

APPENDIX D: FRAMEWORK FOR RISK ASSESSMENT

AUQA has been carrying out quality audits since 2001, and in 2007 it finished auditing all the existing universities and other SAIs. In 2005, AUQA began a consultation on the desired form of the audits in the second cycle. The respondents to the consultation, AUQA's own external review panel, and the Members of MCEETYA have all expressed views on this, with AUQA's shareholding Members (the nine ministers with responsibility for higher education) having the final say.

For its second cycle audits, AUQA will check the implementation of a small sample of the recommendations and affirmations from the Cycle 1 audit report, but otherwise will confine its investigation to two areas or 'themes'. To select the themes in each institution, AUQA's Members have instructed AUQA "to develop a framework to define and identify academic risk" and then to apply this framework to all institutions "to guide the focus of the audit activity". AUQA convened a reference group of senior advisers to assist with the process of developing a risk framework (and the associated standards framework).

Definition of Risk

After considering the definition of risk in the Australian/New Zealand Standard on Risk Management (AS/NZ 4360:1999), AUQA adopted the following definition of academic risk:

*Risk refers to a feature of an organisation or its environment that may have an adverse effect on the organisation, including on the achievement of objectives. The term 'feature' includes actions, events or situations. Risk is also a measure of the possible adverse effects on an organisation of any action, omission, event or situation. This is sometimes referred to as the **degree of risk** inherent in a particular situation. It is expressed in terms of the **chance** (=likelihood, probability) of the effects occurring; and the **consequences** of the effects should they occur. **Academic risk** relates to the achievement of **academic objectives**.*

Process

In order to identify potential high risk areas at an institution, AUQA considers the Cycle 1 audit report, the action plan (if there is one), the progress report, the institution's current strategic plan, the current IAF, other public reports (such as auditors-general, ombudsmen, Independent Commission on Corruption, etc.) and issues in the media or otherwise in the public domain. Based on the analysis of these information sources AUQA will identify some themes that have high risks for the institution.

Meanwhile the institution carries out its own risk assessment. It will have all the above information available, and further internal and more recent information. The institution will have its own risk assessment framework, specific to its context. However, as required by its Members, AUQA has drawn up the following generic risk assessment framework in order to offer a systematic basis for the risk analysis. This framework may also be of use to institutions, even though areas of high risk, risk rating of those areas and reasons for the ratings are institution specific. For the broad areas of academic activity, this framework identifies indicative risks. The list of areas and risks is provided for guidance only, and is neither exhaustive nor prescriptive. Also, the risks are at different levels (strategic/operational, broad/detailed) and are of different types (actions/events).

Having carried out its own risk assessment, the institution proposes to AUQA two or three themes for audit. These are refined through consultation between the institution and AUQA, which makes the final selection/specification.

Major Institutional Activities	Specific Academic Activities	Indicative Areas of Risks
1. Teaching & Learning	1.1. Student Assessment & Grading	<ul style="list-style-type: none"> • assessment policies, awareness of policy among staff, compliance with policy • alignment of learning objectives, assessment methods and grading • procedures for academic misconduct, inc. plagiarism and other forms of cheating • procedures for the secure storage and retrieval of student results • procedures for monitoring, benchmarking and moderating assessment standards
	1.2. Student Profile	<ul style="list-style-type: none"> • admission policies, awareness of policy, application of policy and procedures • recruitment and selection policies, compliance with recruitment and selection policies • change in demand, change in entry scores • policies for access and equity, including under-representation, discrimination in selection processes
	1.3. Student Progress	<ul style="list-style-type: none"> • course advising and provision of course information, student-institution expectations • identification and monitoring of students at risk • attrition/failure rates (especially in first year), retention/completion rates • retention, academic success and completion rates for equity groups • graduate outcomes, including graduate satisfaction levels, relevance of courses, graduate employment rates and destinations
	1.4. Curriculum and Courses	<ul style="list-style-type: none"> • business planning model and processes for new courses • oversight/monitoring of curriculum policies and processes • review of curriculum for coherence, currency, relevance • processes for course/unit approval • benchmarking or processes for input from students, employers and other external stakeholders • mapping and embedding of graduate attributes in curriculum • alignment of curriculum content with field, curriculum to match current employment practices/ employer expectations, employer satisfaction with graduates' skills • external accreditation of professional courses • level of funding allocated to new course development
	1.5. Teaching Staff	<ul style="list-style-type: none"> • attracting and retaining suitable academic staff • specification in policies on required experience and qualifications, application of policies across departments • staff profile (e.g. equity, ethnic/cultural) • recognition and reward of teaching contribution and experiences in confirmation and promotion policies • supervision/mentoring/monitoring of staff • academic staff engagement in research/scholarship in their discipline fields • academic staff training in teaching and learning, training in use of teaching technologies

