 16 self-directed learning hours. MIT has approval and accreditation to deliver the programme with majors in accounting (CAANZ / CPA pathway), accounting (non-CAANZ / CPA pathway), human resource management, operational and production management, project management, sales and marketing.

³ \$13.5k for the Diploma and \$51.7k for the Bachelor.

Bachelor of Applied Management Level 7	2018 (\$ GST excl)	2019 (\$ GST excl)
Funded evening delivery	151,027	180,194.10
Funded summer school delivery	17,039	12,590.00
Total evening and summer school delivery	168,066.50	192,784.38
Funded evening and summer teaching hour proportion	96,358	110,529.71
Actual delivered evening and summer teaching hour proportion (75%)	72,268	82,897.28
Under-delivery	24,089.53	27,632.43
Total under-delivery 2018/2019	51,721.96	

13. Due to allegations made in the complaint, we also reviewed MIT's policies and/or procedures and assessed a sample of student records in relation to student enrolment processes, withdrawal processes, attendance records and RPL.
14. We did not identify any issues of material concern in these areas.

Outcomes

15. TEC and MIT have worked constructively together throughout the investigation process which led to a small funding recovery of \$65.2k.
16. We recognise that MIT has been undergoing significant restructuring of its operations over the last couple of years, with the COVID-19 pandemic creating additional challenges. In this context we are pleased to note MIT's own initiatives to proactively address and resolve issues in an uncertain operating environment.
17. The TEC is committed to supporting and partnering with TEOs to assist them to meet their obligations and continue to be viable and well-functioning providers.