PART THREE

DIVERSITY IN NEW ZEALAND HIGHER EDUCATION

PREAMBLE

The third part of this study looks closely at the New Zealand higher education system from a view point of institutional diversity. Like Part Two, which explored issues of diversity in Australian higher education, Part Three will build on the international context of the history of higher education and the understanding of institutional diversity from a global perspective. In structure it will parallel Part Two. First, Chapter 6 will provide a contextual backdrop by describing the history of higher education in New Zealand, focusing on the evolution of this country's universities and polytechnics. Particular emphasis will be given to the significant policy reforms of the last twelve years which, in a similar way to Australia, have had a major impact on the current shape and style of higher education in New Zealand. This chapter will then go on to explore aspects of systemic diversity in New Zealand higher education, drawing parallels where possible with the ebb and flow of diversity amongst Australian higher education institutions.

Chapter 7 will focus on the attempts of one institution to become a distinctive university in New Zealand. That institution, UNITEC Institute of Technology, first signalled its intention to seek university status in 1993 as a 'different kind of university'. This chapter will describe UNITEC's progress towards this goal. The formal process of application for redesignation and the responses of the New Zealand Government will be explored from a macro system perspective. In addition, the meaning of institutional distinctiveness from a staff perspective will be described, utilising the outcomes of an extensive series of staff focus groups.

CHAPTER 6

NEW ZEALAND INSTITUTIONAL DIVERSITY

INTRODUCTION

New Zealand is a relatively young country, with a correspondingly short history of higher education. It is also a relatively small country, with a small but dispersed population of around four million, and a correspondingly small higher education system. In contrast to Australia, with a population of 19 million, supported by 37 public universities and two private ones, New Zealand has just eight universities, 22 polytechnics of varying size and focus, four colleges of education specialising in pre-service teacher education, and a small but growing number of wananga, small tertiary colleges designed for Maori participation. It also has a number of degree-granting private institutions, none of which are universities.

In this study, a deliberate decision has been made to focus on New Zealand universities and polytechnics, and to exclude any in-depth consideration of New Zealand's colleges of education and wananga. Collectively the universities and polytechnics enrol around 95% of New Zealand's tertiary students, while the four colleges of education enrol approximately four percent and the wananga less than one percent. The latter two are specialist types of institution which, while contributing to the perception of a higher education system well-diversified through legislation, in fact have relatively little impact on systemic diversity, especially from a student perspective. The fact that both universities and polytechnics now offer pre-service teacher education programmes in direct competition with the colleges of education, and that a number of the colleges are seriously considering amalgamations with other institutions, suggests that the colleges of education will have a rapidly diminishing impact on New Zealand higher education,

and will probably eventually cease to exist as a discrete type of institution. Wananga, on the other hand, are growing steadily in number and in total enrolments. They are, however, unlikely to become any more than an important specialised alternative for a very small proportion of the population.

The first university in New Zealand was established in 1869, and since that time there has been a steady growth in the provision of higher education, as the system evolved into a complex mix of four distinctive public sectors and a private sector. However, as the vast majority of higher education enrolments take place in only two sectors, the university sector and the polytechnic sector, the New Zealand system would be best considered, for practical purposes, as a binary system. Traditionally the universities, like their older Australian counterparts, were the only degree-granting institutions in the country. The post-war massification of education resulted in the establishment of the technical institutes (later renamed polytechnics) as skills-based, vocational institutions offering an alternative sub-degree path to post-school education and training for school leavers.

A dramatic transformation of New Zealand higher education took place in 1990 with the passage of the Education Amendment Act, which amongst the many major changes it set in place, gave institutions other than universities the right to develop and offer degrees. Thus was a genuine binary higher education system born as many polytechnics quickly moved to offer undergraduate and then postgraduate degrees. Ultimately, a few of the larger institutions aspired to university status.

Diversity in New Zealand higher education has therefore ebbed and flowed as the impact of major policy changes to the system have taken effect. It has also been significantly influenced by the ambition and repositioning of individual institutions in the competitive marketplace of the last twelve years. This chapter will unravel some of these events, and reflect on the extent of institutional diversity in New Zealand higher education today.

A BRIEF HISTORY OF NEW ZEALAND HIGHER EDUCATION

The University of Otago was the first university to be established in New Zealand. It was founded by the Provincial Council of Otago in 1869 with the power to confer its own degrees. The next year, in 1870, the University of New Zealand was founded, but amalgamation negotiations between this new national university and the University of Otago failed, and the two institutions remained independent of one another for some years. The University of Canterbury was established shortly after, in 1873, by the Provincial Council of Canterbury as 'the Canterbury College' with 'the same standard of university education as that of the University of Otago, but without the power of conferring degrees. It was affiliated to the University of New Zealand' (New Zealand Government, 1910, p.175).

In 1874 the universities of Otago and Canterbury were formally reconstituted as university colleges of a revised University of New Zealand, under the New Zealand University Act 1874. The University of New Zealand was subsequently expanded to include the Auckland University College in 1883 and the Victoria University College in 1898. These four university colleges met New Zealand's higher education needs throughout most of the first half of the twentieth century, during which period university education remained predominantly the privilege of the elite, and largely functioned as a means of handing down traditional knowledge, with no expectation of research being undertaken by university staff. In the mid-1940s this began to change with the notion that 'the University [of New Zealand] should not be regarded as primarily a teaching institution' (Sinclair, 1983 p.204), and that its research function should be stressed. This fundamental redirection for the University was further emphasised by the introduction of the PhD degree in 1944.

The well-documented transition from elite to mass education after the Second World War changed this approach to higher education in New Zealand in much the same way that it had changed the higher education scene in Australia, North America and Europe. In New Zealand, the Government response to the dramatic increase in demand for post-

secondary education took two primary forms. First, the University of New Zealand was abolished in 1962, and each of the four constituent colleges was established as an independent university. In addition, two new universities were established. Massey Agricultural College, in Palmerston North, was redesignated as Massey University in 1963, and in 1964 the University of Waikato was established on a greenfields site in Hamilton, 120 km. south of Auckland.

Secondly, a new form of post-secondary institution, the technical institute, was formally established. The first technical institutes appeared in the 1960s, offering skills-based trade training and technician qualifications to diploma level. The curriculum was nationally managed and the academic staff were employed to teach. There was virtually no research and no programme development at an institutional level. In a manner replicating similar responses to the increased demand for post-secondary education in other Western countries, the technical institutes were established as a short-cycle alternative to the university. They were designed to meet the needs of a different sort of student to the traditional 'academic' university student, one whose strengths lay in their practical rather than intellectual skills. They were considerably cheaper to set up and run than a fully fledged university and were therefore an attractive option for a Government keen to extend opportunities for formal education and qualifications beyond school at a minimal cost.

Both the university sector and the technical institute sector grew dramatically in student enrolments throughout the 1970s, 1980s and 1990s and the number of institutions in each sector increased. Two further universities were established. Lincoln University outside Christchurch in the South Island was redesignated as an independent university in 1990 from its former status as a university college of the University of Canterbury, and the Auckland University of Technology was redesignated as a university in 2000 from its former status as a polytechnic. The full list of New Zealand universities and their establishment dates is shown in Table 6.1.

Table 6.1 New Zealand universities and their dates of establishment

INSTITUTION	Year est. as a university
University of Otago	1869
University of Canterbury	1873*/1962
(University of New Zealand)	(1870 - 1961)
University of Auckland	1883*/1962
Victoria University of Wellington	1897*/1962
Massey University	1963
University of Waikato	1964
Lincoln University	1990
Auckland University of Technology	2000

*Note that the University of Auckland and Victoria University of Wellington were initially established as university colleges of the University of New Zealand in 1883 and 1897 respectively. Strictly speaking, neither university was established as an autonomous institution until 1962, when the University of New Zealand was disestablished. The University of Canterbury was initially affiliated to the University of New Zealand, and became formally incorporated in 1874. The University of Otago, on the other hand, was independently established prior to 1870, and was later incorporated into the University of New Zealand in 1874.

The New Zealand polytechnic sector, while relatively young in its current form, has an ancestry that can be traced back for more than a century (Dougherty, 1999). In a similar way to that of the antecedents of the Royal Melbourne Institute of Technology, and the other universities of technology in Australia, technical colleges began in New Zealand as 'a series of local initiatives from the 1880s to provide technical instruction for those who were among the nine out of ten New Zealanders who went straight from primary school to work' (*ibid.*, p.13). The first college was established in Wellington, and by the earlier 1900s colleges had been established in Auckland, Christchurch, Napier, Nelson, Wanganui and Invercargill. By 1914 there were 16,602 students attending technical colleges throughout New Zealand, mainly at evening classes (*ibid.*, p.18). In contrast, there were around 4500 undergraduates doing some form of study at university at that time (New Zealand Government, 1910).

In 1914, the locally managed technical college system was formalised into a national system of technical high schools. This resulted in a transition from 'night school' to

'day school', and a complementary change from part-time to full-time attendance for many technical students. Further major changes and growth in technical education occurred in the 1930s with the raising of the school-leaving age from fourteen to fifteen, and the abolition of the proficiency examination which had previously prevented many students from progressing beyond their primary education. Immediately after the Second World War, a complete revision of New Zealand's apprenticeship laws allowed for 'day release' off-the-job training, which further boosted enrolments in technical high schools.

By the 1950s, the apprentices were joined by a 'new breed of student' (Dougherty, 1999, p.22), the technician, who filled a somewhat ambiguous position somewhere between the university trained professional on the one hand, and the technical high school trained tradesman on the other. This 'new breed' was pioneered by the engineering profession, and by 1960, the University of Canterbury acknowledged the educational attainment of these students by admitting the top holders of the certificate in engineering directly into the second year of their bachelor of engineering degree, a move later replicated by the University of Auckland. The combined effect of these pre-war and post-war changes, coupled with the dramatic rise in demand for post-school education generally, saw technical high school enrolments expand to over 25,000 full-time and 55,000 part-time students by 1959. At the same time, university enrolments were also growing rapidly, reaching around 16,000 by 1960.

This expansion was accompanied by a growing belief that training for specific employment should be moved out of the high school environment and become a post-secondary or tertiary education activity within a new sort of institution, the technical institute. According to Dougherty,

> Unlike the universities, however, which recruited most of their students after they had completed their final year at secondary school, these technical institutes would compete with the secondary school for students who had reached the statutory minimum leaving age of fifteen, and who were able to choose between staying at school or going off to a technical institute. (*ibid.*, p.24)

Such has been the evolutionary growth of technical education that, over the last thirty years, the technical institute/polytechnic sector has moved from competing with the secondary school to competing with the university for its students, and in some cases seeking and achieving redesignation from polytechnic to university.

The first technical institute (other than the Technical Correspondence Institute[1], which was established in 1946) was the Central Technical College, established in 1960 (renamed the Central Institute of Technology in 1963), followed rapidly by Wellington Polytechnic in 1962, Auckland Technical Institute (ATI) in 1964, and other technical institutes in Christchurch, Dunedin and Hamilton. These new tertiary institutions had clear vocational and technical missions and offered certificate and diploma level qualifications for a wide range of sub-professional occupations, as well as continuing with day release and part-time evening trade training courses.

The concept of the technical institute was expanded still further in the early 1970s with the introduction of the 'community college', styled loosely on the successful United States model. This new type of institution was to be a variation of the technical institute, focusing on 'continuing education' rather than the more narrowly conceived 'vocational education' of the technical institute. The community college was particularly attractive to regional centres outside of the main urban areas, and this style of institution was established in the Hawkes Bay, Northland, Bay of Plenty and Gisborne by the early 1980s. However, it did not take long for the distinction between the technical institute and the community college to diminish and essentially disappear in all respects other than the name. In 1986 the name 'polytechnic' was formally introduced as the general name for a sector that contained technical institutes, institutes of technology, community colleges and polytechnics. Most institutions, with the notable exception of ATI, which changed its name to Auckland Institute of Technology (AIT), and CIT, which retained its name as the Central Institute of Technology, quickly changed their

[1] Later to become The Open Polytechnic of New Zealand (TOPNZ)

generic name to polytechnic[2] as members of the 'polytechnic sector'. A full list of New Zealand polytechnics, their date of establishment and their enrolment size is presented in Table 6.2.

Thus was the stage set for the next and most profound change to the tertiary sector in New Zealand, namely the policy debate and ultimate passage of the Education Amendment Act in 1990, which effectively established a true binary higher education system in New Zealand.

THE REFORMS OF THE LAST DECADE

Tertiary education institutions in New Zealand have been profoundly influenced by major changes to the external environment created by the education and economic reforms of the late 1980s and 1990s. The critical events of this period are summarised in Table 6.3 and will be discussed in detail in the sections to follow.

The trigger point for these reforms was the *Report of the Cabinet Social Equity Committee Working Group on Post Compulsory Education and Training*, (the Hawke Report) (Hawke, 1988). This document was the forerunner of the formal Government policy documents on tertiary education, *Learning for Life* and *Learning for Life Two*, released in 1989, on which the legislative changes of the subsequent Education Amendment Act (1990) were based. Further education reform took place throughout the 1990s, including the abandoned 1998 White Paper*: Tertiary Education in New Zealand - Policy Directions for the 21st Century*, and culminating in the proposed Labour Government legislation of May 2000 to limit the number of New Zealand universities.

[2] During the latter part of the 1990s many polytechnics have changed their names yet again by replacing the generic stem 'polytechnic' with the generic stem 'institute of technology' in an attempt to differentiate and raise their perceived status. However, while the name 'polytechnic' is currently protected in the legislation, and therefore retains some exclusivity, the name 'institute of technology' is not, and is available for any private or public education provider to use. The New Zealand Government is currently considering a formal change to the legislation to protect the term 'institute of technology'.

Table 6.2 New Zealand polytechnics: their dates of establishment as part of New Zealand's polytechnic sector and their 1999 total EFTS

POLYTECHNIC	YEAR EST.[5]	TOTAL EFTS[6]
Central Institute of Technology	1963	1876
The Open Polytechnic of NZ	1963	4917
Wellington Polytechnic[4]	1964-1999	
Auckland Institute of Technology[1]	1964-1999	
Christchurch Polytechnic[2]	1965	5216
Otago Polytechnic	1966	3098
Waikato Polytechnic	1968	4920
Manukau Institute of Technology	1970	5458
Manawatu Polytechnic	1971	3115
Nelson Polytechnic	1971	2015
Taranaki Polytechnic	1972	1808
Southland Polytechnic	1974	1774
Eastern Institute of Technology	1975	2557
UNITEC Institute of Technology	1976	7324
Hutt Valley Polytechnic	1976	1872
Northland Polytechnic	1978	1740
Waiariki Polytechnic	1978	2362
Bay of Plenty Polytechnic	1982	1677
Tairawhiti Polytechnic	1982	1180
Wanganui Polytechnic	1983	1604
Aoraki Polytechnic	1984	1132
Whitireia Polytechnic	1986	1818
Tai Poutini Polytechnic	1988	529
Wairarapa Polytechnic[3]	1989-2000	506
Telford Rural Polytechnic	1990	299

Notes
1. Auckland Institute of Technology became Auckland University of Technology in 2000.
2. Christchurch Polytechnic changed its name to Christchurch Polytechnic Institute of Technology in 2000.
3. Wairarapa Polytechnic merged with Manawatu Polytechnic in 2001.
4. Wellington Polytechnic merged with Massey University in 1999.
5. From Dougherty (1999)
6. From MOE 1999 Statistics [Ministry of Education, 2001 #210]

The origins of the reforms

The starting point for the education reforms that have transformed tertiary education in New Zealand arguably can be placed with the election of the Labour Government in 1984. By 1985 this Government 'was well embarked on its programme of radical restructuring, which saw markets being extensively liberalised through the removal or reduction of protections and regulations' (Butterworth and Butterworth 1998, p.51). Initially under the minsterial leadership of Russell Marshall, then (in 1987) under the leadership of the Prime Minister, David Lange, as Minister of Education, and Phil Goff as Associate Minster of Education (Tertiary Education), and finally with Phil Goff as Minister in 1989, the Labour Government set in place some of the most significant changes to tertiary education policy and priorities New Zealand has seen. The legacy of these reforms has resulted in some unforeseen consequences ten years later.

For tertiary education, the first major salvo of reform came in 1987 with the publication of the Probine/Farger Report (Probine and Farger, 1987). This report, although not having a direct impact on policy development, was pivotal in its influence on the more illustrious reports of Picot and Hawke which were to follow the next year. Mervyn Probine and Ray Farger were initially to chair two committees, both established to explore different aspects of the future of polytechnics and continuing education in New Zealand. However, the overlap in their investigations saw them merged into one committee, jointly chaired.

According to Butterworth, their report argued 'that technical institutes and community colleges had a dual role of vocational training and personal enrichment. They were also an important instrument of national policy in relation to labour market adjustments, the social equity issues of access and equal opportunity, and the transition of young people to adult life' (Butterworth and Butterworth 1998, p.62). Critically, the report highlighted the very low rate of participation in post-compulsory education in New Zealand, with this country ranked last amongst OECD countries for eighteen-year-olds at that time.

Table 6.3 Key Events in New Zealand tertiary education policy development from 1987 to 2000

KEY EVENTS 1987 - 2000	
1987 March	Report of the Probine/Farger Working Party (the Probine/ Farger Report) published
1988 April	Administering for Excellence: Report of the Picot Task Force (the Picot Report) published
1988 July	Report of the Working Group on Post Compulsory Education and Training (the Hawke Report) published
1988 August	*Tomorrow's Schools*: Policy response to the Picot Report published
1989 February	*Learning for Life: Education and Training Beyond the Age of Fifteen*: Policy response to the Hawke Report published
1989 August	*Learning for Life Two*: Further policy response to the Hawke Report published
1990 July	Education Amendment Act (1990) passed
1990 August	Standard Tertiary Fee introduced
1992 January	Standard Tertiary Fee replaced by fees set by institutions Study Right Policy introduced Student Loans Scheme introduced
1993 July	Maori tertiary institutions (wananga) established and funded on the same basis as universities and polytechnics
1994 May	*Funding Growth in Tertiary Education and Training.* Report of the taskforce on the balance of private and public contributions to funding growth in PCET published (Todd Report)
1995 Oct	Auckland Institute of Technology application for designation as a university submitted to the Minister of Education
1996 Sept	UNITEC Institute of Technology application for designation as a university submitted to the Minister of Education
1997	NZQA establishes Guidelines for the Establishment of a University
1998	Green and White Papers on Tertiary Education published
1999 July	Wellington Polytechnic merges with Massey University
2000 January	Auckland Institute of Technology (AIT) disestablished and re-established as Auckland University of Technology (AUT)
2000 May	Education (Limiting Number of Universities) Amendment Bill introduced. UNITEC's application for university redesignation suspended.

The report also predicted the inadequacy of the numbers of technology-trained people in the New Zealand workforce, given the poor take-up of courses in this area in the late 1980s. Significantly, this concern has been repeated by successive governments and commentators throughout the 1990s, without signs of any major change to this situation.

Central to the recommendations of the Probine/Farger Report were the proposals for wholesale changes to the management and governance of the polytechnic system. Funding was seen to be overly bureaucratic and centralised to the extent that individual institutions had effective control over less than ten percent of their budgets. This was in stark contrast to the universities which jealously guarded their own institutional autonomy. Greater institutional self-management for polytechnics was advocated, together with new accountability systems. The key to this change was seen to be the establishment of charters for each institution which would outline their mission, goals, responsibilities and distinctive character. The report also encouraged polytechnics to engage in entrepreneurial activities to supplement government funding. Significantly, when the report was released, 'the authors felt that it was unpalatable to many people and was therefore buried' (*ibid.*). However, many of its ideas and recommendations have since been incorporated into Government policy.

