



# Background paper

## UniSA's new KPIs approved by Council May 2007

### Introduction

This paper outlines the background and rationale to the revision of UniSA's corporate KPIs and is based on the proposal to Council in May 2007. Council adopted the new KPIs for implementation for planning 2008. Some minor wording changes have subsequently been added.

### Background

The Vice Chancellor's Review of Review and Planning, which reported in 2005, acknowledged that the University's Key Performance Indicators (KPIs) needed to relate better to corporate strategies and that a number of other processes needed change to sharpen the focus of review and planning across the University.

The Review recommendations led to an examination of strategic planning documents and the development of the new Strategic Plan which Council adopted in December 2006. In the Strategic Plan, there are now seven strategy areas with a range of performance dimensions.

At the same time as the Strategic Plan was being developed, a Corporate Project examined options for new KPIs directly aligned to the Strategic Plan. Senior Management Group (SMG) and those responsible for the particular strategies have discussed the options on a number of occasions, including at:

- the Corporate Planning Group (CPG) Annual Retreat in February 2007
- Finance Committee in April 2007 to discuss financial indicators
- a workshop with Council members in April 2007

The University's KPIs are used in the review and planning cycle. Three-year targets are set for each KPI in the planning process, and are approved by Council in the *Corporate Plan* in December each year. Progress against targets is assessed in the review phase and analysed in the *Corporate Performance Report*, which is approved by Council mid-year.

The University's review and planning process provides a systematic university-wide approach to managing corporate performance to bring about continuous improvement.

### Choosing KPIs

A Key Performance Indicator (KPI) is defined as a corporate top level indicator that has defined quantitative metrics. A supporting indicator is defined as an established measure that provides further detail about a KPI or about a performance dimension.

The new set of KPIs takes into account that such indicators must provide a high level overview of performance. However, as with all indicators, they cannot tell the whole story and need to be interpreted with a broad consideration of context and qualitative information. A number of the indicators are inter-related.

For example the achievements in equity affect over 40% of the University's Australian student population. At the time of their annual consideration by Council, they are summative indicators, but a number of them are monitored closely as they develop through the year, in particular the indicators of load during the application and enrolment periods.

The proposed measures have been selected for their usefulness in:

- evaluating performance, quality and success in core activities
- showing achievement of institutional goals
- linking to strategic objectives and the distinctive mission of the University
- improving management
- benchmarking performance with other institutions, and
- demonstrating accountability.

In addition, the Australian Universities Quality Agency noted in its 2004 audit of UniSA that 'there are few targeted measures for the three arms of UniSA's positioning statement'. The proposed KPIs address this.

The proposed indicators listed in Appendix 1 have also been chosen because the data for these indicators are:

- quantifiable, at least on an annual basis
- based on statistics that are valid, reliable and verifiable
- able to show trend in performance over time
- generally capable of drill-down
- capable of being benchmarked with other universities.

The only indicator which cannot be benchmarked is UniSA's share of undergraduate first preferences, as it relates essentially to the three South Australian universities. Other indicators which do not meet these data requirements may be used as supporting indicators.

## **New KPIs**

The new KPIs are discussed for each strategy area.

### **Teaching and Learning**

In Teaching and Learning, the existing KPIs included a measure of first preferences, several measures related to the Federal Government's Learning and Teaching Performance Fund (LTPF) and measures of staff capability. The proposed KPIs aim to keep the share of first preferences as a measure of student demand, but to enhance this by a measure of commencing student quality (number of students from the top 1000 by TER).

The numerous indicators of student satisfaction with good teaching, overall satisfaction and the acquisition of generic skills are replaced by a composite measure of overall student satisfaction. The new KPIs also include new measures of successful student outcomes, as measured by progress rates and more broadly as measured by the success of the University's mission in 'Educating Professionals' (% of employed UniSA graduates working in professional occupations). The five new measures encapsulate the number and quality of our commencing students, their satisfaction with their experience at UniSA, their individual success and the success of the institution in reaching its positioning statement.

The measure of 'Educating Professionals' was developed in response to questions raised in a Council workshop and is an improvement on the raw measure of % of graduates in full-time employment, as this is particularly affected by some State-specific issues and practices.

The full range of indicators used in the LTPF will be used as supporting indicators, as will measures of staff capability, including staff who have completed a Graduate Certificate in teaching or equivalent. A measure of relevance, investigating how many UniSA students are produced in areas of high demand, will also be used as a new supporting measure.

### **Equity**

The University is committed by its founding Act to support students traditionally excluded from tertiary education. The existing KPI for equity is the % of Australian students in one or more equity groups, which has remained relatively constant at around 42% for the last several years. The University now has the second highest proportion of equity students of all Australian universities.

