

# Skills innovation at Victoria University

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Professor Peter Dawkins  
with the Victoria University community

PREPARED FOR  
*SKILLS FOR VICTORIA'S  
GROWING ECONOMY*  
(MACKLIN REVIEW)



## **About us**

The Mitchell Institute for Education and Health Policy at Victoria University is one of the country's leading education and health policy think tanks and trusted thought leaders. Our focus is on improving our education and health systems so more Australians can engage with and benefit from these services, supporting a healthier, fairer and more productive society.

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## A unique dual-sector policy perspective

The post-secondary education and training sector is rapidly transforming, as the impact of COVID-19 challenges the entire sector to rethink its structures and role. While this remains an extremely challenging time for institutions, their staff and their students, it is also a time of immense possibility for disrupting outdated structures, and learning in new and exciting ways.

Even before the COVID-19 crisis, the Mitchell Institute for Education and Health Policy advocated strongly for innovation in post-secondary education and training.<sup>1</sup> The boundaries between higher education and vocational education and training (VET) had created entrenched institutional siloes, limiting students' ability to move between different forms of learning, and gain the skills that were most needed across all sectors of the labour market. At a 2019 Roundtable, tertiary education sector leaders signaled the need for universities to embrace innovation, and for longstanding issues in VET-university pathways to be addressed.<sup>2</sup>

COVID-19 has increased the urgency of these challenges. The revenue from international students, on which many universities have come to rely, has suffered a sudden and dramatic reduction,<sup>3</sup> forcing universities to reconsider their business and delivery models. Opportunities to integrate work and learning have also taken a hit across the VET and higher education sectors, most tellingly evident in the rapid decline in apprenticeships occurring during the crisis.<sup>4</sup> Labour market disruption is at once-in-a-generation proportions, and the growing number of Australians who are unemployed and underemployed demands urgent action.

Post-secondary education and training providers are stepping up to meet this challenge. Across the sector, rapid innovation has occurred in digital and remote delivery, including in VET courses, which have struggled with online learning models in the past. Providers are opening their minds to disruptive innovations, searching for great ideas that can be adapted, scaled up, or improved upon to pivot the entire sector towards a more resilient future.

Having the Mitchell Institute within Victoria University (VU) enables us to draw on institutional practices to imagine change at policy and system level. As one of the leading young universities in Australia<sup>5</sup>, VU is committed to doing things differently, both through its dual-sector status (higher education and VET within one institution), and its strong connections to community through the commitment to the West of Melbourne enshrined in the *VU Act*.

This paper highlights key innovations occurring at VU, and the lessons that may be drawn from them for other post-secondary education and training institutions. Its purpose is to contribute to knowledge-sharing across the education and training sector, recognising that sharing ideas and best practice is the fastest way to lift learning outcomes for all Australian students. It also shows where innovations at VU signal possibilities for policy reform, at state and federal level.

There is potential for Australia to emerge from the COVID-19 crisis with a strong, more innovative tertiary education sector than it has ever had before. This will require all providers to share their knowledge for the collective improvement of the sector, and for governments at all levels to work with all stakeholders to create the conditions in which innovation can flourish.

## Rethinking teaching – Block Model

VU's unique Block Model of teaching enables students to complete higher education units in a series of four-week 'blocks', rather than undertaking multiple subjects concurrently. Since its introduction in 2018, the model has achieved demonstrable impact on first-year student retention and success, including for equity group students. The Block Model is now being scaled up to transform the second-year and third-year learning experience across VU.

Emerging Mitchell Institute research has found that the success of VU's Block Model is not just derived from how Block courses are structured. Alongside the structural changes, implementation of the Block Model has involved an intensive focus on quality teaching. VU's First Year College model – implemented when the Block Model was introduced – has created a multi-disciplinary community of practice among first-year academic teaching scholars, with regular opportunities to share reflections on teaching and improve professional practice.

The Block Model also enables the conditions of good teaching to be met, in a way that is seldom possible in traditional university lectures. Class sizes are small, and the intensive, focused Blocks enable academic staff and students to build relationships that are critical to learning. The Block structure also enables rapid feedback on student achievement and engagement, and allows iterative improvement to curriculum and teaching from Block to Block.

The research found that focusing on quality teaching and innovation has enabled VU staff to adapt rapidly and positively to the shift to remote learning caused by COVID-19. Small class sizes and close relationships meant that staff and students could stay connected, and ensure no student fell through the gaps. Adaptation and continuous improvement are established practices in VU's First Year College teaching model, so staff could readily share ideas (as well as frustrations) and support one another to treat remote learning as an innovation opportunity.

VU is now developing a long-term strategy for digitally-supported remote learning in higher education and VET, drawing on insights from across the VU during the COVID-19 period. A focus on quality teaching, with the student at the centre, will continue to guide VU's next steps.

### Policy implications

The importance of quality teaching has received far less attention in tertiary education and training policy than it has in other parts of the education system. The success of the focus on teaching in VU's Block Model – including practitioner research to build understanding of teaching practice – shows the importance of enabling teaching innovation and improvement.

### Recommendations

- **Prioritise teaching excellence in VET and higher education funding.** VU is proof that excellent teaching makes a difference, including for students from equity groups. Teaching excellence can only happen when funding models enable all institutions to create space for their staff to innovate and collaborate, and participate in vibrant communities of practice.
- **Invest in innovation in teaching and learning.** The Block Model shows how innovative models of teaching and learning can be game-changers in student retention and outcomes. The COVID-19 crisis has generated new innovations in digital and blended learning, which could transform the student experience if they are taken to scale. All tertiary institutions need incentives and support to develop and share innovations in teaching, curriculum and assessment (including digitally-supported models), and to adopt emerging best practice.