Following hard on the heels of the Probine/Farger Report were two other key reports which were to have a dramatic effect on education in New Zealand. The first was the Picot Report (Picot, 1988), which addressed the administration of education, and picked up several of the Probine/Farger recommendations concerning the establishment of charters for schools and polytechnics. It also reviewed the roles of central agencies in the administration of education, including education boards and the Department of Education itself. Its focus was on the compulsory sector, and it generated a major policy response from the Government: *Tomorrow's Schools.*

The second was the Hawke Report (Hawke, 1988). The Hawke Committee, chaired by Professor Gary Hawke of the Institute of Policy Studies at Victoria University, took the

major structural elements of the Picot Report as a starting point, and made a series of recommendations relevant to the post-compulsory education and training (PCET)[3] sector. The essential recommendations were:

> a. that access to education and training is so important that Government should aim to provide it for all New Zealanders;
> b. that nonformal learning provides valuable opportunities to people who find formal institutions inappropriate to their needs;
> c. that Government should not try to deduce its appropriate role in PCET from any single principle, nor rely entirely on ad hoc decisions, but should make pragmatic judgements about an appropriate balancing of public and private expenditure;
> d. that in adition to influencing PCET in pursuit of equity objectives, Government's role extends beyond compensating for benefits that cannot be captured by individuals and includes objectives such as excellence and social cohesion;
> e. that Government should seek to increase participation in PCET by measures which help it to make itself more attractive rather than by using compulsion;
> f. that Government should adopt policies and procedures which require a greater level of private funding of PCET. (Hawke 1988, p.8)

More specifically, within the context of these essential recommendations, the Hawke Report recommended that all PCET institutions (including the universities) adopt the charter as their defining document, and introduce management systems and expertise commensurate with the high degree of autonomy and accountability proposed. The report also recommended a common funding system for all PCET institutions based on the equivalent full-time student (EFTS), and a bulk grant to institutions, including a component of funding for capital works. There were also recommendations about research funding that would provide research incentives to the polytechnic sector. In addition, with respect to funding, the report recommended that students pay a reasonable proportion of the costs of their education, and that a student loans scheme be established.

[3] 'Post-compulsory' education is different from 'post-secondary' education in that the former includes the upper forms of the secondary school where students have generally passed the age of 16 years. 'Post-secondary' education is the same as 'tertiary' education, while 'higher' education is generally equated to 'degree or university-level' education.

The report also addressed the problems of the plethora of examination and credentialling organisations in New Zealand by recommending the establishment of a 'National Educational Qualifications Authority' which would deal with qualifications within both the compulsory and post-compulsory sectors (including the universities). Needless to say, this particular recommendation was not well received by the universities.

Finally, the Hawke Report had some significant comments to make about the place and virtues of sensible competition in education. Hawke emphasised the value of a self-levelling system in which potential overlaps would be reconciled in a competitive environment. He saw no reason why polytechnics should not be able to offer degrees, thus breaking the universities' traditional monopoly in this area. However, Hawke also tempered this heretical stance by concluding that universities 'still had a distinctive and international quality which should not be encroached upon too severely. In particular their research function, intellectual independence and role in advancing teaching should be respected.' (Butterworth and Butterworth 1998, p.104)

The Hawke Report was made available for comment and submissions, and then these submissions and the report were reviewed by Cabinet. Cabinet's decisions were then outlined in two pivotal policy documents, both released in 1989: *Learning for Life* (February), and *Learning for Life Two* (August).

Learning for Life supported many of the Hawke Report's recommendations, but by no means all of them. It proposed greater autonomy and accountability for post-secondary institutions through the establishment of charters and the introduction of 'bulk funding'. It also recognised the need for students to make a greater contribution to the cost of their own education, and for the establishment of a loans scheme to compensate for the increased costs. It also supported the establishment of the National Education Qualifications Authority (NEQA) 'to co-ordinate national secondary-school educational qualifications, national vocational qualifications, and national advanced academic qualifications'. (Lange and Goff 1989, p.26). Central to this broad purpose was the establishment of a national qualifications framework for all post-compulsory awards.

Learning for Life also redefined the roles of the institutions that would deliver post-compulsory education and training. In particular, it identified the college of education, the polytechnic and the university as the prime institutional providers of this education and training.

Colleges of education, although to be established as independent institutions, were 'free to stand alone or to amalgamate with other tertiary institutions such as universities or polytechnics' (Lange and Goff 1989, p.21). This encouragement to amalgamate was not extended to either polytechnics or universities in the same way, and the Government clearly considered that the days of the college of education as an independent institution were numbered.

Polytechnics, on the other hand, were seen as 'important instruments of national policy for vocational education and training, labour-market adjustment programmes (including retraining), second-chance education, and the transition of young people to adult life' (*ibid.*, p.23). Critically, *Learning for Life* picked up one of the more profound recommendations of the Hawke Report, and proposed that polytechnics offer degrees:

> 3.7.11 To satisfy these broad objectives, polytechnics will be able to offer courses at degree level, provided that the standards of the National Education Qualifications Authority (NEQA) are met. Polytechnics will not be accredited as degree-awarding institutions on the same basis as universities. Instead they may apply to have any degree-level courses that they offer validated on a course-by-course basis.
> 3.7.12 The main focus and predominant role of polytechnics will continue to be vocational education and training. They will also offer socially oriented programmes (such as community education courses) and vocationally oriented courses aimed at the disadvantaged (such as labour-market-training programmes). Degree-level courses are expected to be a small percentage only of the total courses offered by polytechnics. (*ibid.*)

The architects of *Learning for Life* clearly did not anticipate the upsurge in demand for degree level education in New Zealand that has resulted in at least two polytechnics (AIT and UNITEC) achieving over 50% of enrolments at degree level by the late 1990s.

By contrast, *Learning for Life*, while recognising the role that universities play in post-school education and training, also recognised their special status by proposing that the title 'university' be restricted by legislation to institutions which meet all of the following criteria:

- they are primarily concerned with more advanced learning - the principal aim being to develop intellectual independence
- their research and teaching are closely interdependent, and most of their teaching is done by people who are active in advancing knowledge
- they meet international standards of research and teaching
- they are a repository of knowledge and expertise
- they accept a role as critic and conscience of society

In addition, *Learning for Life* made further reference to the nature of the degree:

> 3.7.16 The word 'degree' will be protected in order to recognise completion of a course of advanced learning that is taught by people engaged in research and which emphasises general principles and basic knowledge as the basis for self-directed work and learning. Such criteria will apply to any degrees awarded by polytechnics. (*ibid.*, p.24)

The response of key players in the tertiary sector to these policy decisions was, not unexpectedly, very varied. For the most part the polytechnics and colleges of education were well pleased with the proposals. They were given significant autonomy and control over their activities, in sharp contrast to their previously tightly controlled environment. There was also a clear indication that many of these institutions would be better resourced than previously, although there was still some anxiety about the eventual form of the new bulk funding system. Thus the polytechnics, for the first time, had genuine control over their individual destinies, and the ability to formulate their own ambitions and develop as distinctive institutions.

The universities, by contrast, 'were decidedly unhappy about the reforms' (Butterworth and Butterworth, 1998, p.156). They complained about the consultation process which followed the publication of the Hawke Report, and about perceived threats to their autonomy and academic freedom. Two universities, the University of Auckland and the University of Canterbury, even started proceedings for a judicial review of the consultation process, but eventually discontinued them. Such a litigious response to issues not of the universities' liking has littered their reaction to developments in the tertiary sector throughout the 1990s, most especially those concerning moves to establish further universities.

According to Butterworth, 'the universities were old institutions that drew on a long and proud academic tradition..., they were largely self-regulating, with quality of teaching and research being maintained by peer review.' (*ibid.*) They aggressively guarded their status, 'which is legally entrenched against government interference, [and] together with their origins and the more modern doctrine of academic freedom, made them extremely jealous of their independence.' (*ibid.*) Arguably, such a stance was as much a demonstration of the universities' reluctance to acknowledge the need for change as it was to preserve their independence. This reluctance, coupled with a blinkered desire to maintain their exclusivity and preserve the perceived 'gold standard' of university education, has characterised university attitudes throughout the 1990s in New Zealand. Thus the paradox which had its roots in the birth of the modern university in Germany in the early nineteenth century has been maintained, namely, that the university remains dependent on the State to help it to preserve its independence and academic freedom from its most dangerous threat, the State.

The 1990 legislation

The policy decisions of *Learning for Life* and *Learning for Life Two* were translated into legislation with the passage of the Education Amendment Act (1990). However, much of the substance and intent of the Hawke Report and the subsequent *Learning for Life* policy documents were watered down in the select committee stages of the Bill, due to

the concerted and sometimes bitter opposition of the universities. The end result was 'that the universities were among the least reformed of all the education institutions' (*ibid.*, p.167).

The Education Amendment Act 1990 never the less set in place a number of far-reaching reforms to the structure, funding, governance and management of tertiary education. In particular, the Act:

- defined and protected the terms 'university', 'polytechnic', 'college of education' and 'wananga' (collectively referred to as Tertiary Education Institutions (TEIs));
- described the process by which an institution may be established as a university, polytechnic, college of education or wananga;
- redefined the constitutional parameters and ensuing responsibilities of the councils of tertiary institutions, which significantly increased both institutional autonomy and accountability;
- required all state-funded institutions to develop through community consultation a charter which contained a mission statement, goals and a statement of distinctive character;
- established a new 'bulk funding' approach to institutional resourcing based on enrolled equivalent full-time students (EFTS);
- allowed individual institutions to set their own fees;
- created the New Zealand Qualifications Authority (NZQA) as a quality assurance agency with the primary purposes of establishing a qualifications framework for all compulsory and post-compulsory education, and approving new qualifications and accrediting institutions to teach them;
- opened the way for polytechnics, colleges of education, wananga and private training establishments (PTEs) to develop and offer approved undergraduate and postgraduate degrees.

It is the section of the Act which deals with the definitions of institutions which is especially significant from a point of view of differentiation in tertiary education. While the notions of diversity and differentiation were not specifically addressed in the policy statements of the late 1980s, there was never the less an implication that having a range of institutions created choice for students and ensured that people from all backgrounds and experiences would find a means of pursuing post-compulsory education and training.

Section 162(4) of the Education Amendment Act 1990 defined four kinds of institution: a college of education, a polytechnic, a university, and a wananga (refer Table 6.4). The characteristics of a university so defined were exactly those proposed by Hawke in his report. Overall, these four definitions would, on paper, suggest a reasonably wide diversity of tertiary institutions and therefore a reasonable choice for potential students, especially when coupled with the provision of private training establishments, and the on-the-job and non-formal training identified in *Learning for Life*.

Table 6.4 Definitions of a university, a polytechnic, a college of education and a wananga: Section 162(4) of the Education Act 1989

'(4) In recommending to the Governor-General under subsection (2) of this section that a body should be established as a college of education, a polytechnic, a university, or a wananga, the Minister shall take into account –

'(a) That universities have all the following characteristics and other tertiary institutions have one or more of those characteristics:

'(i) They are primarily concerned with more advanced learning, the principal aim being to develop intellectual independence:

'(ii) Their research and teaching are closely interdependent and most of their teaching is done by people who are active in advancing knowledge:

'(iii) They meet international standards of research and teaching:

'(iv) They are a repository of knowledge and expertise:

'(v) They accept a role as critic and conscience of society; and

'(b) That –

'(i) A college of education is characterised by teaching and research required for the pre-school, compulsory and post-compulsory sectors of education, and for associated social and educational service roles:

'(ii) A polytechnic is characterised by a wide diversity of continuing education, including vocational training, that contributes to the maintenance, advancement, and dissemination of knowledge and expertise and promotes community learning, and by research, particularly applied and technological research, that aids development:

'(iii) A university is characterised by a wide diversity of teaching and research, especially at a higher level, that maintains, advances, disseminates, and assists the application of, knowledge, develops intellectual independence, and promotes community learning:

'(iv) A wananga is characterised by teaching and research that maintains, advances, and disseminates knowledge and develops intellectual independence, and assists the application of knowledge regarding ahuatanga Maori (Maori tradition) according to tikanga Maori (Maori custom).

However, the reality is somewhat different, with the universities and polytechnics together enrolling around 95% of the sector's equivalent full-time students (EFTS). This is illustrated by the full-year statistics for tertiary institutions for 1998 (refer Table 6.5).

Table 6.5 Numbers of EFTS and Enrolments at Public Tertiary Institutions 1998

TYPE OF INSTITUTION	EFTS	%	ENROLMENTS	%
University	93,240	56%	118,617	45%
Polytechnic	66,013	39%	130,012	50%
College of Education	6,907	4%	10,650	4%
Wananga	1,410	1%	1,668	1%
TOTALS	167,569	100%	260,947	100%

*From: Full-Year Education Statistics for Students at Public Tertiary Institutions 1998 Data Management and Analysis Division, Ministry of Education

Colleges of education, with their narrow mission prescribed by the Act, were and still are essentially mono-discipline institutions, dominated by pre-service teacher education programmes. At the time of the passage of the Act there were six colleges of education: Auckland College of Education; Christchurch College of Education; Dunedin Teachers College; Hamilton Teachers College; Palmerston North Teachers College; and Wellington College of Education. In spite of the clear encouragement of *Learning for Life*, only two have since merged with other institutions: Hamilton Teachers College with University of Waikato, and Palmerston North Teachers College with Massey University. In 2000, the Auckland College of Education and Massey University sought Government approval for a merger. This has subsequently been declined. There is, however, a feeling of inevitability that the four colleges of education will eventually follow the merger path, either by choice or direction.

Wananga, the other small contributor to public tertiary education in New Zealand are heading in the opposite direction to the colleges of education, with steady growth since the first two wananga were established in 1993. However, because of their size and focus they do little to add to the differentiation of the sector in terms of student choice,

but serve a valuable purpose in supporting the educational development of Maori in New Zealand.

Throughout the 1990s, then, the tertiary education sector was essentially served by two types of institution: the university and the polytechnic. During this period, the university sector, and the individual universities, experienced relatively little change other than growth. The most significant change to the university sector came with the redesignation of Auckland Institute of Technology (AIT) as Auckland University of Technology (AUT) in 2000.

By contrast, the polytechnic sector underwent a dramatic transformation after the passage of the Education Amendment Act 1990. This legislation liberated the polytechnics. It gave them autonomy, facilitated by bulk funding, and with it the power to make their own decisions within the context of their new charters. It also gave them the opportunity to offer degrees. These two fundamental changes provided the polytechnics with the power to diversify and compete for students with the universities in a highly competitive education market fuelled by the economic ideology introduced by the Labour Governments of the 1980s, and embraced by the subsequent National Governments of the 1990s.

During the National Government's term in office, from 1991 to 1999, policy initiatives affecting higher education were consistent with the foundations laid by the previous Labour Government. Of particular significance was the Ministerial Consultative Taskforce, which investigated the balance of private and public contributions to funding growth in tertiary education (the Todd Taskforce) (Todd, 1994). This report, *Funding Growth in Tertiary Education and Training*, recommended a series of options, of which one, that students pay 25% and government 75% of actual tuition costs, was finally adopted by government. The effect of this policy decision was that government funding per EFTS decreased progressively over the next few years until the 75% threshold was reached. At the same time, individual tertiary institutions were allowed to set their own fees to make up the shortfall in the government bulk fund. In theory, this was a major

step which further cemented the competitive higher education market in place, in that it made price a potentially critical point of difference between institutions. In practice, while tuition fees rose steeply in the mid-1990s and have continued to rise until the government tuition fee freeze imposed for the 2001 academic year, very little price differentiation occurred. Institutions uncannily managed to keep their fee increases remarkably aligned, and there is little if any evidence that tuition fees have become major determinants for students when selecting their tertiary institution. What does appear to have happened, however, is that the relatively high cost of tuition coupled with the escalating living costs of full-time study, and some negative publicity about the real cost of the New Zealand student loan scheme, have resulted in students choosing, not between institutions, but between further study and no further study.

The need for further comprehensive reform to tertiary education became more apparent as the 1990s drew to a close. In response to this need, the White Paper *on 'Tertiary Education in New Zealand - Policy Directions for the 21st Century'* was published by the Ministry of Education in November 1998. This document represented the results of extensive consultation and research based on an earlier Green Paper which was released in September 1997. In fact some of the decisions from this consultation and research were incorporated in the 1998 Budget, in advance of their formal publication in the White Paper.

Some of the key elements of the changes proposed in the White Paper were as follows.

- From 1999, all domestic students enrolled in approved courses to be subsidised for tuition costs - previously there was a 'cap' on the number of funded EFTS at each tertiary institution.
  This recommendation was adopted in the 1998 Budget.

- Students at Private Training Establishments (PTEs) to be subsidised at the same rates as those at Tertiary Education Institutions (TEIs) - previously, PTEs received a significantly lower level of funding than that apportioned to the TEIs.
  This recommendation was adopted in the 1998 Budget.

- A capital charge on the assets of each institution to be introduced in 2000 to help resolve the uneven distribution of capital assets across the sector, and to encourage efficiency in the use of capital.

- A new body, the Quality Assurance Authority of New Zealand (QAANZ), to replace the NZQA, and to have overall responsibility for maintaining the quality of publicly subsidised tertiary education.

- The term 'institute of technology' to be added to the list of terms protected under legislation.

- A new contestable approach to funding research to be introduced from 2000 to increase accountability and research quality.

- Major changes to the constitutions and responsibilities of councils, including new accountability requirements, and the provision for a single council to govern more than one type of institution.

Apart from the two funding changes, which were incorporated in the 1998 Budget, the rest of the recommendations of the 1997 White Paper have not been implemented. The National Party, after nine years in Government, lost the 1999 election to a Labour-led coalition, and the White Paper was effectively invalidated by the new government.

The unforeseen consequences

One of the most significant, but apparently unforeseen, consequences of the policy reforms and legislation passed in 1990 was the speed with which some polytechnics picked up the opportunity to offer degrees. The Education Amendment Act provision allowing polytechnics to offer degrees, albeit only after rigorous approval and accreditation from the New Zealand Qualification Authority (NZQA), opened the door for polytechnics to compete directly with universities for degree students. UNITEC Institute of Technology, for instance, offered its first undergraduate degree, the Bachelor of Quantity Surveying, in 1992. By the end of 2000 it was enrolling some 3300 EFTS in a wide range of bachelors degrees, a further 130 EFTS in postgraduate programmes, and had approval to offer the PhD degree from 2001. Auckland Institute of Technology made a similar rapid transition to degree level education. Seeking equivalence in status to universities through redesignation became almost inevitable for these institutions as their degree student numbers grew, and as the tertiary education marketplace intensified.

The Act also legally defined the characteristics of a university for the first time. These characteristics are set out in section 162(4)(a) (refer Figure 6.1) and may be summarised as follows.

1. Universities are primarily concerned with more advanced learning, the principal aim being to develop intellectual independence.

2. Their research and teaching are closely interdependent and most of their teaching is done by people who are active in advancing knowledge.

3. They meet international standards of research and teaching.

4. They are a repository of knowledge and expertise.

5. They accept a role as critic and conscience of society.

These characteristics provided a basis from which an institution with university aspirations could build its case for redesignation. In fact, UNITEC first announced publicly its ambition to become a university in 1993, followed soon after by a similar announcement by AIT. AIT actually submitted its formal application for redesignation to the Minister of Education in 1995, and UNITEC submitted its application in 1996. The possibility of polytechnics wishing to become universities became a reality, and the limitations of the legislated definition of a university became apparent. NZQA, as the body vested with the task of evaluating an application for university status, set about interpreting the Act and establishing a set of guidelines for university status which expanded and quantified the legislated definition. This was undertaken in 1996 and published in 1997. In the mean time, both AIT and UNITEC put their applications on hold until the guidelines were published.

Not surprisingly, the consultation on the proposed interpretation generated some strong and somewhat polarised debate amongst tertiary education institutions in New Zealand. On the one hand, the universities strongly advocated tighter and more demanding benchmarks, while the polytechnics were generally more supportive of the proposed interpretation. The debate centred on two key issues. First, the broad defining

quantitative benchmarks, namely that a university would normally meet a requirement of:

- 60% of total enrolments (measured in EFTS) leading to qualifications at Level 6[4] and above;
- 50% of total enrolments (measured in EFTS) in degree programmes;
- 5% of total degree enrolments at postgraduate level, including research-based masterates and doctorates;

and secondly, the definition and quantification of research.

The outcome of the consultation process was a minor revision of the original interpretation with the key benchmarks remaining essentially unchanged. However, the debate on whether this interpretation is appropriate, and the broader debate on whether New Zealand should have any more universities, and if so, what form they should take, has continued, and is unlikely to diminish while applications for university status are under consideration.

Auckland Institute of Technology reactivated its revised application in 1998, while UNITEC chose to wait for the outcomes of the Green and White Papers on tertiary education. After a somewhat tortuous and highly political process of evaluation, consultation and negotiation, AIT was formally granted university status by the National Government in late 1999, just months before the 1999 election and the consequential change of government. It formally became Auckland University of Technology (AUT) on 1 January 2000.