It is therefore timely for UniSA's focus to shift from enhancing access for students from equity groups to ensuring satisfaction with their university education experience. Accordingly, a measure of equity students' satisfaction becomes a new KPI, which can be compared with the overall measure of student satisfaction listed in the Teaching and Learning section.

The full range of indicators used in the LTPF will be used as supporting indicators, including access, participation, retention and success rates for the separate equity groups (low SES, rural, isolated, non-English speaking background, people with disabilities and Indigenous).

### **Indigenous**

The University is committed by its founding Act to make special provision for Indigenous students. Until 2007, UniSA did not have a KPI for this strategy area, and in 2007 adopted for the first time the number of commencing Indigenous students. The KPI of commencing

Indigenous students will now be matched by the number of Indigenous student completions, an area of concern both locally and nationally. These new KPIs focus on the University's provision of access for Indigenous students and success in seeing them through to completion.

Supporting indicators which will match those for other students and for other equity students include access, participation, retention and success rates, Indigenous student satisfaction, and rate of professional employment. Supporting indicators specifically for Indigenous students will include the rate of access to services provided for Indigenous students and the progress towards the University's goal of providing appropriate Indigenous content in undergraduate programs.

### **Research and Research Education**

Indicators for research are perhaps the best defined and most consistent across the university sector. There are no changes for the research education indicators which are research degree load and completions. A measure of research student satisfaction is being further developed by Research and Innovation Services.

The existing set of KPIs for research includes research income, research publications and two measures of staff capability. The new set focuses on two KPIs, research income and publications per academic staff member. These together provide key measures of input and output. There is a slight change in the new research income measure which is represented as total revenue rather than divided by the proportion of academic staff at Level B and above. The measure of publications per staff member, which is an audited and well recognised measure in the sector, will be a KPI of research output.

The new set of KPIs represent only a very slight change from the existing KPIs and resonate well with UniSA's positioning statement of 'creating and applying knowledge'.

The previous KPI of research income per staff member at Level B and above will become a supporting indicator. Indicators of publication quality are still being devised, for example publications in Tier 1 journals, but are not yet robust enough for institution-wide use. Other supporting indicators for research include research income by category, national competitive grants and research block grant indicators.

The existing KPI of staff capability, i.e. staff with a doctoral qualification, has been maintained but more appropriately located in the section on People, Services, Finance and Infrastructure.

### **Internationalisation**

The KPIs for internationalisation are well defined and relate to student enrolment, both of international students onshore and of transnational students. The only change for these KPIs is that they are now expressed as student numbers rather than the full-time student equivalents. The KPI of revenue generated from international students has been retained, but moves from being a financial indicator to one of internationalisation. While measures of satisfaction are hard to obtain consistently, they are derived as supporting indicators from the Transnational Student Experience Questionnaire and other student surveys. The retention and success of transnational and international cohorts are tracked regularly for comparison with the overall and domestic student cohorts.

There are a number of supporting indicators for internationalisation, including market diversification, risk and yield.

### **Regional, Industry and Community Engagement**

Regional, Industry and Community Engagement is a newly articulated strategy area in the *Strategic Plan*, but is one which has characterised the university from its inception. A corporate project is currently under way in order to map engagement activity across the University and to define measures, targets and priorities.

There is one KPI for this strategy area which is the research income derived from engagement with end-users. A further KPI is likely to be developed relating to the engaged nature of teaching. At this time, supporting indicators are not held centrally, but include the activities of UniSA's Northern Adelaide Partnerships (UNAP) and consultancy activity recorded in the Project Quality System (PQS), administered by Research and Innovation Services. The inclusion of this strategy area and KPI is a first step towards developing targeted measures for UniSA's positioning statement 'Engaging our Communities'.

## **People, Services, Finance and Infrastructure**

Existing indicators for this area include a number of staff gender equity indicators and two KPIs introduced in 2007, which were a measure of staff satisfaction and a measure of Lost Time Incidents. One key measure of staff gender equity has been retained, in the area of senior academic staff, while the other measures for all academic staff and for senior professional staff should be considered as supporting indicators. The indicator of staff with a doctorate will be used as a KPI as a key measure of staff capability. Other indicators of the staff profile are compiled annually in the *Workforce Profile Report*.

The measure of staff satisfaction from the triennial Staff Attitude Survey does not meet the data requirements for a KPI, but will be used as a management tool as appropriate. The Lost Time Incidents, as with other measures of Occupational Health, Safety, Welfare and Injury Management, are monitored monthly by SMG. There are many other service measures which are monitored and managed at the local level, including student/staff ratios, floor space ratios, satisfaction with student services and greenhouse emissions.