Major Institutional Activities	Specific Academic Activities	Indicative Areas of Risks
		<ul style="list-style-type: none"> • induction, support and training for sessional and tutoring staff • induction on teaching and learning policies, institution policies and practices
	1.6. Quality of Teaching and Learning	<ul style="list-style-type: none"> • articulation of institutional expectations of teaching quality • procedures for systematic evaluation of teaching and teachers • level of student satisfaction • design and equipping of teaching spaces
	1.7. Learning Resources: Library and Educational Technology	<ul style="list-style-type: none"> • provision of resources identified through benchmarking, allocation of resources to priority teaching areas, provision of resources to meet equity obligations • policies and processes on acquisitions, archiving, decommissions • consultation with staff and students on research and teaching needs • currency and relevance of library collections • policies and processes on use of the internet • archiving of course profiles and teaching materials • disaster recovery plan, provision of network capacity for staff and student use • access to learning resources, compliance with equal opportunity legislation
	1.8. Learning Support	<ul style="list-style-type: none"> • policies and processes on provision of learning support, implementation of policies, monitoring of services and need • access to specialised learning support services, learning support to students with particular needs • provision of resources identified through benchmarking • learning support services and use of staff and services • provision of resources to meet equity obligations
	1.9. Student Grievances and Appeals	<ul style="list-style-type: none"> • policies and processes, application of policies • documentation of grievances, responses and decisions • communication of processes and outcomes
	1.10. Leadership and Management of Teaching and Learning	<ul style="list-style-type: none"> • designation of responsibilities for the quality of teaching and learning • development and evaluation of teaching and learning management plans • lines of accountability for quality assurance and enhancement of courses

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2. Research & Research Training	2.1. Commissioned Research	<ul style="list-style-type: none"> • identification and exploitation of external sources of funds to provide additional funding for research • support for staff at the application stage • procedures to ensure delivery and/or compliance with contracts • clarity of agreement with regard to ownership of intellectual property • involvement of partner/institution in key decision making
	2.2. Ethics	<ul style="list-style-type: none"> • policies to identify/prevent plagiarism and/or falsification of findings • procedures to protect against legal action by funders or participants in research projects • compliance with the institution's ethics procedures • policies to foster an awareness of regulatory requirements around research areas involving human experimentation, animal experimentation, gene technology etc. • communication of the institution's ethics policy and procedures
	2.3. Quality	<ul style="list-style-type: none"> • level of research skills • level of resources to conduct high quality research (including fieldwork support) • program for regular assessment of disciplines/organisational units • process for assessing institutional strengths and weaknesses • encouragement of well managed risk, and capacity to seize opportunities or support innovation • clarity of eligibility criteria for postgraduate research, the selection process • alignment with strategic direction of the institution, representation on research committees, benchmarking and peer review activities both internally and externally • level of funding for long term sustainability of the institution's research program and goals • support for and retention of students at risk
	2.4. Human Resources/People Management	<ul style="list-style-type: none"> • processes to recruit high quality researchers • level of reliance on contract staff • career development strategies to develop and retain high quality researchers • reward structures for quality researchers (e.g. providing monetary rewards for productivity measures, such as publication counts, rather than quality measures, such as high impact publications) • assessment of staff (e.g. using measures designed for institutional analysis rather than those more appropriate for individuals) • availability and accessibility of travel funds
	2.5. Institutional	<ul style="list-style-type: none"> • clear understanding of position of research in the institution's mission • infrastructure to support high quality research activities • strategies to promote cross- or multi-discipline research • strategies to develop areas of research excellence • measures to monitor and benchmark research outcomes against other institutions