UNITEC reactivated its application in mid-1999 by application to the then National Government, but the change of government in late 1999 has meant that its application has been overseen by the new Labour Government. This new government, while

[4] The NZQA has established a National Qualifications Framework comprising 8 levels, the first 3 of which essentially equate to the final 3 years of secondary school, Levels 4 and 5 equate to tertiary certificates, Level 6 to tertiary diplomas, Level 7 to bachelors degrees and Level 8 to postgraduate qualifications. Qualifications at Level 6 and above therefore largely comprise undergraduate and postgraduate diplomas and degrees.

making it clear that it did not intend to action the recommendations of the previous government's White Paper on Tertiary Education, was keen to introduce some of its own tertiary education reforms, and to honour its election promises in this area. This resulted in some political manoeuvrings in the early part of 2000, which culminated in the introduction of new legislation limiting the number of universities in New Zealand to eight (the current number), and thereby derailing UNITEC's application for redesignation.

The economic ideology underpinning the 1990 Act and subsequent policy reforms has propelled New Zealand tertiary education into a competitive, market-driven, user-pays environment in which institutions are forced to compete for students for survival. This has been manifest by the government:

- promoting the 'private good' (as against the public good) of tertiary education and therefore progressively decreasing the level of government funding per Equivalent Full-Time Student (EFTS);
- allowing institutions complete freedom to set their own student tuition fees, and to seek alternative sources of income, to compensate for reductions in government contributions;
- funding EFTS growth in institutions on a basis of their previous year's performance;
- increasing the accountability requirements of institutions through mandatory performance measurement; and
- introducing a government-backed student loans scheme, repaid through personal taxation.

In this environment, institutions such as AIT and UNITEC, which competed with a third institute of technology, two universities, a college of education, and at least three degree granting PTEs in Auckland, were forced to promote ways of 'levelling the playing field' on which these institutions competed. Seeking university status was seen as one of the most tangible means of achieving this. The extent to which this environment has fostered or diminished institutional diversity in New Zealand higher education is explored in the next section, and UNITEC's desire for university status, built as it was

on a commitment to be a distinctive and different kind of university, is analysed in Chapter 7.

DIVERSITY IN NEW ZEALAND HIGHER EDUCATION

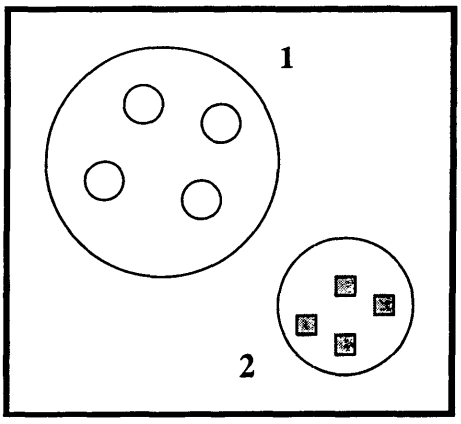
From a diversity perspective, New Zealand's higher education history can be characterised by three distinctive periods: a pre-war *status quo* period, a 1960-1980 expansion period, and a 1990s realignment period. Using the terminology established in Chapter 3 of this study (refer Figure 3.1), the evolution of diversity through these three periods is illustrated in Figure 6.1.

In pre-war New Zealand there was relatively little diversity in New Zealand higher education. The four colleges of the University of New Zealand offered a reasonably uniform approach to university education, and the four teachers' colleges (later to become colleges of education) existed as small specialist institutions in the same main centres as the universities. The result was two types (sectors) of institution (university and teachers' college) each with four similar entities (institutions). Systemic diversity was therefore essentially limited to two forms of institution each with a different set of similarities.

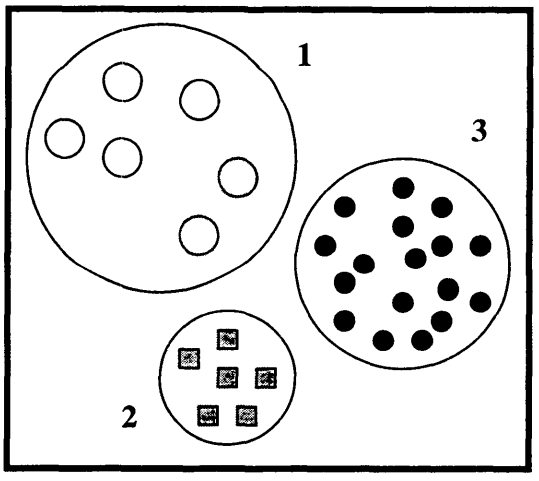
The post-war expansion of higher education gained momentum in the 1960s, and the twenty-year period up to the 1980s, saw a significant increase in systemic diversity. This was achieved by the establishment of a new type of institution, the polytechnic, and by the establishment of two new universities which were somewhat different to those which already existed. The number of colleges of education also increased, but the new colleges shared the same set of similarities as those already in existence. The result was four different forms of institution, two of which were universities.

As a result of the policy initiatives and resulting legislation of the late 1980s, systemic diversity increased in some senses and contracted in others. The result is best considered as a period of realignment. The number of universities increased by a further

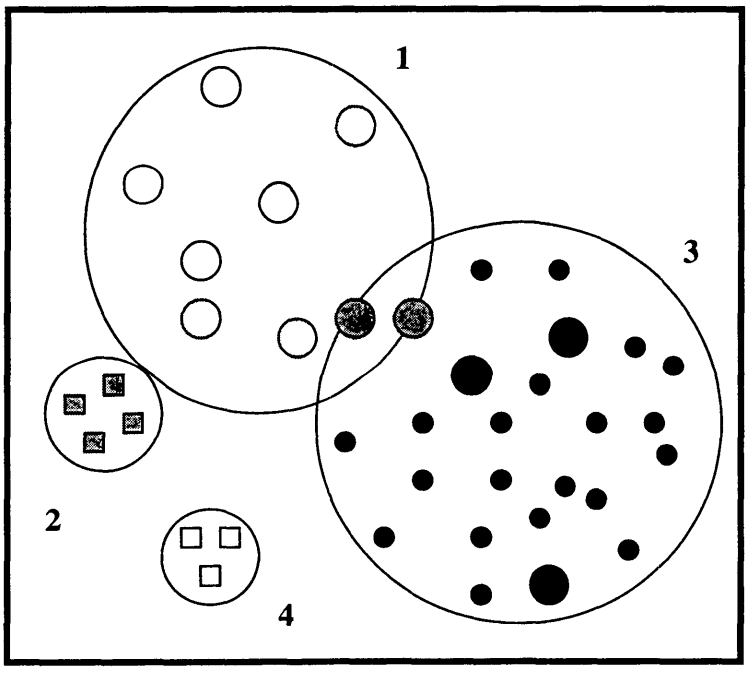
Figure 6.1 The evolution of diversity in New Zealand higher education



Pre-war NZ Higher Education
Systemic diversity limited to 2 types of institution (1=universities, 2=colleges of education), each with four similar entities.



1960-1980 NZ Higher Education
Systemic diversity increased by addition of a new type of institution (3=polytechnics) comprising 17 entities; 2 different universities; and 2 similar colleges of education.



1990s NZ Higher Education
Systemic diversity increased by addition of a new type of institution (4=wananga) with 3 entities; 2 universities, one a former polytechnic (AIT); 6 additional polytechnics, and 4 which differentiated themselves by size, and one (UNITEC) by size and orientation.
Colleges of education decrease to 4 institutions.

two, one of which (Lincoln) was broadly similar to the other regional universities, although much smaller, and one of which (AUT) was quite distinctive, reflecting its former status as a polytechnic.

At the same time, the number of polytechnics continued to increase, and within the polytechnic sector there was a significant degree of differentiation as the large urban polytechnics began to take on some of the characteristics of universities, and some of the small regional polytechnics took on the characteristics of community colleges. AIT, UNITEC and, to a lesser degree Wellington Polytechnic, differentiated themselves from other polytechnics to the extent that they had more in common with the universities than the polytechnics, and therefore sought university status. Wellington Polytechnic achieved this by merger with Massey University, and AIT by redesignation. UNITEC, as will be described in detail in the next chapter, has yet to achieve this change. In addition, a new type of institution, wananga, were created as small specialised institutions supporting Maori education and guided by traditional Maori values. Over the same period the number of colleges of education decreased through mergers with universities.

Overall, then, the 1990s heralded an ebb and flow of diversity within both the polytechnic and university sectors. In particular, the universities experienced the impact of genuine competition from the polytechnic sector at the undergraduate level, which prompted them to adopt a more entrepreneurial and market-oriented approach. In spite of this, they remained essentially conservative institutions, resistant to change and prepared to go to extreme lengths to protect their exclusivity.

While comparisons with Australia on matters of institutional diversity are limited because of the small number of universities in New Zealand compared to Australia, it is possible to make some general statements about university diversity in New Zealand based on the Australian experience. As a starting point, it is useful to see if it makes sense to group the New Zealand universities on the same general basis as Marginson (1999) achieved for Australian universities. Marginson's rationale for grouping

universities in Australia was based largely on historical distinctions. Using a similar approach, the universities of New Zealand could arguably be subdivided into three groups, as follows:

1. Limestones[5]
   University of Otago, the University of Canterbury, the University of Auckland, and Victoria University of Wellington.
2. Regionals
   Massey University, University of Waikato, Lincoln University
3. Unitechs
   Auckland University of Technology

The diversity suggested by this classification is best considered as that reflecting a general system perspective. Under this classification, and utilising the general characteristics of the Australian groupings, the 'limestones', in a similar way to the 'sandstones' in Australia, are characterised by their age and history, the primacy given to their research, their relative size, the location of their primary campuses in major cities, and their high proportion of full-time student enrolments. At the other extreme, the 'unitechs', currently represented in New Zealand by AUT, are characterised by an overt vocational mission, a long history of skills-based education before redesignation, a high proportion of part-time enrolments, a historical emphasis on teaching and learning, and an inner-city location. Between these extremes are the 'regionals', which like the 'new universities' of Marginson's classification, tend to be those universities that are left after the others are more certainly placed in their defining groupings. However, the three regionals do have much in common. They each have a relatively youthful, post-University of New Zealand history, a clear research mission, and demonstrate a high degree of conformity to the general pattern of the New Zealand

[5] So named because of the dominant limestone architecture of their original buildings, following the convention of Marginson (1999) in naming the groupings of Australian universities such as 'sandstones' and 'redbricks'.

university founded on the traditions of Otago, Auckland, Canterbury and Victoria and, significantly, a perceived desire to be so.

However, there is without doubt a clear distinction possible between Massey University on the one hand, and Lincoln University on the other. Massey University approaches the 'limestones' in much of its form and function. It is large, second only to the University of Auckland in terms of enrolment numbers. It has expanded from its original regional campus in Palmerston North to now have well-established and substantial campuses in Wellington and Auckland. It has a clear and demonstrable research mission and performance. As such it equates on Australian terms to a 'redbrick'. However, in contrast to the 'limestones', it has an exceptionally large part-time enrolment, and a very strong focus on extramural study. It has a comprehensive range of programmes and a reputation for applied curricula that would tend to group it more closely with the 'unitechs' than the 'limestones'[6]. Lincoln University, on the other hand, has its origins as an agricultural college in common with Massey, but it is by far the smallest university in New Zealand, and has continued to operate from a single semi-rural campus on the outskirts of Christchurch. It does have a strong but narrow research focus with an overt emphasis on the biological and environmental sciences and a correspondingly restricted range of programmes, most of which are applied, and a noticeably high international enrolment. It has a very low percentage of part-time students and very few extramural students.

The University of Waikato, established only a year after Massey University is, by contrast to Massey, one of New Zealand's smaller universities. It does not have a long history, having been established on a greenfields site in a large regional centre (Hamilton) as a new university in 1964. It has a relatively small total enrolment, and a low proportion of part-time students. It is comprehensive in its programmes, however, and does offer professional qualifications in law, education and business.

[6] Informally, Massey University is not infrequently referred to as 'New Zealand's biggest polytechnic'.

To look more deeply at the differences and similarities between these universities it is necessary to go beyond general and easily perceivable traits of a general system perspective mentioned above. With this in mind, some measurable indicators of the eight New Zealand universities have been selected and summarised in Table 6.6. In contrast to the readily available data published by the Department of Employment, Education, Training and Youth Affairs in Australia, it is important to note that consistent data on New Zealand higher education institutions is extremely difficult to locate, and that the absence of a single reliable source for indicators for individual institutions limits any form of in-depth comparative analysis.

The data for each of the indicators selected for inclusion are largely drawn from the Annual Reports of each university. While there is no guarantee that the derivation of some of these indicators is entirely uniform from one university to another, those chosen do appear to be reasonably reliable. However, the data is sparse and inconsistently reported from one university to another. According to David Coy, who has studied the annual reporting of New Zealand's tertiary institutions for some years, 'overall, one is left with a feeling of disappointment about the incompleteness of the information provided by our universities in their annual reports' (Coy, 2001b, p.7). Interestingly, Coy quotes data from the 1999 annual reports on research performance which is not entirely consistent with that reported in this study from the same sources. This further highlights the limitations of annual report material and the ways it is reported and therefore interpreted.

For each indicator of Table 6.6 the eight universities have been ranked from 1 to 8, where 1 represents the largest and 8 the smallest value for each indicator, with the exception of the student to staff ratio, where 1 represents the university with the smallest ratio, and 8 the university with the largest ratio of students to academic staff. There is no intention that the rankings have a qualitative dimension, although this may be inferred for some of the indicators.

Table 6.6 Selected indicators of New Zealand universities

UNIVERSITY	Total EFTS 1999		Total Student Nos. 1999		% PT Students 1999[9]		% Maori Students 1999		Student EFTS: Ac. Staff FTE 1999		Operating Revenue per EFTS 1999		Net Surplus as % Total Revenue 1999		% Internat. Students 1999[10]		External Research Income 1999		% Postgrad EFTS 1999		Docs. awarded 1999	
Otago	15214[1]	3	17113[1]	4	20%	6	6.3%[1]	6	14.9[1]	1	$17831[1]	2	3.9%[1]	4	5.5%	3	$48.6m[1]	2	18.6%[1]	1	142	1
Canterbury	11761[2]	5	12191[2]	7	18%	7	5.2%[2]	7	19.6[2]	8	$11943[2]	7	4.4%[2]	3	3.7%	6	$12.6m[2]	5	13.6%[2]	5	63	3
Auckland	22113[3]	1	26985[3]	2	21%	5	7.4%[3]	5	16.6[3]	3	$15898[3]	3	1.8%[3]	6	3.9%	5	$65.0m[3]	1	17.6%[3]	3	39	6
Victoria	11957[4]	4	14391[4]	5	28%	3	7.7%[4]	4	19.6[4]	7	$13364[4]	5	12.2%[4]	1	3.1%	7	$ 7.7m[4]	6	17.8%[4]	2	49	4
Massey	16749[5]	2	32041[5]	1	60%	1	10.1%[5]	2	16.9[5]	4	$14544[5]	4	1.3%[5]	8	2.6%	8	$34.7m[5]	3	n.avail.		69	2
Waikato	10527[6]	7	12483[6]	6	26%	4	22.0%[6]	1	15.9[6]	2	$13177[6]	6	1.5%[6]	7	5.1%	4	$14.6m[6]	4	15.4%[6]	4	48	5
Lincoln	3254[7]	8	3792[7]	8	18%	7	3.6%[7]	8	17.1[7]	5	$18881[7]	1	2.6%[7]	5	14.8%	1	$ 4.0m[7]	7	13.2%[7]	6	24	7
AUT	10983[8]	6	26319[8]	3	42%	2	8.0%[8]	3	17.6[8]	6	$ 9610[8]	8	5.5%[8]	2	7.7%	2	$ 1.9m[8]	8	2.2%[8]	7	0	8

Notes

1. From University of Otago Annual Report 1999 (University of Otago, 2000)
2. From University of Canterbury Annual Report 1999 (University of Canterbury, 2000)
3. From University of Auckland Annual Report 1999 (University of Auckland, 2000)
4. From Victoria University of Wellington Annual Report 1999 (Victoria University of Wellington, 2000)
5. From Massey University Annual Report 1999 (Massey University, 2000)
6. From University of Waikato Annual Report 1999 (University of Waikato, 2000)
7. From Lincoln University Annual Report 1999 (Lincoln University, 2000)
8. From AIT Annual Report 1999 (Auckland Institute of Technology, 2000)
9. From Education Statistics for NZ, 1998 (Ministry of Education, 1999)
10. From NZVCC Statistical Collection 2000 (NZVCC, 2001)

Limestones
Regionals
Unitechs

For each characteristic, the eight universities are ranked from 1 to 8, where 1 represents the largest value and 8 the smallest, with the exception of the student to staff ratio, where 1 represents the smallest ratio and 8 the largest.

Significantly, there is no clear and distinctive pattern of university groupings that emerges from this analysis, in contrast to the indicators of Australian universities presented in Table 4.4. Certainly, on a basis of the indicators used, it is not easy to categorise the New Zealand universities into the three broad groupings of 'limestones', 'regionals' and 'unitechs' that were outlined from a general system perspective earlier in this section. It must be accepted that these indicators are essentially an arbitrary selection, and a different selection could produce a different pattern of university similarities and differences. What is important about these indicators and the data presented, however, is that they are reasonably accessible, and therefore represent a view of the universities that is reasonably and consistently available for interpretation.

A potentially more useful presentation of the data presented in Table 6.6 is possible if the indicators are grouped together to reflect broader characteristics of New Zealand universities. The eleven indicators can be grouped to reflect five broad characteristics of a university that could help identify institutional diversity. Given that these characteristics are broadly analogous to those used by Ashenden and Milligan (1999), and allowing for the lack of comprehensive and consistent data for New Zealand universities, it could be argued that these characteristics reflect a student perspective of diversity. These characteristics and the associated indicators are as follows:

- **Institutional Size**: indicated by total EFTS, and total student numbers.
  Note that these two characteristics do not have a complementary relationship. For example, the University of Auckland has a very large EFTS enrolment (ranked 1) and a large total student enrolment (ranked 2). In contrast, AUT has a relatively small EFTS enrolment (ranked 6) but a high total student enrolment (ranked 3). Both characteristics impact on perceptions of size of a university.

- **Learning Environment**: indicated by the percentage of part-time students, and the student-to-academic staff ratio.
  The percentage of part-time students can be used to indicate the extent to which a university is willing to accommodate non-traditional students who are not able or do not wish to study full-time. It therefore provides a broad indication of a university's approach to learning flexibility. The academic staff to student ratio is one of the most frequently misused performance indicators in higher education. It is also inconsistently derived, with

universities having different interpretations of what constitutes an academic staff member. Never the less, it may be used to indicate, in a quantifiable way, the extent to which academic staff may be accessible to students, with a lower ratio suggesting greater accessibility. In these ways, both the percentage of part-time students and the student staff ratio may be used to give a general impression of a university's learning environment.

- **Cultural diversity**: indicated by the percentage of Maori students and the percentage of international students.
  Cultural diversity could be more accurately represented by the inclusion of data reflecting other ethnic groups. However, Maori enrolments on the one hand have special significance to New Zealand as a reflection of commitment to the principles of the Treaty of Waitangi, and international enrolments, on the other, give a general indication of the extent to which other cultures are present on a university campus. It is worth noting yet again that consistent data on students from ethnic groups other than European, Maori and Pacific Island Polynesian are not readily available in university annual reports.

- **Financial performance**: indicated by the operating revenue per EFTS and the net surplus as a percentage of total operating revenue.
  These two indicators give different and independent perspectives of a university's financial performance. A high operating revenue per EFTS such as that achieved by Lincoln University (ranked 1) contrasts with this university's net surplus as a percentage of total operating revenue (ranked 5). AUT on the other hand, generated the lowest operating income for 1999, but managed the second largest operating surplus as a percentage of total income.

- **Research performance**: indicated by external research income, the percentage of postgraduate students, and the number of doctorates awarded.
  The characteristics used to reflect overall research performance are not complementary, and each reflects a different aspect of overall research performance. The University of Auckland, for example has a very high external research income[7] (ranked 1), a fairly high percentage of postgraduate students (ranked 3), but a relatively low number of doctorates awarded (ranked 6). By contrast, Victoria University has a relatively low external research income (ranked 6) but a high percentage of postgraduate students (ranked 2).