While Council has always received a full summary of financial indicators in the Budget, the formal financial KPIs have been indicators of revenue diversification, such as from international students. It has been proposed and accepted by Finance Committee that there should be three financial indicators, relating to profitability, cash flow and financial stability. A further indicator of financial growth, suggested at the Council workshop, is under consideration by the Finance Unit. All the existing financial indicators would remain part of the normal reporting to Finance Committee. Supporting indicators normally provided in the Corporate Performance Report, including liquidity, times interest cover, cash to borrowings and debt to equity would be maintained.

## **Summary**

Overall the revised set of KPIs provides a balance of existing (8), modified (4) and new indicators (9). Almost all the existing KPIs which are proposed for deletion from the KPI list will be considered as supporting indicators or at management level. They provide a manageable number of KPIs (21) over the seven strategy areas. Overall they provide a more balanced set of KPIs which more accurately reflect the distinctive nature of the institution and its aspirations and objectives.

## New University KPIs for implementation for planning 2008

<b>INDICATOR</b>
<b>Teaching and Learning</b>
UniSA share of state undergraduate first preferences
Number of high achiever students (top 1000 enrolments by TER)
Overall student satisfaction
Bachelor student progress rate
Educating professionals (% employed Australian graduates working in professional occupations)
<b>Equity</b>
Overall equity student satisfaction
<b>Indigenous</b>
Number of commencing Indigenous students
Number of Indigenous student completions
<b>Research and Research Education</b>
Research degree load (EFTSL)
Number of research degree completions
Weighted publications per academic staff FTE (all levels)
Research income in DEST categories 1-4 (\$m)
<b>Internationalisation</b>
International onshore student enrolments (persons)
Transnational student enrolments (persons)
Total international student revenue (\$m)
<b>Regional, Industry and Community Engagement</b>
Research income from engagement (\$m)
<b>People, Services, Finance and Infrastructure</b>
% female academic staff at Level D & E
% academic staff with doctorate
Profitability – operating result (\$m)
Cashflow – operating cashflow (\$m)
Financial stability – net cash plus investments (\$m)

Yellow shading = new or substantially changed indicators

Grey shading = minor change

## NOTES to the KPIs

Indicator	Source and Comments
<b>Teaching and Learning</b>	
UniSA share of state undergraduate first preferences	UniSA share of SATAC undergraduate first preferences to the three SA universities.
Number of high achiever students (top 1000 enrolments by TER)	Number of students enrolled at UniSA of the top 1000 school-leaver enrolments in SA as measured by TER.
Overall student satisfaction	% Graduate agreement rate for the CEQ overall satisfaction statement for Bachelor Pass, Honours and Graduate Entry graduates. Scope matches that of the Learning and Teaching Performance Fund (LTPF).
Bachelor student progress rate	Australian Bachelor Pass, Honours and Graduate Entry student progress rate ie successful student course load. Scope matches that of the LTPF.
Educating professionals	% employed Australian graduates working full time in an occupation that is at management, professional or para-professional level.
<b>Equity</b>	
Overall equity student satisfaction	% Graduate agreement rate for the CEQ overall satisfaction statement for Australian Bachelor Pass, Honours and Graduate Entry graduates in one or more Equity groups.
<b>Indigenous</b>	
Number of commencing Indigenous students	Number of students commencing in a year who self-identify as Aboriginal or Torres Strait Islander.
Number of Indigenous student completions	Number of completions of an award program by students who self-identify as Aboriginal or Torres Strait Islander.
<b>Research and Research Education</b>	
Research degree load (EFTSL)	Total load in Doctorates by Research and Masters Research
Number of Research degree completions	Higher Degree by Research (HDR) completions in calendar year – source Research Services. Note this does not match DEST reporting period which includes completions up to graduation time.
Weighted publications per academic staff FTE (all levels)	Total weighted publications in all 4 DEST publication categories (books weighted at 5) per academic staff FTE at all levels as at 31 March.
Research income in DEST categories 1-4 (\$m)	Total reported research income in categories 1-4, unweighted.
<b>Internationalisation</b>	
International onshore student enrolments (persons)	Total international onshore students in full calendar year (Study periods 1-7).
Transnational student enrolments (persons)	Total transnational students in full calendar year (Study periods 1-7).
Total international student revenue (\$m)	Total revenue from onshore international and transnational students.
<b>Regional, Industry and Community Engagement</b>	
Research income from engagement (\$m)	Category 2, Category 3 (minus international income) and Category 4 (\$m).
<b>People, Services, Finance and Infrastructure</b>	
% female academic staff at Level D & E	Women as % of total academic staff at Level D & E (FTE).
% academic staff with doctorate	Number of staff with a doctorate as a proportion of all academic staff.
Profitability – operating result (\$m)	Consolidated figures.
Cashflow – operating cashflow (\$m)	Consolidated figures.
Financial stability – net cash plus investments (\$m)	Consolidated figures. Excludes borrowings.