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	2.6. Collaboration	<ul style="list-style-type: none"> • policies and procedures to foster collaboration with other research institutions and research end-users
	2.7. Accessibility	<ul style="list-style-type: none"> • policies and systems to facilitate accessibility of research results
	2.8. Intellectual Property Management	<ul style="list-style-type: none"> • procedures to effectively manage intellectual property
	2.9. Supervision of HDR Students	<ul style="list-style-type: none"> • provision of regular supervisory training, attendance of supervisors at training sessions • adequate resources to supervise higher degree by research (HDR) students • level of teaching, research, and administrative workloads • supervisors' expertise in the relevant topic area(s) • continuity of supervision
	2.10. HDR Students	<ul style="list-style-type: none"> • capacity to attract competent HDR students • clarity and communication of the nature and requirements of the course/research program • preparation for research work at postgraduate level, including relevant information technology skills • academic, physical and support services resources to support the course of study • policies to deal with changes in research students' enrolment statuses and research programs • integration of students into the institution community • clarity of procedures for assessment of students' research, including selection process for external examiners • procedures to monitor time taken to complete, retention and completion rates • procedures to benchmark research training outcomes against other institutions
3. Community Engagement	3.1 Collaborative Research with Local Industries	<ul style="list-style-type: none"> • agreement on goals, roles and responsibilities for collaborative research • policy framework for collaborative research • management and quality assurance systems for collaborative research • agreement on expected outcomes and performance measures for collaborative research • support and resources for activity by the Institution or community partner for collaborative research
	3.2 Development of Academic Programs in Partnership with Local Organisations	<ul style="list-style-type: none"> • agreement on goals, roles and responsibilities for joint academic development • policy framework for joint academic development • management and quality assurance systems for joint academic development • agreement on expected outcomes and performance measures for joint academic development • support and resources by the institution or community partner for joint academic development
	3.3. Community Service	<ul style="list-style-type: none"> • agreement on goals, roles and responsibilities for service learning

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	Learning for Students	<ul style="list-style-type: none"> • policy framework for service learning • management and quality assurance systems for service learning • agreement on expected outcomes and performance measures for service learning • support and resources by the institution, students or community partner for service learning
	3.4 Consultancy Services for Local Communities	<ul style="list-style-type: none"> • agreement on goals, roles and responsibilities for consultancies • policy framework for consultancies • management and quality assurance systems for consultancies • agreement on expected outcomes and performance measures for consultancies • support and resources by the institution or community partner for consultancies
	3.5 Community Involvement with Institution Affairs	<ul style="list-style-type: none"> • agreement on goals, roles and responsibilities for community involvement • policy framework for community involvement • management and quality assurance systems for community involvement • agreement on expected outcomes and performance measures for community involvement • support by the institution or community partner for community involvement
4. International Activities (Areas of risk given under Teaching and Learning are relevant here as well)	4.1. Quality Assurance	<ul style="list-style-type: none"> • design and development of curriculum materials for Australian and international students • national and international accreditation criteria of degree programs • English language competence of students, staff competence for delivery of curriculum content • methods for translation and back-translation of curriculum and assessment materials (if curriculum materials are delivered in a language other than English) • Information systems of institutions that deliver curriculum content • assessment methods and standards consistent for Australian and international students (irrespective of mode and location of assessment) • policies and procedures to ensure compliance of Australian and international students with standards of academic integrity (irrespective of mode and location of assessment) • academic and intercultural training and support for staff to interact with students from different cultural backgrounds (irrespective of location of interaction)
	4.2. Partnerships	<ul style="list-style-type: none"> • contractual agreements between the institution and partner institutions, use of agents • statements on responsibilities of the institution and partner institutions, in terms of students, staff, curriculum materials, and assessment • agreement and specification of the institution and partner institution of mechanisms of internal and external review and audit of activities by relevant quality assurance bodies in Australia and home country of partner institution
5. Governance &	5.1. Governance	<ul style="list-style-type: none"> • structures and instruments of governance

Major Institutional Activities	Specific Academic Activities	Indicative Areas of Risks
Management		<ul style="list-style-type: none"> • competence of governing body
	5.2. Council Oversight	<ul style="list-style-type: none"> • reporting arrangements, delegations and inter-relationships • positions, structures and arrangements to manage key aspects of a quality institution • review of institution's operations, implementation of strategies to improve institutional performance
	5.3. Leadership	<ul style="list-style-type: none"> • progress in achieving strategic goals
	5.4. Planning	<ul style="list-style-type: none"> • understanding and ownership of strategic plan by stakeholders, directions for the future in the strategic plan • implementation, monitoring/evaluation and improvement built into plans
	5.5. Management	<ul style="list-style-type: none"> • level of technical competence and interpersonal/communication skills of management • management and administrative systems, policies, procedures and practices to ensure adequate record keeping for all functions, reporting, risk identification and management
	5.6. Academic Governance	<ul style="list-style-type: none"> • Academic Board and its expertise, processes for feedback from stakeholders, role of Academic Board in academic quality systems • policies for student admission, benchmarking, monitoring of courses
	5.7. Human Resources: Workforce Planning and Renewal	<ul style="list-style-type: none"> • flexibility in employment conditions to meet demand for expertise • incentives to attract and retain highly qualified staff • alignment of expertise available and expertise needed • balanced staff profile with respect to demographic and equity issues
	5.8. Human Resources: Career Development and Performance Management	<ul style="list-style-type: none"> • support for various roles aligned with the strategic goals • selection, probation and promotion policies aligned with strategic goals • alignment of performance management with strategic goals.