Table 6.7 presents the consolidation of the eleven indicators of Table 6.6 into the five characteristics outlined above. This has been done by averaging the rankings of the

[7] The high external research incomes of the University of Auckland and the University of Otago reflect the presence of Medical Schools in both of those universities.

indicators associated with each characteristic. The result of this simple manipulation is a measure of the impact of each characteristic for each university relative to the other universities. For example, from Table 6.7, with respect to the characteristic 'institutional size', by *combining* the two independent indicators of EFTS and total student numbers, it is possible to say that Massey and Auckland, as the largest universities, can be differentiated from Lincoln, as the smallest, and that AUT should be considered larger than Waikato and Canterbury and on a par with Victoria.

With respect to the characteristic 'research performance', from the data of Table 6.7 it is possible to say that Otago has the highest research performance, followed closely by Massey, and that AUT and Lincoln have the lowest, with respect to the three indicators used for this characteristic. Once again it must be stressed that different indicators could be selected to give a different result, but not necessarily a more meaningful one.

Table 6.7 The ranking of New Zealand universities according to five institutional characteristics based on data for the 1999 academic year

UNIVERSITY CHARACTERISTICS				
INSTITUTIONAL SIZE	LEARNING ENVIRONMENT	CULTURAL DIVERSITY	FINANCIAL PERFORMANCE	RESEARCH PERFORMANCE
Massey	Massey	Waikato	Otago	Otago
Auckland	Waikato	AUT	Victoria	Massey
Otago	Otago	Otago	Lincoln	Auckland
Victoria	Auckland	Lincoln	Auckland	Victoria
AUT	AUT	Massey	AUT	Waikato
Canterbury	Victoria	Auckland	Canterbury	Canterbury
Waikato	Lincoln	Victoria	Massey	Lincoln
Lincoln	Canterbury	Canterbury	Waikato	AUT

Note that the data utilised for this summary table represent a snapshot of university performance for 1999 only. While it is reasonable to expect most of these data to be consistent in a relative sense from one year to the next, that may not always be the case.

This is particularly true for the characteristic 'financial performance', evidenced by the fact that several universities have reported significantly poorer performance during 2000 than in 1999.

The importance of this analysis is not the 'league table' ranking of universities but rather their potential to group themselves in a consistent way across the five characteristics. Looking at Table 6.7, it is possible to say that Otago, Massey and Auckland are larger, research-intensive universities with relatively good learning environments. Conversely, Canterbury, Lincoln and AUT are smaller universities with relatively low research performance and relatively restricted learning environments. In between, and less obviously grouped together, are Waikato and Victoria. These groupings of New Zealand's universities are somewhat different from those previously described using the Marginson approach.

Significantly, this analysis, based on characteristics derived from eleven readily available indicators of university performance, ignores one of the most important characteristics of a university, namely, its mission and values as articulated in its positioning statements. With this in mind, the positioning statements of the eight New Zealand universities have been analysed on a similar basis to that attempted for selected Australian universities in Chapter 4. The analysis is based on the identification and extraction of key words and phrases, and the comparison of the use of these words and phrases in the different institutions. The underlying assumption is that institutions which have the same or very similar sets of key words and phrases in their positioning statements are likely to be similar kinds of institutions. The converse of this, that institutions which do not have the same range of key words and phrases must be different from one another, is a less certain assumption, for the reasons outlined below. The results of this analysis are summarised in Tables 6.8 and 6.9.

It is important to recognise the limitations of this kind of analysis. First, there is a wide variation in the style and volume of statements written by each university about its position and direction. The universities do not all use the same names for these

statements, and it therefore becomes a matter of judgement to decide what to include in the analysis and what to exclude. Only a few universities have a formal values statement, so the values of each university have been extracted from positioning statements wherever they occur. Some statements are succinct and brief, and contain only a few key words that can be extracted for analysis. At an extreme, Massey University does not refer to values at all in its brief published positioning statement. Others are comprehensive and sometimes circumlocutory, and contain a large number of key words and phrases. There is also the matter of accessibility. Surprisingly, not all of the universities have their positioning statements readily accessible on their Internet sites, while others provide easy access to comprehensive statements of strategic intent and corporate plans. The same variability applies to the institutions' annual reports.

Table 6.8 shows that most universities make direct reference to core characteristics such as 'knowledge and understanding', 'teaching and learning', 'research', 'scholarship' and 'service' as being central to their purposes. It would therefore be reasonable to view these as core characteristics of a university, even though some of these characteristics are not directly referred to by some universities at all. For example, the University of Canterbury and the University of Waikato make no specific reference to 'teaching and learning' in their positioning statements, but these are never the less central activities of these institutions.

By contrast, references to 'vocational and community education', to 'consultancy' as a form of research, and to 'service to the professions and trades' are made only by AUT, specific reference to 'natural resources' and 'sustainability' are made only by Lincoln, and Massey is the only university to emphasise 'extramural teaching and learning'. This suggests that these universities may be distinctive in each of those particular respects. Clear points of distinction for the other universities are less obvious, and they appear to have more commonality than difference. Variation from one to another is more likely to be a reflection of the inconsistency of the material analysed than it is a reflection of genuine differences between these universities.

Table 6.8 Analysis of the purpose of New Zealand universities, as stated in their positioning statements

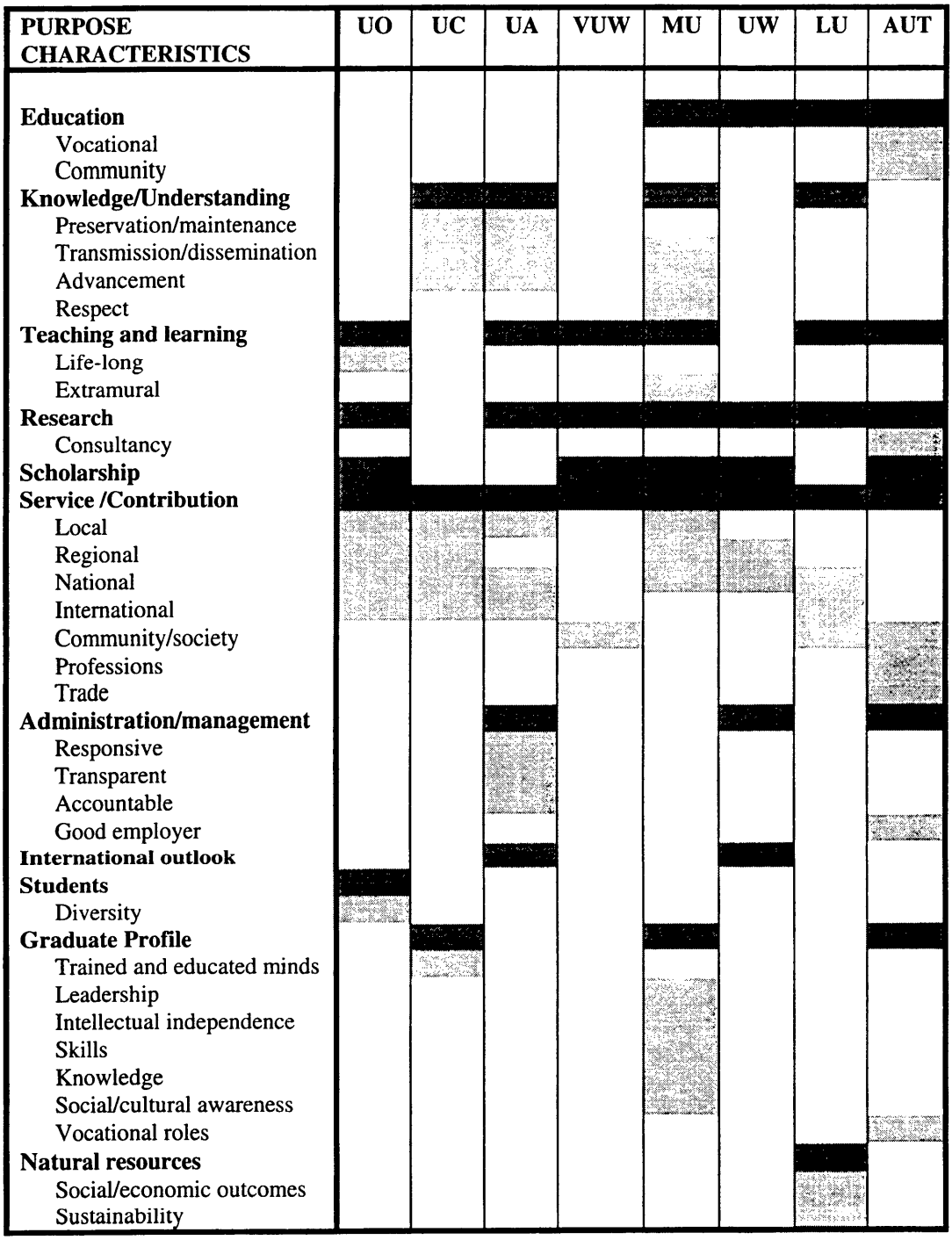


Table 6.9 Analysis of the values of New Zealand universities as stated in their positioning statements

VALUES CHARACTERISTICS	UO	UC	UA	VUW	MU	UW	LU	AUT
Social commentary		■						
Collegiality		■						
Diversity		■						
Ethical Standards			■					
Multicultural role		■	■					
Academic freedom		■				■		
Intellectual rigour			■					
Critical enquiry		■	■					
Quality/excellence		■	■	■		■	■	■
International standing		■	■	■		■		
Treaty of Waitangi		■	■			■	■	■
Campus environment	■					■	■	■
Equity			■			■		■
Creativity				■		■		■
Accessibility						■		
Value						■	■	
Client focus						■		
Innovation						■	■	■
People focus						■		■
Relevance						■		■
Effectiveness								■
Efficiency								■
Accountability								■
Enabling							■	

When it comes to the values expressed by the universities in their positioning statements (Table 6.9), a similar pattern arises. Most of the universities make specific reference to 'quality and excellence', four refer to 'international standing', and a different four to the 'Treaty of Waitangi'. For the other values, 'limestones' such as Canterbury talk of 'collegiality', 'social commentary', 'ethics', 'academic freedom' and 'intellectual rigour', while Waikato, Lincoln and AUT refer to 'accessibility', 'innovation' and 'people focus'. Again it must be stressed that the absence of a value in the material analysed does not necessarily mean that the university does not hold that particular value, only that it does not overtly state that it does.

CONCLUSIONS

The critical issue in considering this simple analysis and grouping of New Zealand universities is whether the differences between them are more significant than the similarities, and further, whether it is the differences or the similarities that are increasing with time. The answer to these questions becomes one of perspective, just as it does for considerations of diversity in Australian higher education.

From a general system perspective, there has been a clear change in diversity over the three broad periods of pre-war status quo, 1960-1980 expansion, and the 1990s realignment. Before 1990 and the very significant legislative change of that time, New Zealand higher education was in a state of rapid growth in three very well defined and separated sectors, namely the universities, the polytechnics and the colleges of education. The boundaries between each of these sectors were sharp, and they formed a higher education system clearly differentiated by government policy and regulation. Within each sector, however, institutional diversity was limited.

The colleges of education continued to concentrate on pre-service primary and secondary teacher education. The universities were all developing along the traditional lines of a research-led university, and there was a sameness about the programme profiles in each of them, with the exception of a small amount of government control over the establishment of specialist, high-cost programmes such as medicine, dentistry and veterinary science. The polytechnics also had a sameness about them, largely because of the centralised curriculum development of that time, and the absence of virtually any financial independence or academic autonomy.

The contrast between the universities and the polytechnics, as the principal providers of post-secondary education, was particularly evident. The universities had a history and tradition of academic excellence, of teaching the elite (both socially and academically), of academic freedom, of increasing research dependence, and from the early 1960s, of increasing institutional and financial autonomy. By contrast, the polytechnics had an

equally long history, but one marked by the education and training of the less academically able, by centralised curriculum control, by the absence of research, and by very little institutional and financial independence.

The 1990 legislation, and the huge ideological shift towards a market economy, changed all of that. It put the universities and polytechnics on to the same playing field, although this field was sharply tilted in favour of the universities because of the traditional place they had occupied in New Zealand higher education. Two key components of the 1990 legislation dominated events in the 1990s, first, the definitions of a university, a polytechnic, a college of education and wananga contained in Section 162(4) (refer Table 6.4), and second, the change allowing polytechnics to offer degrees.

The new definitions of a university, a polytechnic, a college of education and a wananga did, in theory, provide for a clear distinction between each of these four types of institution. In reality, however, they did just the opposite. The wording of Section 162, 'that universities have all of the following characteristics, and other tertiary institutions have one or more of those characteristics' appears to deliberately acknowledge the fact that each type of institution could have exactly the same characteristics as a university. Further, it would appear to acknowledge that this is likely to occur. For some polytechnics, the legislation allowing them to offer degrees made this inevitable.

There is no doubt, therefore, that institutional convergence has occurred as these polytechnics have taken on more and more of the characteristics of universities throughout the 1990s. For polytechnics such as AIT and UNITEC, the transition has been rapid. Both institutions offered their first degrees in 1992, and eight years later both had more than 50% of their EFTS in degree programmes. With the move to degrees came the complementary development of a research capability and culture for these institutions. It could be argued, then, that these institutions became, in the words of Section 162, 'primarily concerned with more advanced learning, the principal aim being to develop intellectual independence' and thus more and more like the universities from which they were distinguished in the legislation.

At the same time as some polytechnics were becoming more like universities, it could also be said that many universities were picking up aspects of education formerly considered the domain of the polytechnics. As the 1990s progressed, most New Zealand universities have become more entrepreneurial, have engaged more directly with industry, and have offered more vocational qualifications that have traditionally been the domain of the polytechnic sector. Nowhere is that more evident than in Auckland, where both Massey University and the University of Auckland offer an increasing number of applied programmes in direct competition with the polytechnics and, in the case of teacher education, with the college of education.

It is important to recognise that convergence between institutions traditionally called universities and institutions traditionally called polytechnics has occurred only for a few polytechnics. The vast majority of New Zealand's polytechnics have continued to offer vocational certificate and diploma programmes that meet the needs of their regions. Many have established formal articulation arrangements with a university. In this sense they are closer to the American community college model.

Amongst the universities, the illustration of institutional diversity is not straightforward. Whether from the general system perspective, looking at broad characteristics, or from a student perspective looking at characteristics based on readily available performance indicators, or from a government perspective looking at positioning statements and values, there is no clear pattern of institutional differences that allows the universities to be grouped with confidence or consistency. Overall, there is a prevailing impression that New Zealand universities are characterised more by what they have in common than what distinguishes them. Only with the entry of AUT as a new university with a distinctive mission has there been any significant shift in the traditional and conservative pattern of university education, and even AUT has converged significantly with this traditional model.

The question therefore becomes one of whether it is possible to be a truly distinctive university in New Zealand, or whether the normalising pressures imposed on any institution wishing to achieve university status are such that most of this distinctiveness must be discarded. The progress of UNITEC towards its goal of being a 'different kind of university' in this environment is explored in the next chapter.

CHAPTER 7

THE AMBITION TO BE DIFFERENT: THE CASE OF UNITEC INSTITUTE OF TECHNOLOGY

INTRODUCTION

UNITEC Institute of Technology, in Auckland, is the largest polytechnic in New Zealand with a 2000 enrolment of around 16,000 students (7500 EFTS). The institute has more than doubled in size since 1990, and in the process has developed and offered 28 majors in 15 distinct bachelors programmes, and eight masters programmes. Plans for the next several years will see a continued expansion in undergraduate and postgraduate activity, including a PhD programme approved to start in 2001. Driving these activities is UNITEC's primary goal to be redesignated as a university. This is occurring in a highly competitive Auckland tertiary education market, which already boasts three universities, two polytechnics and one college of education, together with branches of several other New Zealand universities and polytechnics, and many private education providers, some of which also offer degrees.

UNITEC's initial decision to become a university was made by its Council in 1993, and a formal application was lodged with the Minister of Education in 1996. This application was subsequently put on hold while national debate took place on guidelines for institutions seeking university status. Slightly earlier, in October 1995, the Auckland Institute of Technology (AIT), a major competitor of UNITEC in the Auckland education market, had also made application for university redesignation. Like UNITEC, it too put its application on hold, but resubmitted a revised application in 1998. This application has since been evaluated, and AIT was formally redesignated as Auckland University of Technology (AUT) from 1 January 2000. UNITEC resubmitted its own application in August 1999, and was in the final stages of preparation for evaluation by an international panel in May 2000, when the Government introduced

legislation into Parliament to restrict the number of universities in New Zealand to eight, the current number. UNITEC's application was suspended, and the panel visit cancelled. The future of UNITEC's goal to become a university now rests with the deliberations of the Tertiary Education Advisory Commission (TEAC), and the recommendations it will be making to the Associate Minister of Education (Tertiary Education) on the structure and funding of tertiary education in New Zealand.

Central to UNITEC's progress towards university status is a clear vision of the sort of university that it wishes to become, and an overt desire to be recognised as a different kind of university in New Zealand. This has been consistently described as a 'university of technology' to distinguish it from other more traditional universities currently existing in New Zealand.

This chapter describes and analyses UNITEC's progress towards its ambition of becoming a distinctive university in the New Zealand higher education system, and in doing so draws on some of the experiences of the post-Dawkins universities of Australia. It also looks briefly at a staff perspective of UNITEC's drive for distinctiveness through an analysis of a series of focus groups involving some 230 academic and general staff at UNITEC.

THE HISTORY OF UNITEC'S PROGRESS TOWARDS UNIVERSITY STATUS

The policy environment of the last twelve years in which UNITEC's application for university redesignation evolved has been outlined in Chapter 6. By far the most significant single event of this period was the passage of the Education Amendment Act in 1990. It would be fair to say that, while the effects of the 1990 legislation were profound, little focused attention was given to the 'definition' of a university in the Act until the mid-1990s, when AIT and UNITEC made public their intention to seek university status.

The previous chapter has outlined the external events that have contributed to the current environment in tertiary education in New Zealand. There were, however,

equally significant internal factors shaping the way the institute developed and responded to this environment. These are outlined in the sections to follow.

The strategic setting

UNITEC embarked on a major strategic planning process in 1993 which culminated in the establishment of the planning document *Vision for a Decade* (UNITEC, 1993). Central to this document was a Vision Statement which, amongst other things, first promoted the notion that UNITEC would seek to become a university. In 1995 a new environmental scan was undertaken and the Vision was reviewed and adjusted. In fact, relatively minor changes were made to the vision statement itself. The revised Vision is presented in Table 7.1

In addition to the revision of the institute's Vision Statement, the 1995 planning process resulted in a new strategic plan for UNITEC with a five-year horizon to the year 2000. This plan comprised three primary strategic initiatives, and five supporting initiatives, each with a series of strategic actions that could be converted into operational objectives, as follows:

> Primary Strategic Initiatives
> 1. To be recognised as a 'university of technology' by the year 2000.
> 2. To maintain targeted growth in enrolments to achieve 10,000 EFTS by the year 2000.
> 3. To ensure that the quality of teaching and learning at UNITEC is continuously enhanced.
>
> Supporting Strategic Initiatives
> 4. To increase the participation level of Maori across all disciplines and by major programme areas to at least 15% total enrolments by the year 2000.
> 5. To increase income from other than Ministry of Education bulk funding to at least 50% total income by the year 2000.
> 6. To promote and enhance long-term relationships with key industry and professional groups, and employers generally.
> 7. To establish UNITEC as an international tertiary education provider.
> 8. To develop and maximise the utilisation of the UNITEC campus while maintaining a superb learning environment.
>
> (UNITEC, 1995)

Table 7.1 UNITEC's 1995 Vision Statement (UNITEC, 1995)

UNITEC will be a unique tertiary institution, offering a holistic multi-level approach to education that will cater for the vocational and general education needs of students at all levels (from preliminary studies to postgraduate degrees).
UNITEC will possess all of the essential elements of a university of technology while retaining a strong commitment to certificate and diploma-level vocational education, and will be renamed accordingly.
UNITEC will emphasise an effective partnership with industry to ensure that programmes are relevant and graduates work ready, and to promote applied work relevant research linking industry needs to vocational education.
UNITEC will have a reputation for providing for the total education needs of specific industry groupings, from initial qualifications through to continuing professional development.
UNITEC will offer a flexible learning environment characterised by innovation in teaching and the use of education technology.
UNITEC will graduate Maori and Pacific Island students in numbers at least equal to their relative percentages in the general population.
UNITEC will promote an international perspective to its activities to ensure that its graduates have the knowledge and skills to succeed in an international environment.
UNITEC will have an unsurpassed inner-city open campus environment providing a comprehensive range of student amenities and services.
UNITEC will have a total commitment to its customers for the quality of education, the quality of service and the quality of the environment.
UNITEC will maintain strong and consistent growth to achieve 10,000 EFTS by the year 2000.

What is abundantly clear from these early planning decisions was UNITEC's determination to be a different kind of university to that which existed in New Zealand at that time. Both the 1995 Vision Statement and the 1995 Strategic Initiatives describe features of an institution quite distinct from those of the existing New Zealand universities, but remarkably aligned to the universities of technology of the Australian Technology Network (ATN). In particular, there are very clear similarities in mission and vision among the three universities which were the subject of investigation in Part Two of this study, namely Queensland University of Technology, RMIT University, and the University of South Australia, and UNITEC. All of these institutions have a

clear commitment to education that leads to employment, a tangible partnership with industry and the professions, applied research, an integration of degree and sub-degree vocational education, and a strong focus on teaching and learning. In 1995, no university in New Zealand aligned with these priorities.

This reality was emphasised in both the 1993 and the 1995 strategic planning reports. The original 1993 report, *Vision for a Decade*, states that

> Within the planning period, UNITEC will clearly develop all the characteristics required for it to be a university, while also retaining the distinctive worth of a polytechnic education in vocational, multi-level applied studies. Therefore, the UNITEC vision elaborated in this report is for a university different from the traditional New Zealand type. As the full range of programmes is put in place, the institution should move to its recognition as a university of technology. (UNITEC, 1993, p.13)

This was elaborated further in the 1995 report which proposed that 'there is arguably a need for a new sort of university in New Zealand, one that offers a holistic approach to vocational and professional tertiary education at undergraduate and postgraduate levels, and focuses on applied research' (UNITEC, 1995, p.11). In proposing this, however, the report also recognised that UNITEC's existing stakeholders were averse to many of the characteristics of traditional universities and would not look favourably at UNITEC's redesignation, believing that the special and valuable character of the institution as a polytechnic would be lost. This mirrors the concern expressed by Professor David Beanland when discussing the transition of RMIT from institute of technology to university, and that institution's reluctance to initially use the university name.

This was a recognition by UNITEC of the paradox of its chosen path to university status. To achieve university status in New Zealand required a high degree of conformity to a traditional model of a university which would result in UNITEC not being the special kind of university that it wished to be. This issue is explored in more depth in the next section.

The 1995 report addressed the practical process of redesignation with this in mind, and recognised that UNITEC would need to satisfy the existing broad criteria that had been developed by the New Zealand Qualifications Authority (NZQA), or convince the Minister of Education that these criteria should be adjusted to reflect the changing international trends in university education and the special sort of university that UNITEC sought to become (*ibid.*, p.14). The NZQA criteria are presented in Table 7.2. At that time they represented the only attempt to amplify the definition of a university set out in the 1990 Education Amendment Act.

Table 7.2 NZQA criteria for the establishment of a university in compliance with the Education Amendment Act 1990 (New Zealand Qualifications Authority, 1992 p.4)

i.	the training establishment will employ a sufficient number of appropriately qualified staff to sustain an academic community and to ensure the maintenance of standards;
ii.	the academic and professional standing of the teachers and the academic potential of the students will be high enough to ensure that international standards are achieved in university-level programmes;
iii.	the range of degree-level work in the training establishment will extend to postgraduate and doctoral programmes, and will cover a variety of disciplines sufficient to enable a breadth of intellectual discourse and research;
iv.	there will be a close interdependence of teaching and research of a high standard;
v.	there will be an appropriate measure of external confidence shown in the organisation by the wider community, in respect of its formal programmes in teaching and research, its function as a repository of knowledge and expertise, and its role as critic and conscience of society;
vi.	the training establishment will have effective quality management systems including internal and external course review and moderation procedures;
vii.	the training establishment will have an effective and well developed management and financial infrastructure; and
viii.	the training establishment will have verifiable financial viability, sufficient to maintain the characteristics of a university.

The 1995 planning report went on to list the characteristics of the kind of university that UNITEC wished to become, namely that

- it will focus on meeting the needs of students;
- it will be known for both its scholarship and innovation and the quality of its teaching and learning environment;
- it will produce 'work-ready' graduates;
- it will work closely with industry, commerce and the community to ensure the relevance and responsiveness of its programmes;
- it will provide multi-level and interdisciplinary education, from foundation to postgraduate studies, with opportunities for staircasing;
- it will focus on applied research in all disciplines;
- it will have a superb campus learning environment while utilising the learning advantages of education technology.

(UNITEC, 1995, p.14)

It also commented that 'the generic term "university of technology" is acknowledged as not being ideal to define the sort of university UNITEC seeks to become' (*ibid.*). However, UNITEC wanted to send a clear signal that, by using the name 'university of technology', it would be quite different from, for instance, a more traditional research university such as the University of Auckland.

Through these planning reports and the summary planning documents that flowed from them, UNITEC began formal consideration of when and how to apply for university status. At the same time similar deliberations were taking place at the Auckland Institute of Technology (AIT), and AIT actually submitted its application for redesignation in late 1995. UNITEC's own application was submitted to the Minster of Education approximately nine months later. UNITEC was to remain behind AIT[1] in its progress to redesignation from then on, with the result that AIT had its application finally considered and approved by the National Government in late 1999, just before it was voted out of office, while UNITEC's application was considered by the new Labour Government in early 2000, with quite a different outcome. The application

[1] In the mid-1990s, UNITEC, as a smaller and younger institution than AIT, was acknowledged as being around 12 months behind AIT in its academic development

process and the political and policy events which affected it are outlined in the next section.

The applications for redesignation

UNITEC's initial application for redesignation was submitted to the Minster of Education in September 1996 (UNITEC, 1996). The thrust of the application was one of 'capacity', in other words that UNITEC had a history of success and growth and firm plans and commitments to ensure that the substance of being a university could be achieved within a reasonable period, even if not all of the required characteristics were initially in place. The application emphasised UNITEC's intention to be a university of technology, and as such to be distinctive within the New Zealand higher education system. In fact, the whole focus of the application was on becoming a 'university of technology', not just a 'university'. This contrasted with AIT's application, which sought 'university' status without such an overt reference to distinctiveness.

The application therefore promoted a liberal interpretation of the legislated definition of a university in order to promote UNITEC's notion of distinctiveness. It addressed each of the clauses of the legislated definition in turn and suggested a contemporary interpretation that would accommodate UNITEC's existing strengths and intentions. The arguments put forward for this interpretation for each clause are summarised below.

i. *Universities are primarily concerned with more advanced learning, the principal aim being to develop intellectual independence.*

UNITEC argued that a conservative view of 'more advanced learning' would be one that placed it within the context of undergraduate and postgraduate degrees of traditional university education. This would equate to Levels 7 and 8 on the National Qualifications Framework (NQF)[2]. A more enabling view would be one that saw 'more advanced learning' encompassing programmes at levels 6, 7 and 8 and therefore including level 6 diplomas as well as undergraduate and postgraduate degrees as

[2] The NQF at that time comprised eight levels of educational attainment of which the first three relate to the compulsory sector, Levels 4 and 5 equate loosely to tertiary certificates, Level 6 to diplomas, Level 7 to undergraduate degrees and Level 8 to postgraduate programmes.

representing 'more advanced learning'. Significantly, when the NZQA eventually prepared detailed guidelines for application to university status, the level 6 argument was acknowledged and incorporated into the guidelines.

ii Their research and teaching are closely interdependent and most of their teaching is done by people who are active in advancing knowledge.

iii They meet international standards of research and teaching.

At the heart of UNITEC's views about these two characteristics was their concern that research would be defined and measured in a traditional manner, and that these characteristics would be interpreted according to the perceived emphasis given to research over teaching in a traditional university. Summing this up, the report comments that

> ...because the overall characteristics of a university presented in the Act can be interpreted to have a strongly traditional flavour, the definition and therefore the indicators of research output and accompanying benchmarks will equally be established on traditional grounds. (UNITEC, 1996, p.27)

Once again, the end result would be that, in order to become a university, UNITEC would be required to conform to traditional university norms that would force it to compromise on the distinctive kind of university it wished to become. UNITEC's vision for a university of technology was one with a research focus '...not necessarily on discovery and the pursuit of knowledge for its own sake. Rather it is on synthesis and applied research, on technology transfer, and the ways in which these activities inform the teaching process' (*ibid.*). UNITEC reiterated its intention to be a 'teaching' rather than a 'research' university, emphasising its differentiation from the major university in Auckland at that time, the University of Auckland.

iv They are a repository of knowledge and expertise.

With respect to this characteristic, UNITEC argued that there are a number of ways in which a university may be represented as a 'repository of knowledge'. These include the intellectual capital of the community of scholars and students undertaking research and study; the resources of the library; and the institutional memory and organisational

culture of the university. In particular, UNITEC emphasised the significance of the advent of new technologies which were rapidly transforming the traditional concept of a physical repository of knowledge.

v They accept a role as critic and conscience of society

UNITEC accepted that this characteristic presented particular difficulties when it came to defining it in measurable terms, even from the perspective of a traditional university. However, the institution did point out that the role of critic and conscience of society extends beyond established notions associated with academic freedom and the right to freely criticise government policy, and should encompass 'challenging established practice in the full variety of the expression of society's values and culture, such as the arts, architecture and design...which are strengths of UNITEC' (*ibid.*, p.28).

Overall, UNITEC's approach to the definition of a university summarised above suggests that it was attempting to do two things. First, and overtly, it was trying to promote a liberal interpretation of the definition of the university contained in the Education Amendment Act 1990. This would then underpin the case for the establishment of a distinctive and different kind of university in New Zealand, because such an institution, and the institutional diversity it would generate, would be beneficial to New Zealand's social and economic development. In doing this it was fighting a very traditional university establishment that was keen to preserve its conservative values and defend its boundaries against any perceived dilution of its ideals.

Secondly, UNITEC was, without question, putting forward an argument for the interpretation of the legislated definition of a university that would result in its own application being successful. In other words, quite understandably, it wanted the definition of a university to be aligned as far as possible to its own existing performance. In this scenario, the issue of distinctiveness could be seen as a *consequence* of the approach to university status, rather than the reason for it. There is no doubt that in 1996, when this application was prepared, UNITEC had a very marginal case for redesignation based on actual performance, even with a liberal interpretation of the Act. This was the reason that the application was based on capacity

rather than demonstrated performance. It was a long way from meeting the qualitative and quantitative performance standards exhibited and upheld by the existing traditional New Zealand universities.

In March 1997, the AIT application was placed on hold while the NZQA established guidelines for the evaluation of an institution's application for university status. These guidelines, the *New Zealand Qualifications Authority Guidelines for the Interpretation of Section 162(4) of the Education Act 1989*, were prepared in draft form for consultation in May 1997. At this stage, recognising that the final guidelines would not be available for some time, and also taking into account the Government's announcement of a Tertiary Education Review and the uncertainties associated with this action, UNITEC also advised the Minister that it wished to have its application suspended.

AIT's application was fully revised and resubmitted in April 1998. UNITEC, however, waited until the Tertiary Review Green Paper was published in 1999, and notified the Minister in May 1999 that it wished its application to be reactivated.

UNITEC finally submitted a fully revised and updated application for redesignation in August 1999 (UNITEC, 1999). This application had the benefit of being developed to reflect NZQA criteria for the establishment of a university which had already been applied to the evaluation of AIT's application. The application also reflected four more years of growth and development and an increased sense of academic maturity for the institution. In form and function, therefore, it looked far more like a university than it did at the time of the original application in 1996.

Critical changes had occurred in three areas. First, UNITEC had expanded its undergraduate and postgraduate degree enrolments from 1289 EFTS (25.4% total EFTS) in 1996, to 3008 EFTS 48.4% total EFTS) in 1999. Significantly nearly 3% of these degree EFTS were at postgraduate level. Second, UNITEC had greatly expanded its research performance in terms of internal and external funding support and research outputs. Third, the institute had changed its academic staff profile by nearly doubling

the number of PhD and Masters qualified staff compared with 1996, and had appointed its first professors (*ibid.*)

Interestingly, each of these major changes were, in themselves, very mainstream developments that made UNITEC look more like the existing universities in New Zealand. However, UNITEC's new application continued to stress the need for a different kind of university, which it called a 'university of technology'. This type of university, it was maintained, would play a critical role by

- Providing essential and critical links between education and practice;
- Providing a comprehensive range of post-secondary educational opportunities;
- Producing graduates equipped for employment and subsequent professional development;
- Bringing industry practice and flexible education together in applied research and consultancy;
- Promoting innovation, progress and critical thinking in industry, commerce and the community;
- Adding value to people in work by providing timely and relevant lifelong learning opportunities;
- Providing linked applied educational pathways for students at all stages of their development;
- Increasing the breadth and depth of higher education, providing more choice for students; and
- Providing clear and expert leadership for vocational and further education. (*ibid.*, p.8 Section 1)

The application went on to state that '...New Zealand universities, as presently constituted and resourced, are neither equipped nor expected to deliver against the full range of these expectations' (*ibid.*). The clear implication was that UNITEC, as a distinctive university of technology, *would* be equipped to deliver on these expectations. The application also made it clear that UNITEC was committed to its ambition to become a distinctive university of technology, rather than 'following the simpler pathway by aligning our strategies and priorities with those of the established universities' (*ibid.*, p.12 Section 1). The acceptance that this path was more problematic and harder to achieve than conformity to the established norms for a New Zealand university closely parallels the experiences of the Australian universities of technology

outlined in Chapter 5 of this study. Each of the vice chancellors commented in a similar vein that their chosen path was a difficult one, but that they would rather pursue their distinctive vision than take the easier route and become a second-rate 'traditional' university.

UNITEC also advocated the need for New Zealand to have a comprehensive, practical and responsive university of technology, rather than further universities of the style already in existence. The argument was persuasive, and probably assisted the cause of AIT's application for redesignation, whose protracted negotiation for university status with the then National Government was reaching a conclusion[3]. Interestingly, the notion that New Zealand may already have enough universities was to become an issue of critical importance to the progress of UNITEC's application in the first half of 2000.

The balance of UNITEC's application focused on detailing its performance relative to the NZQA Guidelines for the interpretation of the legislated definition of a university. There is no question that UNITEC's performance in critical areas had advanced significantly since its earlier 1996 application, and that, in its development over that three-year period, UNITEC had become more like a 'university'. However, this progress inevitably came at some cost, and for UNITEC, that cost was greater conformity to the established university model in New Zealand. This is not to say that UNITEC had lost its distinctiveness. It remained committed to a vision of a vocational, practice-based university of technology, and articulated this at every opportunity. It also established a formal 'sponsorship' relationship with RMIT University, on the basis that the latter university had a particularly good fit in terms of history, mission and style to UNITEC's own direction, and could therefore offer strong support and guidance to UNITEC on its path to university status and as a fledgling university of technology. The study of RMIT's determination to be a distinctive university in Australia which was presented in Chapter 5 suggests that UNITEC's choice was a good one.

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[3] The Minister of Education, the Hon Max Bradford, announced that AIT's application for university status was successful in September 1999, just before the General Election in which the National Party was voted out of office, to be replaced by a 'left-leaning' Labour-led coalition Government. AIT officially became AUT on 1 January 2000.

Notwithstanding this overt commitment to be different, much of UNITEC's progress towards achieving a performance level appropriate to university redesignation has occurred in fundamental areas that could be considered close to the heart of a traditional university. These developments included:

1. A prioritising of postgraduate programme development and a drive to increase the number of postgraduate students.

   To fully align with its mission, it could be argued that UNITEC should have been concentrating on coursework Masters degrees to support the continuing professional development of people wishing to further develop their careers and employment prospects. However, to achieve university status there was a clear requirement to have research Masters degrees in place, and to have students actively engaged in supervised research. Expediency drove programme development along the latter path. In a similar way, UNITEC recognised that it needed to have doctoral level programmes in place to enhance its application. While it could be argued that UNITEC's vocational mission and desire for distinctiveness supported the development of professional (named) doctorates, rather than the traditional research training PhD degree, it was the latter that was first developed and ultimately approved at UNITEC.

2. The development of a research culture and a dramatic increase in research activity.

   There was no question that UNITEC's research performance at the time of the 1996 application was minimal. By 1999, the institution's research outputs had increased from around 260 in 1996 to over 800, of which 20% were multi-authored, 21% were presented at international conferences, and 41% were refereed (Pringle, 2000). The focus on the development of a research culture had clearly paid dividends, but the performance indicators against which UNITEC measured its progress were those of the traditional university. In particular, the accepted quality indicator of peer review through refereed publication became central to the evaluation of UNITEC's research performance. It could be argued

that UNITEC, with its commitment to applied research and industry support, should have prioritised consultancy and industry research contracts. However, as neither of these forms of research generates outputs valued by the traditional university, UNITEC has been forced to prioritise more traditional approaches to the development of its research culture.

Another aspect of UNITEC's commitment to the development of a research culture has been the extent to which this has the potential to undermine the institution's commitment to teaching and learning. There is a real risk that UNITEC's recent emphasis on improving its research performance through the provision of staff awards and incentives, promotion criteria, and a general recognition of research success has resulted in some academic staff deliberately placing emphasis on research activity at the expense of their teaching. This opens the institution to the risk of the much maligned 'publish or perish' syndrome of the traditional university, and an environment in which teaching is something to be endured rather than celebrated. This would clearly be counter to UNITEC's stated commitment to teaching and learning.

3. The increase in the qualification level of academic staff

Prior to offering its own degrees in the early 1990s, the emphasis for the recruitment of teaching staff at UNITEC was placed on the depth and currency of their practical experience, rather than their academic qualifications, although the latter were still important. This became a key differentiator for the institution as it established its reputation for applied qualifications which integrated theory with practice and produced work-ready graduates. However, at the time of the first application for university status, it had become apparent that UNITEC needed to significantly raise the formal qualifications level of its academic staff. This it achieved with some success over the period up to the second application in 1999, but in doing so, it made a significant number of appointments of new staff with doctorates, who had extensive academic careers in the university sector. These new staff brought to the institution a different set of values and organisational

culture imperatives which influenced cultural change at UNITEC. The absence of relevant recent work experience amongst these new staff, and their commitment to research and the traditions of a more conservative university environment, have resulted in a shift for UNITEC towards a more academically driven culture closer to that of existing New Zealand universities. Significantly, this same shift was recognised and commented on by many of those interviewed from the Australian universities of technology used as illustrations in Chapter 5.

All of these developments are quite predictable when the histories of Australian universities of technology are considered. The illustrations of Chapter 5 show that those interviewed recognised the convergence that had occurred between the universities of technology and the more traditional Australian universities, and acknowledged that some of that convergence was the result of the movement of their own institutions towards the established practices of their older university neighbours. When viewed in this context, UNITEC's shift to adopt some of the ways of the universities it is keen not to become is predictable. In terms of the paradox UNITEC faces, namely that to become a university in New Zealand requires conforming to a traditional university model that is counter to its objective to be a distinctive university of technology, the shift is understandable. Time will tell the extent to which UNITEC is able to withstand these inevitable convergence tendencies as it progresses its vision to be a different kind of university in New Zealand.

Challenges to the application

UNITEC's application for redesignation was referred to the New Zealand Qualifications Authority (NZQA) by the then Minister of Education, the Hon Max Bradford, in September 1999. One month later, in October 1999, he announced the decision to redesignate AIT as a university. In November, the National Party lost the national election, and Max Bradford was replaced as Minister of Education by Labour's Trevor Mallard and, significantly, by Steve Maharey as Associate Minister of Education (Tertiary Education). It was Steve Maharey, a former social science lecturer at Massey University and the Member of Parliament for Palmerston North, the constituency in which Massey University is located, with whom UNITEC had to negotiate the progress

of its application.

NZQA has the legislated responsibility to evaluate an application for university status and to advise the Minister accordingly. To do this with respect to UNITEC's application it utilised the *NZQA Guidelines for the Interpretation of Section 162(4) of the Education Act 1989*, which it had developed in mid-1997 to deal with the AIT application. It also appointed an international panel to evaluate UNITEC's application in accordance with the Guidelines. The panel was established in January 2000 after widespread consultation, including the New Zealand Vice Chancellors' Committee (NZVCC), and comprised senior university academics from Scotland, Australia and New Zealand, together with New Zealand polytechnic and industry representatives, and an independent chair. It was scheduled to evaluate UNITEC's written application and appropriate supplementary material, and then to visit the institution at the end of its evaluation period in May 2000.

In early February 2000, NZQA received a letter from the NZVCC asking that the Guidelines for university status be reviewed, and that the evaluation of UNITEC's application be put on hold until this task had been completed. NZQA declined this request, commenting:

> We believe that the current guidelines and processes provide a reasonable basis for the Authority's advice to the Minister on UNITEC's application for university status. In developing these guidelines and processes we have taken due care in ensuring that they reflect the requirements of the Education Act 1989 in a fair manner. (Kingsbury, 2000[4])

In response, the NZVCC forwarded a legal opinion on the guidelines that proposed that 'the guidelines do not comply with the statutory requirements and are unlawful. On the basis of this opinion, NZVCC considers it essential that the guidelines, and the evaluation process itself, are reviewed before the UNITEC application proceeds' (Fogelberg, 2000[5]). This letter was followed by a further exchange of correspondence.

[4] Norman Kingsbury, CEO, NZQA, in a letter to the Chair of the NZVCC, 18 Feb. 2000.
[5] Graeme Fogelberg, Chair, NZVCC, in a letter to the CEO of NZQA, 22 Feb. 2000.

Finally the NZVCC prepared draft Court proceedings naming UNITEC, the NZQA and the Associate Minister of Education (Tertiary Education) as defendants. It sent these to the NZQA and the Minister with a clear threat that they would be filed in the High Court if the Minister did not ensure that the NZQA reviewed its guidelines before the latter's evaluation of UNITEC's application proceeded any further.

The eventual result of this aggressive activity by the NZVCC was a tripartite meeting between NZQA, NZVCC and UNITEC, with their legal advisers. This took place in late April 2000, and the subsequent negotiation that occurred resulted in NZVCC proposing a revision to the direction given to the panel considering UNITEC's application. This revision was presented for consideration by UNITEC and NZQA in early May 2000. Not surprisingly, it was designed to make the evaluation process much more rigorous. Essentially, the NZVCC proposal would have circumvented the contentious NZQA Guidelines by requiring the panel to ensure that UNITEC:

> ... at the time of its application, meets each of the individual characteristics outlined in section 164(4)(a)[sic] and 162(4)(b)(iii), bearing in mind that failure to meet fully any individual characteristics will mean UNITEC does not meet the characteristics of a University set out in section 162(4)(a) and 162(4)(b)(iii). (Neutze, 2000[6])

In other words, UNITEC would have to fully meet all of the characteristics as described in the Act to be redesignated. This would leave no room for capacity or expectation, and would not allow the panel any opportunity to take the institution's past progress and future planning into account. Capacity was clearly a factor utilised in the evaluation of AIT's application, and remained a bone of contention for the NZVCC. UNITEC, not surprisingly, disagreed with many of the changes that NZVCC wished to make. Never the less, there was a reasonable expectation by all parties that the negotiations would reach a successful outcome.

A critical backdrop to this prolonged exchange, which began in February 2000, was that, while the NZVCC challenge was unfolding, the evaluation of UNITEC's

[6] D J Neutze, Partner, Bookfields Lawyers acting for the NZVCC, in a letter to NZQA solicitors.

application by the international panel was proceeding quite independently, on schedule, and the panel was preparing for its visit in May in accordance with the original NZQA timetable. At the same time, as well as responding to the NZVCC, UNITEC was thoroughly preparing itself for the panel visit with every expectation that it would proceed, and that its evaluation would be successful.

It therefore came as a complete surprise when, on 15 May 2000, two weeks before the panel was due to arrive at UNITEC, the Associate Minister of Education (Tertiary Education) introduced legislation to Parliament limiting the number of universities in New Zealand. The full text of the Bill, the *Education (Limiting Number of Universities) Amendment Bill* is presented in Figure 7.1. This Bill effectively limited the power of the Minister to recommend the establishment of a new university if it would result in there being more than eight universities in New Zealand (the current number).

The Minister wrote to UNITEC the day after the Bill was introduced to the House, giving his reasons for introducing the Bill.

> This Government's policy statement, issued in September 1999, noted that the Government does not support moves to blur the distinctions between categories of tertiary institutions and providers. Distinctions between types of institution, such as the concept of "university of technology' and 'research university", need to be further explored in the context of developing a widely shared strategic direction for the tertiary sector.
>
> The Government does not wish there to be more universities established in New Zealand until it has considered the advice of the recently established Tertiary Education Advisory Commission (TEAC) on this matter...
>
> You are aware that UNITEC's request for consideration of conferral of university status is currently before me. You are also aware that the statutory process for this request was commenced by the former Minister. I have given careful consideration to my statutory obligations in continuing with that process and have received advice on that. In view of the Bill, I believe that it would be imprudent for the statutory process for the UNITEC request to continue (Maharey, 2000[7]).

[7] The Hon Steve Maharey, Associate Minster of Education (Tertiary Education) in a letter to Dr. John

Figure 7.1 The Education (Limiting Number of Universities) Amendment Bill

Hon Steve Maharey

Education (Limiting Number of Universities) Amendment Bill

Government Bill

Contents

The Parliament of New Zealand enacts as follows:

1 Title

(1) This Act is the Education (Limiting Number of Universities) Act **2000**.

(2) In this Act, the Education Act 1989[1] is called "the principal Act".

[1] 1989 No 80

2 Commencement

This Act is deemed to come into force on, **15 May 2000.**

3 Establishment of institutions

Section 162 of the principal Act is amended by inserting, after subsection (3), the following subsection:

"(3A)The Minister may not recommend the establishment of a body as a university if, were the proposed university to be established, there would then be more than 8 universities in New Zealand."

Significantly, the two Education Ministers wrote to the Prime Minister on 5 May 2000 seeking approval for urgent legislation to limit the number of universities in New Zealand. In this letter they stated that 'the policy of this Government is not to have an

Webster, CEO, UNITEC, 16 May 2000.

increase in the number of universities' (Mallard and Maharey, 2000[8]). By contrast, on 4 May 2000, the Ministry of Education's Senior Solicitor, Bob Sheppard, in a letter to the Senior Parliamentary Counsel requesting that a draft Bill be prepared, commented that 'the Ministers *believe* that this is in accordance with the Government's policy statement on tertiary education issued in September 1999' (Sheppard, 2000[9]) (italics added by the writer).

A number of conflicting and confounding issues emerge from these events. The proposed legislation to limit the number of universities in New Zealand was justified by the Ministers on the basis that it represented Government policy established in September 1999, before the election. A thorough examination of the Labour Party's policy statement on tertiary education, *Nation Building: Tertiary Education and the Knowledge Society*, (New Zealand Labour Party, 1999) does not identify any references to a policy limiting the number of universities. However, the September policy statement does state that:

> Labour does not support moves to blur the distinctions between categories of institutions and providers. Each has an important role to play in a comprehensive education system.
> Labour will maintain the current definitions, and will expect institutions and providers to develop their own specialisations within those formal categories.
> For example, UNITEC has been seeking to become a 'university of technology'. Auckland University has been setting out the terms of reference for a 'research university'. Labour will explore these and other possibilities with the institutions. (New Zealand Labour Party, 1999, pp.8-9)

Given the Ministers' belief that the decision to limit the number of universities in New Zealand was based on Government policy established in September 1999, one of the imponderables of this event is why the Ministers waited until two weeks before the panel visit in May 2000 to activate a policy decision that was made six months earlier. It is also hard to understand why the Ministers made no effort to explore the

[8] The Hon Trevor Mallard, Minister of Education and the Hon Steve Marahey, Associate Minister of Education (Tertiary Education) in a letter to the Rt Hon Helen Clark, Prime Minister, 5 May 2000.
[9] Bob Sheppard, Senior Solicitor, Ministry of Education in a letter to Geoff Lawn, Senior Parliamentary Counsel, 4 May 2000.

possibilities of UNITEC becoming a 'university of technology', in accordance with their policy statement, during that same period.

The final act in this episode came from the NZQA. In the absence of a clear directive from the Minister to cancel the panel visit and bring UNITEC's application to a halt, Norman Kingsbury, the Chief Executive of the NZQA, wrote to UNITEC on 19 May 2000 stating that he had 'decided to cancel the scheduled panel visit to UNITEC and suspend the process for providing advice to the Minister regarding UNITEC's application until the outcome of the Bill is clear or the Minister directs the Qualifications Authority otherwise' (Kingsbury, 2000[10])

In the meantime, the Bill, informally known as 'the UNITEC Bill', was referred to the Government's Education and Science Select Committee, and in due course, after strenuous submissions from UNITEC and other interested parties, it was agreed that no further action on the Bill be considered until March 2001. By then, however, the damage had been done, and UNITEC's application for redesignation as a university had been deferred indefinitely.

STAFF PERCEPTIONS OF A DISTINCTIVE UNIVERSITY OF TECHNOLOGY

The progress of UNITEC towards redesignation as a distinctive university of technology has been described from an institutional perspective (the strategic planning process and the formal applications) and from an external perspective (the NZVCC Challenge and the 'UNITEC Bill'). However, a further important perspective is worthy of examination. This is the internal staff perspective. Arguably, an organisation will struggle to effect its ambition and vision if it does not have 'buy in' from its staff. This section therefore presents the results of a comprehensive investigation of staff opinion of the sort of university of technology UNITEC should become if it wishes to be genuinely distinctive in New Zealand.

[10] Norman Kingsbury, CEO, NZQA in a letter to John Webster, CEO, UNITEC on 19 May 2000.

The investigation was undertaken by using focus groups involving 230 academic and general staff from UNITEC. The way in which these focus groups were established, the actual methods of accumulating the staff feedback and analysing it, and the detailed results of the investigation are contained in the appendix to this study.

The outcomes

The outcomes of the collective staff comment on the form that UNITEC should take as a distinctive university of technology are summarised in Table 7.3.

This picture painted by staff is, in retrospect, predictable, given the extensive promotion and publicity of the institute's vision and the involvement of staff in the preparation of UNITEC's application for university status. It provides a clear picture of a staff perspective of UNITEC as a distinctive university of technology. This will in turn provide the leadership of the institution with a clear indication of where to focus their energy to further build commitment to the university vision.

An important question can be posed in response to these outcomes: is this description of a future university of technology distinctive enough from existing 'traditional' universities in New Zealand to warrant UNITEC's claim that it represents a new kind of university in New Zealand? This question is pivotal. UNITEC's future prospects probably hinge on the successful articulation of the answer to this question, which will include convincing the current Government that this new kind of university is essential for New Zealand's future, and that UNITEC should become one.

If the shape of UNITEC as a university of technology was exactly as presented in Table 7.3, it would take some 'teasing out' of the statements to identify those that are truly distinctive, and that differentiate UNITEC from traditional universities.

Table 7.3 Summary of staff views of UNITEC as a distinctive university of technology

UNITEC as a University of Technology

UNITEC's teaching and learning should
- be student-centred with an emphasis on personalised, interactive, small-group activity;
- utilise technology to achieve flexibility and choice for students;
- respond to the varied cultural needs of a diverse student body;
- be based on a commitment to learning quality facilitated by appropriately qualified staff;
- be applied and based on current industry needs and practices.

UNITEC's research activity should
- be undertaken by staff for the prime purpose of supporting and informing high quality, relevant teaching at both undergraduate and postgraduate levels;
- be applied in nature, and inclusive in its scope and definition, addressing real problems for the benefit of industry and the wider community;
- be underpinned by administrative support that ensures that research activity is appropriately resourced, monitored, recorded and demonstrated;
- be undertaken with full accountability measures utilising outputs that reflect quality as well as quantity.

UNITEC's programmes should
- cover the full range of qualifications from certificates to postgraduate degrees, including doctorates;
- provide students with opportunities to enter formal programmes of learning at levels commensurate with their ability, and exit with qualifications appropriate to their achievement;
- be applied and vocational in nature with strong links to industry;
- promote employment-related skills and knowledge and work-readiness for graduates.

UNITEC's relationships with industry will
- promote UNITEC graduates as first choice for employment;
- be fostered through active advisory committees and the interaction of UNITEC staff and industry in a range of settings;
- benefit both UNITEC and industry through collaborative activity.

UNITEC's student profile will
- emphasise the mature age student in a multicultural environment;
- provide special encouragement for Maori participation and success;
- promote graduates with employment and life skills sought by industry;

UNITEC's staff will
- be postgraduate-qualified for teaching at advanced levels;
- have current industry work experience and understanding;
- be excellent teachers;
- be well supported with adequate resources;
- have a wide range of professional development opportunities, including access to refresher leave.

UNITEC's physical environment will
- promote small-group learning;
- provide extensive computer access for students;
- have a first-class library and research facilities;
- retain its park-like campus;
- provide a range of "university" facilities at the heart of the campus.

The picture of UNITEC as a genuinely distinctive university of technology that would emerge from this exercise is as follows.

> UNITEC's **teaching and learning** would be student-centred with an emphasis on personalised, interactive small-group activity, and would be applied and based on current industry needs and practices.
>
> UNITEC's **research** activity would be applied in nature, and inclusive in its scope and definition, addressing real problems for the benefit of industry and the wider community and informing both teaching and practice.
>
> UNITEC's **programmes** would cover the full range of qualifications from certificates to postgraduate degrees, including doctorates. They would provide students with opportunities to enter formal programmes of learning at levels commensurate with their ability, and leave with qualifications appropriate to their achievement. They would also be applied and vocational in nature with strong links to industry, and promote employment-related skills and knowledge and work-readiness for graduates.
>
> UNITEC's relationships with **industry** would be comprehensive and would benefit both UNITEC and industry through collaborative activity.
>
> UNITEC's **student profile** would have a high proportion of part-time adult learners and would generate graduates with the employment and life skills sought by employers.
>
> UNITEC's **staff** would have current industry work experience and understanding, as well as appropriate academic qualifications.

It is also worth noting two separate comments made by staff about the special nature of a university of technology, and UNITEC's aspirations to become one. According to one focus group, a university of technology '...applies science to the production of new technology, ...[and] needs basic science departments - physics, chemistry, biochemistry, mathematics, engineering, electronics etc; all of which are very weak at UNITEC'.

Another group questioned the place of humanities, and skills-based education, areas of strength at UNITEC, in a university of technology, and suggested that '...in many ways the name "polytechnic" encapsulates what we do more accurately.'

Notwithstanding these comments, two features of the overall staff picture of UNITEC as a distinctive university of technology are particularly significant. First, there is the emphasis on applied, vocational education that is strongly linked to industry needs and employment outcomes. Second, there is the emphasis on linked programmes and qualifications, and the opportunities for students to enter and exit their tertiary education at levels commensurate with their needs and abilities. These are both fundamental features that UNITEC currently possesses, and it is somewhat ironic that these particular features, on which much of UNITEC's potential distinctiveness as a future university of technology rests, are also the features which some traditionalists might argue as reasons why UNITEC should not be reclassified as a university.

CONCLUDING COMMENT

In the 11 years since the passage of the Education Amendment Act (1990), UNITEC has, in a well-planned and very focused way, attempted to realise its ambition to become a distinctive institution within the New Zealand higher education system. It has unwaveringly believed that this institution should be called a 'university of technology'. Significantly, over this period, it has gradually developed a high level of support and commitment from staff for this ambition and for the critical features of a 'university of technology' that would make it distinctive, and has developed many of these features while still legally designated a polytechnic.

However, the current New Zealand Government has seen things differently. For reasons which remain unclear, UNITEC's application for university status, as a distinctive 'university of technology', has been blocked. It could therefore be argued that institutional ambition, even when strongly supported by the staff, has little significance in the face of national policy decisions, even when the basis of that policy is obscure. This issue is further addressed in the final chapter.

CHAPTER 8
CONCLUSIONS

INTRODUCTION

The body of this study, developed in Parts One, Two and Three, provides a blend of context, illustration and analysis of issues impacting on systemic diversity in higher education in Australia and New Zealand, and the ways in which this diversity may be realised. Part One provided the underpinning context for this study. Chapter 2 introduced the broad international canvas on which a brief history of the university was painted, together with an overview of the contemporary university and its uncertain future. From this can be drawn some of the threads that help to identify the characteristics of a modern or post-modern university that will in turn provide a basis for considering the extent of differentiation possible between universities.

Chapter 3 looked specifically at diversity and differentiation in higher education in an international context. It provided an explanation of what systemic diversity is, and provided a series of seven vignettes of diversity in national systems of higher education from Europe and North America. In each case, the dramatic growth in participation in higher education after the Second World War is identified as a catalyst for government policy aimed at increasing the differentiation amongst higher education institutions, and thereby increasing access and choice for student consumers. These illustrations provided examples of the intended and unintended outcomes of this government policy on matters of institutional diversity and institutional ambition, and formed a context from which a more in-depth study of the higher education systems of Australia and New Zealand could be made in Parts Two and Three.

Part Two of this study looked at Australian higher education. Building on the general international history of the university outlined in Chapter 2, Chapter 4 provided a detailed summary of Australia's post-war higher education history, focusing on the

government's responses to the rapid growth in participation that took place after the Second World War. The critical policy decisions of this period were to move to a binary system in the 1960s, and then back to a unitary system of higher education in the late 1980s. In each case the policy was predicated on a basis of increasing differentiation and therefore increasing opportunity for students. The impact of the unitary system on diversity in contemporary higher education was then investigated from different perspectives. This investigation showed that diversity is perspective-dependent, and that some factors that might be considered important measures for diversity for one stakeholder are of little significance for another. Overall, the findings indicated a complex mix of convergent and divergent tendencies amongst Australian universities, with more of the universities looking increasingly similar and fewer looking markedly distinctive. Amongst the 37 universities in Australia, the clearest differentiation occurs between the older research universities ('sandstones' and 'redbricks' of Marginson and Considine, 2000), and the newer universities of technology (Marginson and Considine's 'unitechs'). All of the other Australian universities fall in a loosely differentiated huddle somewhere in between.

Chapter 5 focused on institutional differentiation. It presented three illustrations of institutions that had deliberately set out to be distinctive universities by comparison with their more traditional counterparts. The three institutions, each a member of the Australian Technology Network of universities of technology, have established and maintained a distinctiveness that, in spite of some inevitable convergence between them and more traditional universities, continues to reflect the institutional ambition that marked their designation as universities.

Part Three of this study runs a similar story line to that of Part Two, but in this case the setting is New Zealand, and the focus is on a single institution, UNITEC Institute of Technology, and its ambition to be recognised as a distinctive university within the New Zealand higher education system. Chapter 6 provides a contextual history of post-war New Zealand higher education. In particular it charts the development of New Zealand's eight universities and 22 polytechnics, with a particular emphasis on the evolution of the higher education system over the last ten years in response to major

policy reforms of the late 1980s. The chapter then considers the ebb and flow of differentiation amongst these institutions from a variety of perspectives, and concludes that differentiation amongst universities has not occurred to the same extent as that in Australia over the same period.

Chapter 7 illustrated this with a case study of UNITEC's progress towards establishment as a distinctive 'university of technology' in New Zealand. This chapter described the interruptions and barriers to UNITEC's progress, and the ultimate decision of the government to limit the number of universities in New Zealand to eight, thus effectively preventing UNITEC from achieving university status in the medium term. The chapter concluded by reflecting on UNITEC's ambition to become a distinctive kind of university in New Zealand in the light of internal perceptions and external constraints.

This chapter, the final of this study, will draw together the various threads of evidence about institutional diversity to answer the research question and reflect on the propositions which were first formulated in Chapter 1. Each of the ten propositions about the enhancement or inhibition of diversity in a higher education system will be reviewed on a basis of the evidence from the various investigations and illustrations presented throughout this study. The chapter will conclude with some reflections on the environments in which institutional ambition and government policy may or may not combine to promote diversity in a national higher education system.

PROPOSITIONS ON DIVERSITY IN HIGHER EDUCATION

In Chapter 3 it was shown that in the context of higher education, the terms differentiation and diversity are used to describe a wide range of phenomena related to differences between and within higher education systems. (Stadtman, 1980; Birnbaum, 1983; Huisman, 1995; Kivinen and Rinne, 1996; Meek, Goedegebuure, Kivinen and Rinne, 1996).

Much of what has been written about diversity has used qualitative and anecdotal evidence to describe differences between institutions. Relatively few researchers (for example, Birnbaum, 1983; Huisman, 1995, 2000; Meek and Wood, 1998) have looked at ways of measuring differences between institutions. However, as outlined in Chapter 3, one of the critical issues for these quantitative analyses is the selection of variables, and the meaning that is attached to them. As Huisman (2000, p.45) points out, at one extreme it is possible to select such an extensive group of variables as to make every institution unique, thus achieving theoretical maximum diversity for higher education system. Another critical issue is the selection of the appropriate analytical methodology, and Huisman demonstrates that different techniques can produce different results for the same data set.

Huisman offers a conceptual model to deal with these issues. Essentially this involves selecting variables, gathering meaningful data on these variables and establishing institutional profiles, applying relevant analytical techniques, and finally interpreting the results in terms of institutional diversity (*ibid.*, p.44). However, he does not take into consideration the problematic nature of variable selection, and the importance of linking the set of variables to the stakeholder from whose perspective diversity is being considered.

In various settings throughout this study, it is shown that one of the fundamental difficulties with the selection of variables and consequential measurement of diversity is that diversity means different things to different interest groups. From an applied perspective, it is considered important to identify the stakeholders for whom the notion of diversity is meaningful, and then to establish what that notion is. An appropriate selection of variables should then be possible. For example, the government is a key stakeholder in the higher education system of any country and, as indicated in national summaries presented in Chapter 3, and the more detailed material on Australian and New Zealand higher education in Parts Two and Three, in many countries government policy is based on the concept of a diversified higher education system. For the government, this diversity is likely to be determined by a consideration of the system as a whole, and the range of institutions within the system based on broad highly visible

institutional parameters such as mission, student load, programme level and research activity. In other words, using the biological model, governments are more concerned with varieties of institutional types within a system, which might be considered as genera, than with the different species which may comprise each genus.

By way of contrast, the student, another essential stakeholder in a nation's higher education system, has a quite different perspective on diversity. As the comparative data on Australian universities in Chapter 4 indicates, for the student, diversity relates to choice, and is based on parameters such as access, location, programmes, reputation and cost. For students the notion of diversity is also only meaningful for that group of institutions to which they can readily go. Systemic diversity across a national system therefore has little value to students if the only institutions to which they reasonably have access are all the same.

This study has therefore not attempted to provide a quantitative analysis of institutional diversity. The answer to the research question presented in Chapter 1 has been investigated on qualitative grounds and the ten propositions are now reconsidered in the light of this investigation. These propositions reflect the extent to which higher education systems, particularly those of Australia and New Zealand outlined in Parts Two and Three, have accommodated (or not) the development of distinctive forms of institution. They could be further tested by the selection of quantifiable variables appropriate to the perspective of diversity under investigation.

As Chapter 3 illustrated, while many post-war governments have consistently espoused support and commitment to the notion of diversity in their higher education systems, they have, with few exceptions, been strong on the rhetoric and weak on the policy initiatives to effect it. This has been particularly true with respect to the higher education systems of Australia and New Zealand. In general, it could therefore be argued that many higher education systems, and the institutions within them, have evolved, particularly over the last ten to fifteen years, in the absence of effective policy, not because of it. The end result has not been increased differentiation between institutions, but rather a drift towards institutional homogeneity. Some key reasons for

this are examined in the sections to follow, as the propositions about diversity and differentiation in higher education presented in Chapter 1 are reconsidered. They have been referenced to five factors which influence, or are influenced by, the diversity of a higher education system, namely:

- the environment;
- policy;
- funding;
- competition; and
- ranking.

While the propositions are grouped under each of these headings, it should be recognised that there is an inevitable interdependence between all of them.

The environment

Chapter 1 of this study proposed that the impact of environmental conditions on systemic diversity can be encapsulated by two complementary propositions:

1. *The greater the uniformity of the environmental conditions within a higher education system, the lower the potential for systemic diversity.*
2. *The greater the variation in environments within a higher education system, the greater the potential for systemic diversity.*

The investigations of Parts One, Two and Three suggest that these two propositions have considerable validity.

In Chapter 3 the use of biological concepts in discussions on institutional diversity (Huisman, 1995) was outlined. Using the biological analogy, variation in species is more likely to occur in a heterogeneous ecological environment, as organisms adjust to different local conditions. By contrast, if adapting organisms are subjected to the same environmental conditions, they will tend to evolve convergently. In the world of higher education, the organism becomes the institution and the ecological environment becomes the higher education system.

The environmental conditions influencing the development of a higher education institution are affected by factors such as student choice, stakeholder influence, the economy, local government, and history. With each factor, variation in environmental conditions across a higher education system will inevitably promote variations in response by local institutions and will foster diversity. In contrast, uniform environmental conditions will promote similar responses from individual institutions and promote homogeneity across the system. This point is well made by File, Goedegebuure and Huisman (2000) who postulate that 'the larger the uniformity of environmental conditions of higher education organisations, the lower the level of diversity of the higher education system' (*ibid.*, p.15).

Student choice is a critical factor in the promotion of distinctiveness and diversity in higher education. A diversified higher education system is frequently supported on the basis that it provides prospective students with genuine choice and/or opportunity. However, genuine choice only occurs if the student has ready access to a range of institutions. Access, in turn, is dependent on a number of intersecting issues such as mobility, accommodation, cost and lifestyle. As Chapter 3 shows, in Canada, population centres supporting higher education institutions tend to be dispersed across the country, and choice in a practical sense for most students tends to be limited to those local institutions which are reasonably accessible within a single population centre. This has led to a lack of diversity across the Canadian system, with each institution tending to provide the same range of opportunity for its local population under uniform funding conditions which also promote convergence (Jones, 1996).

The Canadian experience has parallels within New Zealand, although the scale is quite different. Outside Auckland, the largest population centre by a significant margin, there tends to be a single university and a single polytechnic in each major population centre. New Zealand students are not known for their mobility, and most seeking tertiary education tend to go to the nearest institutions. Given the uniform funding regime for New Zealand higher education, it is therefore not surprising that, like Canada, there is a

lack of diversity amongst New Zealand's universities and polytechnics[1]. Importantly, this should not be regarded as a deleterious situation, but rather as an appropriate response for a higher education system which is offering equality of opportunity to its potential students.

Stakeholder influence is another environmental factor which may affect diversity. Probably the best example of a national higher education system in which variations in stakeholder influence contribute to systemic diversity is that of the USA, as outlined in Chapter 3. Religious groups, ethnic minorities, industry and local government have each played a significant part in shaping the development of different types of tertiary institutions in different parts of the United States (Geiger, 1996). By contrast, in smaller countries such as New Zealand, where stakeholder influence tends to be more uniform across the whole country, there is therefore little contribution to the heterogeneity of institutional types. There is potential for this to develop in New Zealand, if, as Chapters 6 and 7 suggest, new and emerging professions continue to favour the newer universities while the older professions maintain allegiance to the more traditional universities.

A uniform national economy has an obvious levelling effect with respect to institutional diversity. Under this circumstance, it could be argued that institutions all tend to react the same way to the same changes. Again, New Zealand, as a small country with very little regional variation to the economy, is a good example of this. Where a country is large enough to sustain regional economies that might not be congruent, such as the United States, there would be a greater likelihood for different institutional responses to different economic conditions. The different responses of local government may also play an important role in shaping the part of the higher education system over which they have an influence.

[1] The picture in Auckland is distinctly different. Here, in a city of over 1 million, there are now three universities, two of which are closer to the traditional university model, and one which is clearly a university of technology. There are also two polytechnics, one of which is similar to other large urban polytechnics in New Zealand, and another (UNITEC) which has all the characteristics of a university of technology, but has not yet been granted the university name.

History sometimes exerts environmental influence on the diversity of institutions within a higher education system. Where a strong university tradition exists, it is difficult for a new kind of university to be accepted. Such is the case in New Zealand, where UNITEC's overt objective to become a university of technology, described in Chapter 7, has been thwarted by the very conservative influence of the New Zealand Vice Chancellors' Committee (NZVCC). Under such circumstances, universities tend to be much the same, and new institutions are forced to conform to the prevailing conservative model in order to gain acceptance.

There is therefore a solid body of evidence to support propositions 1 and 2. Environmental conditions do have a direct influence on institutional diversity, and there is therefore potential for a government to harness environmental variation within its higher education system in order to promote or contain this diversity.

Policy

Two propositions have been developed to relate national policy formulation to institutional diversity:

3. *A deregulated policy environment is not a sufficient condition for institutional diversity.*
4. *Systemic differentiation requires formal policy intervention.*

The investigations of this study indicate that Government policy undoubtedly has a most critical influence on systemic diversity. In national systems such as those of the United Kingdom, Sweden, the Netherlands, Australia and New Zealand, convergent tendencies predominate amongst higher education institutions because policy and regulation is not strong enough to sustain differences between institutions.

If there is no significant variation in environmental factors that will increase the potential for systemic diversity, the environment can be considered to be essentially homogeneous. This is the prevailing condition in many larger countries, and most small countries, including New Zealand. In this homogeneous environment, diversity has

ebbed and flowed as governments have tried different policy approaches to promote diversity amongst their higher education institutions.

The most obvious intervention designed to promote diversification is that which establishes a binary system of higher education institutions, which in theory guarantees that at least two distinct types of institution will exist within a higher education system. As outlined in Part One, binary systems became common in Western countries as their governments grappled with the dramatic increase in participation in higher education after the Second World War. Second-tier institutions were invariably introduced as cheaper, short-cycle alternatives to the established (and expensive) universities (Neave, 2000). With few exceptions, however, these new institutions, variously known as polytechnics (UK and New Zealand), *Fachhochsculen* (Germany), HBO institutions (the Netherlands), and colleges of advanced education (Australia), have exhibited clear, deliberate and convergent 'academic drift' towards a university model. This has occurred primarily because government regulation to support a binary system was not strong enough to prevent it happening.

Two very good examples of this occurred in the higher education systems of the United Kingdom and Australia. In the UK, there have been two major attempts to establish a binary system, first with the creation of the Colleges of Advanced Technology in the 1950s, which were absorbed into the university environment ten years later, and second by the creation of the polytechnics, which were established as a genuine degree-granting alternative to the university in the late 1960s, and became part of the university sector in 1992. Both cases illustrate the strong propensity of institutions which perceive themselves as being of lower status (despite plaintive government protestations of being 'equal but different') seeking to raise their status by becoming more like their more illustrious alternatives. In Australia, as Chapter 4 describes, a similar series of events occurred. The Australian government established the Colleges of Advanced Education (CAEs) as a genuine degree-granting alternative to the universities in the 1960s. By the mid-1980s many of these colleges had developed to become so much like the universities that the binary system was under severe pressure, and in 1988 Australian higher education was reconstituted into the Unified National System. The isomorphic

tendencies of the CAEs were inevitable, *given absence of a strong regulatory environment to prevent them occurring.* Indeed, the policies of that period, far from promoting diversity, 'seemed to encourage an unhealthy duplication of function and programs' (Goedegebuure, Lysons and Meek 1993, p.396).

It is important to recognise that the convergence of university and non-university institutions was not solely the result of isomorphism on the part of the non-university institutions. In Australia, for instance, there were signs in the 1980s of universities taking on more of the characteristics of the colleges of education at the same time that the reverse was occurring. This double trend is illustrated in Figure 4.1 of Chapter 4. This convergence has continued even after the binary system has been replaced by a unitary system, and is well illustrated by the experiences and observations of the three universities of technology described in Chapter 5. This was in spite of the Australian Government's pronouncement that the new unitary system would '...promote greater diversity in higher education rather than any artificial equalisation of institutional roles...Diversity and quality are paramount; the unified system will not be a uniform system' (Dawkins, 1988, p.28).

As Chapters 4 and 5 show, institutional convergence is well illustrated by the recent histories of the Australian universities. Even though the 'university of technology' on the one hand, and the traditional 'sandstone' university on the other, may be justifiably regarded as the most distinctive types of university in Australian higher education, they have still shown clear signs of convergent behaviour. For example, as described in Chapter 5, the more traditional universities have exhibited vocational drift by:

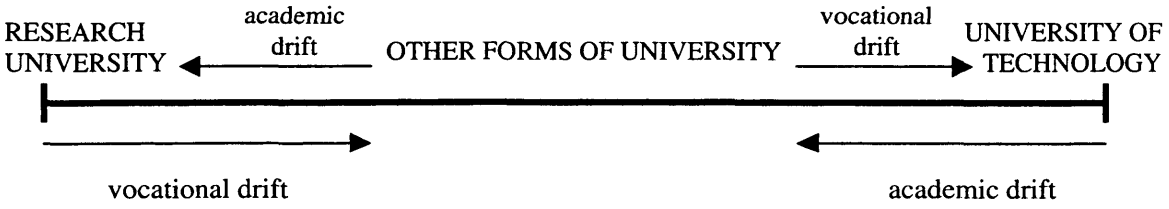
- adopting more applied missions;
- developing active partnerships with industry and the new professions;
- offering more qualifications with overt vocational outcomes;
- generating more applied research funded by industry; and
- becoming more enabling with their admission policies to encourage non-traditional learners.

At the same time, newer universities, like the universities of technology, have exhibited academic drift by

- appointing more traditional university trained and experienced academic staff;
- adjusting their organisational cultures to be more 'academic';
- shifting enrolment patterns to include more school-leavers;
- broadening their research focus and increasing its emphasis; and
- adopting much of the symbolism and nomenclature of the traditional university.

The convergence promoted by vocational and academic drift is shown diagrammatically in Figure 8.1, below.

Figure 8.1 University convergence through vocational and academic drift



As Part Two of this study illustrates, the drivers for this convergence and resultant reduction in systemic diversity are two-fold. First, convergence is driven by a desire for status emulation on the part of some universities which are ranked at the bottom of official and unofficial leagues tables. Second, and more significantly over most of the last decade in Australia, it has been driven by a competitive spirit amongst universities during a prolonged period of market growth and institutional prosperity in a deregulated market environment. In such a deregulated environment, with a uniform funding regime, institutions will inevitably tend to respond to similar stimuli in similar ways, and to become more and more alike.

Similar convergent tendencies have occurred in European higher education systems, even where governments have attempted to maintain differences between institutions. For example, the almost subversive activities of the Dutch HBO institutions to move

into postgraduate education and to change their names to include the word 'university' have occurred within a weakly regulated binary system (Goedegebuure and Huisman 2000). By contrast, Finland, which for a long period maintained a strong centralised and uniform higher education system comprising only universities, introduced a non-university sector in the 1990s comprising *ammattikorkeakoula* (AMK) institutions. This new binary system is still subject to tight central control, and the Finnish government is maintaining the clear distinction between the AMK institutions and the universities by regulation.

The lessons from these international experiences support both propositions 3 and 4 and indicate that in a homogeneous environment the natural tendencies for institutional convergence will prevail in a higher education system unless very clear and overt policy intervention is enacted to prevent it.

Funding

Two complementary propositions have been developed to show the impact that financial incentives can have on institutional diversity:

5. *Policies based on financial incentives which do not discriminate according to institutional mission and capacity promote institutional convergence.*
6. *Policies based on financial incentives which do discriminate according to institutional mission and capacity promote institutional diversity.*

One of the most powerful forms of policy intervention that a government can use to maintain differences between institutions is that of higher education funding policy. However, few countries appear to utilise this for this purpose. In Australia, for example, the Commonwealth's uniform funding provisions and accountability requirements are a prime driver of institutional conformity (Coaldrake and Stedman, 1998). If institutions are funded in exactly the same way for the same outputs, then they will inevitably seek the same ways of maximising their income through this provision. Similarly, the accountability requirements that go with a reasonable level of institutional autonomy also tend to breed the same responses to the uniform requirements of the system.

At best, a uniform funding regime, which does not discriminate according to institutional mission and capacity, can be said to do nothing to encourage institutional diversity, in spite of the ideologically driven contention that autonomous institutions operating in a competitive market will automatically diversify if given sufficient independence. The fallibility of this contention is discussed in more detail in the next section. By contrast, targeted funding policies can actually promote institutional convergence when they do not have explicit diversity objectives.

Two examples of this were discussed in Chapter 4 in relation to Australian higher education. First, research funding distributed according to specific institutional research performance indicators has led to a hierarchy of universities, which has the inevitable consequence of encouraging poorly funded lowly ranked universities to emulate the research performance of those higher on the ranking ladder in order to increase their research income. This promotes a trend towards uniformity in research performance. This is a desirable and intended outcome if the overall research performance of the system is raised, but carries with it the unintended outcome of institutional convergence. This is particularly evident where new universities are seeking a recognition of activities rendering research more useful to industry and society, such as consultancy and technology transfer. If these activities are not recognised in the performance criteria by which funding is distributed, and if more conservative and traditional research performance indicators are used, the consequence is that some universities are forced to abandon their alternative and often innovative approaches to research to ensure that funding flows in their direction.

Secondly, a similar situation prevailed while Australian universities were provided with financial incentives to improve quality in their institutions. Some $200 million was allocated over the three years that the system operated, and 'where these arrangements have directly influenced funding allocations they have been powerful forces for change, at least for compliance with the parameters for assessment' (Coaldrake and Stedman 1998, p.153). In other words, those institutions which faired poorly in the distribution of quality funding, and were lowly ranked, sought to improve their ranking and their income by copying the activities of the most successful, which were dictated by the

'parameters for assessment'. Once again, this is a positive and intended outcome for the targeted funding if the overall quality of Australian universities is enhanced, but carries with it the unintended outcome of reduced diversity.

The experiences of Australia, and to a lesser extent, New Zealand, therefore support propositions 5 and 6, and suggest that deregulated funding systems on the one hand, and targeted funding systems on the other, do not in themselves promote systemic diversity. Only funding incentives with the explicit objective of increasing diversity by discriminating according to institutional mission and capacity are likely to achieve this end. This might take the form of funding incentives for an institution to stay as it is, or funding disincentives if the institution deliberately seeks to emulate the performance of a different kind of institution.

However, it must be acknowledged that the design and implementation of incentives which are potentially institution-specific is far from straightforward in a pluralistic democracy. It is far more straightforward to develop funding incentives that are sector-specific, and therefore maintain the key differences between sectors, than it is to differentiate by funding between institutions within a single sector. This is illustrated by the evolution of tertiary education in New Zealand, where, prior to 1990, the polytechnics and universities were maintained as quite distinctive sectors in large part because they were funded in quite different ways. As Chapter 6 describes, a change to a common bulk funding approach was introduced with the 1990 legislation, and this became one of the key factors leading to the breakdown of the binary divide in this country.

Competition

The relationship between competition and institutional diversity are considered to be complex and ambiguous. However, two complementary propositions have been developed:

7. *During periods of high student demand and resource flow in a deregulated competitive market, the potential for institutional convergence increases.*

8. *During periods of low student demand and limited resources in a deregulated competitive market, the potential for systemic diversity increases.*

The evidence available from this study to support these two propositions is not complete, but is sufficient to suggest that they have validity, and warrant further research.

The experiences of the Australian higher education system over the last decade, and similar experiences in many deregulated higher education systems in other parts of the world, suggest that competition, rather than promoting diversity as policy makers had intended, has actually promoted convergent tendencies amongst institutions. This occurred for a mix of reasons that have been discussed by numerous writers (Meek and Wood, 1997b; Marginson, 1998; Marginson and Considine, 2000; Fairweather, 2000; Meek, 2000; Neave, 2000), and which are summarised in Chapter 4. What is not made clear in these discussions is whether it is simply the competitive environment which has forced institutions to copy one another in order to be more successful, or whether, as proposition 7 suggests, it has been a competitive deregulated environment coupled with overall economic prosperity which has promoted this convergence. Conversely, according to proposition 8, a competitive environment during times of genuine economic stringency is required to promote systemic diversity.

Chapter 4 has shown that competition amongst Australian universities has led to a reduction in the differences between institutions because the universities have had sufficient resources to invest in mimetic behaviour (Marginson and Considine, 2000). Some of this convergence has been the result of the unintended consequences of funding policies developed to meet quite different objectives. The funding of research and institutional quality in Australian higher education, as outlined in the previous section of this chapter, have both resulted in mimetic behaviour and a consequential loss of diversity as institutions have competed for a finite pool of resources by copying the performance of the more successful. Overall, then, in spite of the complicating influence of economic prosperity, competition would appear to have encouraged convergence amongst Australian universities, as it has done in the United States and many European countries which have promoted a deregulated higher education environment. However,

the relationship between a competitive market and institutional diversity may not be that simple.

According to Geiger (1996), based on his study of diversity amongst United States higher education institutions (refer Chapter 3), there is a relationship between the propensity for systemic diversity and the flow of resources. During periods of rapid growth and high student demand, newer, less prestigious institutions tend to have both the resources and the opportunity to develop new systems that duplicate those of more successful and highly regarded institutions so that they can compete with them for top staff and top students. The higher education system therefore drifts towards conformity.

By contrast, during times of economic stringency and low demand, institutions are faced with survival, and fierce competition occurs as institutions compete for a share of a diminished market. Under these circumstances, institutions are forced to innovate and seek new markets in order to survive, and thus 'hard times encourage diversity' (Geiger 1996, p.200). There is a strong biological analogy here, with new forms occurring when a species is required to adapt to a changing environment in order to survive, while an absence of environmental change promotes a normalised population.

The impact of economic prosperity on the evolution of a higher education system is an issue that governments, in setting their education policy, do not necessarily appear to take into account. This is evident in the policy initiatives of both Australia and New Zealand over the last ten or so years which have been based on a simplistic belief that a competitive environment will foster institutional diversity and, more significantly, that that competitive environment actually existed. The work of Marginson (1998), Meek and Wood (1997b) and others suggests that, at best, higher education operates in a quasi-market, and that a true competitive environment does not exist. They also indicate that competitive elements tend to drive convergent rather than divergent tendencies amongst institutions. This issue is addressed further in the next section. More directly relevant to the issue of economic prosperity is the fact that in Australia and New Zealand during most of the last decade, demand for higher education was so high and growth so readily attainable that higher education institutions did not need to

compete with one another at all. Growth was not dependent on increasing one's market share, it occurred simply by maintaining one's share of an increasing market.

Under these circumstances of economic prosperity, Australia's universities tended to diversify *internally* to meet demand. The newer universities offered new programmes, in response to demand, particularly at the postgraduate level, and increased their involvement in basic research, which had been the more or less exclusive domain of the more traditional universities. At the same time, the more traditional universities were responding to the growing demand of first-generation higher education students, including those who had completed technical and further education qualifications, and who had traditionally enrolled in the CAEs and newer universities. They were also capitalising on consultancy and applied research funding coming directly from industry. In other words, the traditional universities moved towards the newer universities through a process of vocational drift, while the newer universities moved towards the traditional universities through a process of academic drift (refer Figure 8.1). The result was institutional convergence.

In both Australia and New Zealand, this period of economic prosperity and unfettered demand has now ended. Universities in both countries are now entering a period of economic constraint and a diminishing market, and time will tell if the trend Geiger has observed in the United States that 'hard times encourage diversity' (Geiger 1996, p.200) becomes a reality. In Australia, in particular, financial hardship is a relatively recent phenomenon, and the effects of this on institutional direction and diversification will not be apparent for some years. It is therefore not possible to confirm proposition 7 and, in particular, proposition 8. However, the two propositions are closely linked and the evidential support for the former suggests that further research on the latter as information on the impact of economic stringency becomes available will eventually support its contention.

By way of contrast to the impact of competition, it is interesting to look briefly at the effect of co-operation between institutions on systemic diversity. Little research has been done on this relationship, but the work of Jones (1996) on Canadian higher

education (refer Chapter 3) suggests that co-operation and sharing between universities has promoted isomorphic tendencies because 'a successful innovation at one institution is often adopted by others' (*ibid.*, p.86). Significantly, genuine co-operation can only occur in a deregulated environment when institutions do not see themselves competing for funding and/or students. This is a rare occurrence in most higher education systems. Canada therefore may well be somewhat unusual in this regard, due to the dispersed nature of its population centres, and the fact that funding is controlled by provincial governments rather than by the federal government. Despite its rarity, however, it seems reasonable to accept that institutions which openly co-operate and share best practice will tend to become more alike, and that this activity will therefore tend to promote institutional convergence.

Ranking

The final two propositions put forward in Chapter 1 concern the impact of formal and informal ranking on institutional diversity:

9. *Within all higher education sectors, there will be, to varying degrees, a prestige hierarchy of institutions and institutional types.*
10. *Where institutional ranking is well established within a higher education system, there is a greater potential for institutional convergence.*

Regardless of the genuine diversity which might or might not exist in a higher education system, there is a natural tendency for the institutions of that system to be ranked by their stakeholders. This ranking may be official in that it is related to a specific funding objective set by government, such as research performance or quality, with the result that the more highly ranked institutions receive a greater share of a finite pool of funds. It may be unofficial but well established, such as the ranking promoted by the *Good Universities Guide* in Australia, and other consumer-oriented ranking systems such as that published each year by the *Times Higher Education Supplement* on United Kingdom universities. As proposition 9 suggests, it may also be entirely informal and anecdotal, and based on factors related to institutional age, wealth and perceptions of prestige, and myth.

For example, in Australia, while the *Good Universities Guide* publishes a comprehensive ranking of Australian universities each year, based on reasonably sound and objective evidence, there remains a general public perception that the oldest, wealthiest universities, namely the 'sandstones' and to a slightly lesser extent, the 'redbricks', are the most prestigious and therefore the top ranked universities in the country. The same is true in New Zealand, where the 'limestones' are the oldest and are perceived to be the most prestigious and therefore assumed to be 'the best'. The newer universities are somehow seen as being not quite as good.

In a slightly different way, ranking of universities has become an unintended outcome of the Carnegie Classification of United States higher education institutions. The doctoral/research-led universities tend to be the oldest and wealthiest and are acknowledged as the most prestigious, and are therefore perceived to be 'the best' and the masters and baccalaureate colleges are ranked below them.

The pubic ranking of institutions, based on perceptions with or without objective reference, exists in most higher education systems regardless of the extent of real differences between them. As Smith and Webster (1997b, p.105) comment in regard to the universities of the United Kingdom, 'it is an absurdity ... to suggest that differences [between institutions] are such as to subvert hierarchy'. However, there is no obvious relationship between ranking and institutional diversity. For example, referring to the three examples quoted above, the United States can be considered to have a highly diversified higher education system, Australia has considerably less diversity, but differences between universities are still apparent, while in New Zealand, there is very little institutional diversity amongst its universities. Significantly, in each case the country's universities are still formally or informally ranked. In other words, to use Marginson and Considine's distinctions (Marginson and Considine 2000), vertical diversity is essentially independent of horizontal diversity.

There is an interesting anecdotal consequence of an informal institutional ranking system based on age and perceptions of prestige (as is the case in New Zealand). Once an institution is highly ranked because of its age, history, wealth and perpetuated myths,

it is also generally considered to have the best qualifications and to be the best institution from which to graduate. Much of the support for the high informal ranking of these kinds of institutions comes from their alumni, who in turn are frequently key influencers of the next generation of intending students, and the employers of recent graduates. This perception endures even if the quality of education and the student experience are, in practice, less than satisfactory. In other words, students will accept a poor quality education experience in return for a highly regarded qualification. No formal research has been done to substantiate this effect, and it can not therefore be considered as a proposition. However, if it is in fact a prevailing attitude amongst intending higher education students, it makes it extremely difficult for newer institutions, particularly those wishing to be distinctive and offer a kind of education different from that provided by a competing highly ranked institution, to gain credibility and status in their own right. There is an understandable temptation to conform wherever possible to the norms that the traditional institution has established and which are expected and accepted by consumers.

As proposition 10 suggests, once a ranking system has become established for the institutions of a higher education system, there is an inevitable tendency for those ranked towards the bottom of the list to seek to raise their standing by copying the successful activities of those institutions higher on the list. This mimetic isomorphism (Marginson and Considine, 2000) is pursued by the institution voluntarily, and as a result promotes institutional convergence. This isomorphism is, of course, accentuated if there is also a direct financial advantage to a higher ranking, as was outlined in the earlier section on funding.

Summary

The conditions under which diversity or convergence will occur, based on the preceding discussion on the ten propositions on diversity in higher education and the factors which influence them, are summarised in Table 8.1. They suggest that a higher education system will not develop in a predictable way unless deliberate steps are taken to co-ordinate the system and the institutions within it. Even then, the best designed policies

may lead to unintended consequences which could propel a higher education in a direction other than that intended by government.

According to Meek (2001, p.2), 'in examining modes of co-ordination, it is the dynamics and complexities of the interrelationship between higher education policy and the structure of higher education systems which is at issue'. He offers the concept of a continuum of relationships between government policy and institutional autonomy. 'Bottom-up' systems, in which government policy lags behind and reflects institutional leadership, mark one end of this continuum. 'Top-down' systems, which are dominated by strong central government policy controlling largely responsive institutions, mark the other.

Table 8.1 Summary of the influence of different factors on systemic diversity

FACTOR	DIVERSITY PROMOTED BY ...	CONVERGENCE PROMOTED BY ...
The Environment	• environmental heterogeneity	• environmental homogeneity
Policy	• high level of intervention to promote diversity • highly regulated binary systems	• deregulation • unitary systems
Funding	• specific financial incentives to promote diversity	• financial incentives targeted to other outcomes
Competition	• competition in periods of low demand and economic stringency	• competition in periods of high demand and economic prosperity • co-operation
Ranking		• mimetic isomorphism of lowly ranked institutions

The concept of a continuum suggests some sort of inverse relationship between government leadership and institutional ambition. As one increases, so the other decreases. Policy is generated either way, and either leads or follows institutional development. This may well be the case, but there is nowhere on this continuum for a situation in which operational policy and associated regulation neither leads nor follows institutional development.

This essentially occurs with the ideological belief that a competitive market environment will minimise the need for specific centralised policy development beyond a general policy framework, and that competition, coupled with 'regulated deregulation' (V. L. Meek, *pers. com.*) is a sufficient condition to promote institutional quality and differentiation. This condition has prevailed in many Western countries over the last ten to fifteen years and, as Parts Two and Three of this study indicate, has been particularly evident in Australia and New Zealand higher education.

However, there is little evidence to support such a contention. The ten propositions on diversity in higher education put forward in this study in fact suggest that this does not occur. Rather they indicate that in the majority of circumstances, the convergent tendencies of institutions will predominate unless very specific environmental and economic conditions prevail, and/or specific directed policy and regulation is implemented.

INSTITUTIONAL AMBITION AND NATIONAL POLICY

Drawing on the research presented in this study, it is possible to draw some general conclusions about the interplay between institutional ambition and national policy, and to make some tentative suggestions about possible future directions for the New Zealand higher education system.

Underpinning any consideration of the future shape of the New Zealand higher education system must be an understanding of the extent to which higher education has evolved and changed over the last ten years since the last major legislative reforms of 1990. As Chapter 6 described, the establishment of degree level study in the polytechnic sector as a consequence of this legislation has had a very significant impact on the direction of institutions during the high growth period of the early 1990s. It undoubtedly resulted in institutional convergence as many polytechnics drifted academically towards the established university model.

This was most apparent in Auckland where two polytechnics, Auckland Institute of Technology (AIT) and UNITEC Institute of Technology, grew rapidly at undergraduate and postgraduate degree levels to become, by the end of the decade, institutions which looked far more like universities than they did the polytechnics from which they had evolved. There was nothing in Government policy statements of the late 1980s to suggest that this was an expected outcome of their reforms. Indeed, *Learning for Life,* the definitive policy statement on which the 1990 legislation was based, gave a clear expectation that polytechnics and universities would remain quite distinct institutional types, and that even if polytechnics did offer degrees, 'degree-level courses are expected to be a small percentage only of the total courses offered by polytechnics' (Lange, 1989, p.23).

It is important to appreciate that this unintended outcome occurred, not just because there was enabling legislation in place, but also because there was a genuine demand for the type and level of applied education that these institutions were offering. The nature of work, and the relationship of work to training and education, changed dramatically over this period. There are numerous examples to illustrate the fact that there has been a wholesale upward movement in the level of education required for entry to professional and technical careers in recent years. Careers which required a certificate or diploma as an entry qualification ten years ago, now require an undergraduate degree. Nursing, quantity surveying, medical imaging and social work are all examples of this trend in New Zealand. Similarly, career progress that might have been achieved through bachelor degree study ten years ago, now requires that study to be at the postgraduate level. There has also been a major increase in the need for applied continuing professional development at this level to cope with the increasing pace of knowledge creation and its application.

This progressive change, and the resultant convergence amongst tertiary education institutions in New Zealand, is essentially the same as that which has occurred in Australian higher education. However, New Zealand governments of the 1990s have neither acknowledged this change nor dealt effectively with its implications. The current Government, in an attempt to rectify this, has signalled its intention to review

the tertiary education system and, to this end, has established the Tertiary Education Advisory Commission (TEAC) to 'advise Government on the strategic direction for tertiary education it considers to be appropriate' (Maharey, 2000, p.4).

One of the issues that TEAC will need to consider is the extent to which the 'strategic direction' of tertiary education should take account of the institutional ambition which has occurred over the last ten years. The New Zealand illustrations of institutional ambition in this study have come from the polytechnic sector. Three polytechnics have sought to realise their ambition for university status with different results. Wellington Polytechnic accepted a takeover offer from Massey University, while AIT and UNITEC sought independent university status, with AIT being successful within a particular political environment, and UNITEC being unsuccessful under a different political environment. Given the somewhat ambiguous policy statements of the current Government in New Zealand on the structure of higher education, which were described in Chapter 7, it is reasonable to suggest that if the positions of AUT and UNITEC had been reversed, it would have been UNITEC that would have achieved redesignation, and AIT that would be still seeking a means of achieving this end. Such are the vagaries of political influence on national policy. However, UNITEC's continuing growth in research and postgraduate activity[2] suggests that it will eventually achieve redesignation.

The recent events in New Zealand higher education suggest that a government can quite successfully ignore the ambition of a single institution, such as UNITEC, even though it can demonstrate that its purpose is highly congruent with government economic and social priorities, and supports the institutional differentiation apparently valued by the current leadership. Such is not so obviously the case when the ambition of a sector is considered, however. The description and analysis of education policy developments in New Zealand, and the reaction of the universities to these developments, described in Chapters 6 and 7, suggest that the university sector had a collective ambition that was

[2] The NZQA Guidelines suggest that a university should have at least 50% of its EFTS in degree study, and that at least 5% of students studying towards degrees should be postgraduate. In 2001, 56% of UNITEC's EFTS are in degrees, and 400 students (over 6%) are enrolled in postgraduate programmes.

not always consistent with government intentions. By their repeated actions throughout the 1990s, the universities demonstrated a zealous determination to preserve their autonomy, protect their academic freedom, and foster their status as elite providers of higher education. Such is the combined influence of this sector that it has had significant success in these ambitions, even though it has done little to promote greater institutional diversity or to support proposed government policy.

Central to this study has been the extent to which an institution can foster its own ambition to be distinctive within the higher education system to which it belongs. For UNITEC, in the face of strong politicised opposition, the opportunity to pursue this path appears severely restricted for the time being. However, politics is an ephemeral activity, and political motivation can produce unusual and sometimes apparently irrational responses, as Chapter 7 describes. For an institution like UNITEC, which seeks to be distinctive with its higher education system, perhaps the more important issue concerns the integrity of its vision to be a distinctive institution, and whether this vision actually warrants the university imprimatur.

The question this issue poses inevitably depends on the national setting in which the institution exists. In Australia, the answer is undoubtedly yes. Each of the universities utilised in the illustrations of Chapter 5 of this study have profiles not dissimilar to the one that UNITEC advocates for itself. They have each become large and successful universities within the Australian higher education system, and while they each acknowledge some convergent tendencies, they have maintained sufficient of their original purpose to remain amongst the most distinctive of Australian universities.

Opinions about the idea of a university and the features which are essential for a tertiary institution to warrant such a name abound in the literature. Within New Zealand, however, there is a high degree of conservatism about the definition of a university and, as this study has shown, the existing universities guard their borders from perceived usurpers with great gusto, as the NZVCC challenge to UNITEC's application illustrates. However, the legislated definition of a university (refer Figure 6.2) provides for a very wide interpretation, and the key features of UNITEC as a university of technology

described in Chapter 7 do not in themselves preclude UNITEC from being accepted as a university in this country. It is perhaps more a case of what is perceived to be missing from this description of a new type of university that is at issue, rather than the individual features that UNITEC advocates being inappropriate in themselves.

Regardless of its ambition and conviction that the sort of institution it wishes to become is worthy of the university imprimatur, UNITEC has to face the fact that it needs to satisfy the definition of a university in the Education Act, the interpretation of that definition by the NZQA, and the conservative intervention of the NZVCC, if it wishes to achieve university status in the current environment. This may mean some compromise to its vision. Alternatively, it may require advocacy for a revision of current government policy, and for the definition of a university to be more inclusive of the sort of university UNITEC wishes to become, on the basis that this is good for higher education in New Zealand and the benefits it brings to New Zealand society and the economy. This is the central issue for UNITEC to grapple with as it strives to meet its goals.

CONCLUDING COMMENTS

The propositions on diversity established from this study have been developed to inform practice. They are intended to throw some further light on the conditions necessary to support either a homogeneous or diversified higher education system. In that sense they are presented from a national system perspective. This means they deal with broad issues of institutional difference – at the generic level – rather than the detail associated with specific variation within a particular institutional type. The notion of stakeholder perspective referred to earlier in this chapter is not one that has attracted much interest from researchers[3]. Indeed, if there was a prevailing perspective from which most

[3] Note that the 2001-2005 Research Programme for the Centre for Higher Education Policy Studies (CHEPS) at Twente University, Enschede, the Netherlands (http://www.utwente/nl/cheps/research/) is called *Higher Education and the Stakeholder Society.* While not narrowly addressing the notion of the stakeholder perspective on institutional distinctiveness, the answers to the research questions posed in the outline of this programme will shed important light on the influence of the stakeholder on higher education institutions.

research into diversity has been conducted it would be from the perspective of the researcher, in other words, it is curiosity driven. The examination of diversity, and the broader concept of co-ordination in higher education systems, from the perspective of specific stakeholders or beneficiaries, such as students, is thought to be worth further investigation.

The evidence supporting each proposition or group of propositions is considered persuasive without necessarily being conclusive. Further research, perhaps seeking to establish appropriate variables that could withstand measurement over time, would help to substantiate the durability of the propositions. However, if the outcome is to inform practice, it would remain important to define the stakeholder perspective from which the notion of diversity was being examined.

Several specific avenues for further research have been identified in this study. First, there is the relationship between institutional diversity and the competitive market environment. Much has been written on this topic by a number of writers, particularly in relation to Australian higher education over the last ten years, and the prevailing view is that competitive market conditions promote convergent behaviour amongst institutions. This has been based on observations of institutional behaviour during times of economic buoyancy, although this condition has not been emphasised by researchers. In other words, where a government has deliberately deregulated and given institutions greater autonomy to respond to a competitive market place, this has occurred at a time of high demand, and a growing market. In Australia and New Zealand, this condition has now changed, and institutions in both countries find themselves competing in a deregulated market in which demand is no longer growing, and in which funding is inadequate. There is therefore an opportunity to investigate the behaviour of institutions in this new environment and to verify proposition 8, namely that during periods of low student demand and limited resources in a deregulated competitive market, the potential for systemic diversity increases.

Secondly, little research has been done on the impact of co-operation on institutional diversity. It is suggested that the greater the co-operative activity between institutions

within a higher education system, the greater the potential for institutional convergence. While this might seem a logical conclusion to draw, there has been little if any research on the relationship between institutional co-operation and diversification. This is particularly interesting given the frequently stated desire of the current New Zealand Government to promote a differentiated higher education system on the one hand, and to discourage competition and encourage co-operation on the other. The unique set of policy conditions required to achieve this end is potentially complex and worthy of research.

Thirdly, in relation to the impact of ranking on diversity, there is scope for innovative research on the relationship between consumer enrolment preference based on self-perpetuating perceptions of institutional prestige and tradition, and the actual performance of an institution. This is an aspect of a student perspective on diversity and institutional difference associated with choice. It is particularly relevant given the transformative impact of information technology on higher education and the raft of new kinds of global institution, and older institutions offering new kinds of global education, that are having a profound impact on institutional differentiation and student choice.

The intersection of institutional ambition with the vagaries of politicised policy development has a complex impact on systemic diversity. The UNITEC case study indicates that political expediency will overrule institutional ambition, even when this ambition appears to be consistent with government objectives for increased differentiation. Further case studies can do much to increase understanding of these relationships. The propositions presented in this study give some clear pointers to the essential elements necessary for the development of a truly differentiated higher education system. Unfortunately, for the individual institution, they suggest that, to use Meek's terminology, (Meek, 2001) it is the 'top-down' system which is required if a government is to genuinely manage the direction and co-ordination of its higher education system.