## Rethinking pathways – Academic programs for the future

The future workforce will need to combine academic and applied learning in flexible ways over the entire course of lifelong learning. As Australia recovers from the COVID-19 crisis, flexible, multi-directional pathways between higher education and VET – potentially also including short courses and skill sets – will become increasingly important, to enable people to upskill and reskill to meet emerging economic opportunities. As a dual-sector university, VU is well-positioned to deliver qualification pathways that utilise the best of VET and higher education.

### *Integrating higher education and VET*

VU's *School for the Visitor Economy* is a leading example of seamless integration of VET and higher education. The School has developed a unique qualification pathway to solve a problem identified by industry: employers' desire to hire managers with Business degrees who also had a hands-on understanding of the Hospitality and Hotel industries. The pathway involves:

<b>Year 1</b>	Diploma of Hospitality Management, National Training Package Qualification delivered with State Skills First Funding
<b>Year 2</b>	Graduate Certificate in Hospitality and Hotel Management (VU self-accredited program with Commonwealth Supported Places funding) or Second Year Bachelor of Business pathway with 8 credits (one year)
<b>Year 3</b>	Bachelor of Business 3rd Year with 16 credits (2 years)

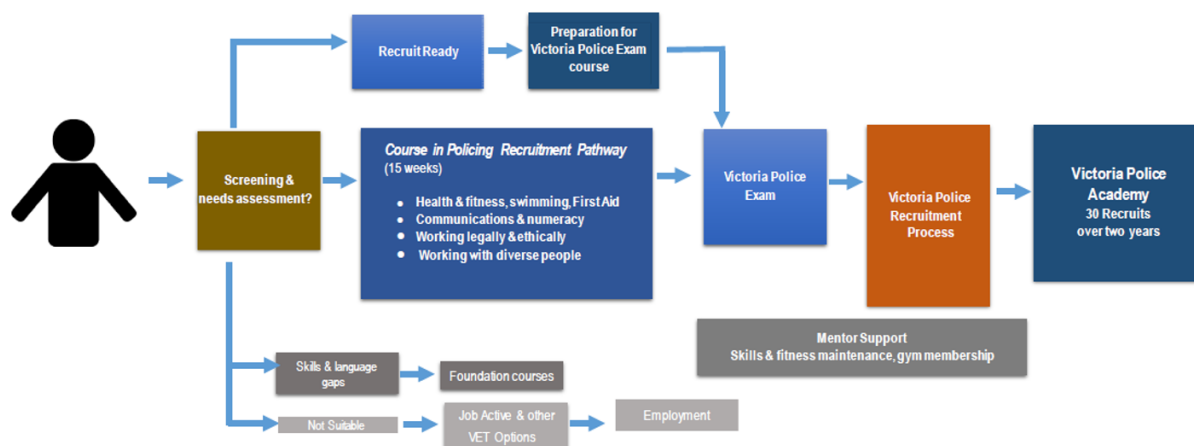
Students can exit the course with a qualification at any level: a VET diploma (first year); a Graduate Certificate (second year); or a full Bachelor of Business (third year). The course also offers flexible entry points, for new entrants or those already working in industry. The model above for Hospitality and Tourism could be adapted for specialisation in other industries or business operations, such as Human Resources or Marketing – similar to a traditional 'double major' in a university degree, but integrating the job-relevant learning from the VET sector.

VU is currently exploring opportunities to replicate this 'three years, three qualifications' model in Cybersecurity, and Engineering-related courses (see School of Transport Systems below).

### *Integrating short courses and qualifications*

Through its strong links with the community, VU has also developed innovative pathways from short courses through to qualifications. For example, VU's partnership with the Victorian Police Academy aims to attract more students from culturally and linguistically diverse (CALD) backgrounds into police careers. The pathway program involves seven core units designed to overcome barriers faced by CALD students in the Police Academy entrance exam, including physical fitness and swimming, communication and numeracy skills, and working legally and ethically. A pre-training assessment connects students to Foundation Skills courses if required.

## Course in Policing Recruitment Pathway



## Policy implications

While these examples show what is possible when pathways are developed, there remain significant barriers to scaling up these models. Funding models are a disincentive to combined qualification pathways, as universities may see the completion of a first year in VET as a 'loss' in income – despite this being a gain for a student who might not otherwise complete a degree.

The funding disparity between higher education and VET also incentivises institutions and industry partners to jump to higher education as a solution to higher-level skills needs, instead of exploring how higher-level VET qualifications might deliver high-quality applied learning. Inefficiencies also arise when institutions deliver first-year options in both VET and higher education, to avoid the loss of income resulting from offering a first year through VET only.

Pathways between short courses and qualifications also need to work for a broader range of learners. While the VicPol model used a short course as a stepping-stone to a full qualification, learners who are upskilling may prefer the reverse model, completing a short course after their first full credential. While full qualifications are essential for new entrants to get a strong footing in the workforce, graduates upskilling later in their careers may require more dynamic options.

The VicPol model also emerged because of short-term philanthropic investment. Efforts to expand the model are currently dependent on philanthropic or program-based investment. No systemic funding mechanism currently exists to enable institutions to take innovation to scale.

## Recommendations

- **Design funding models that place higher education and VET on a level playing field.** This includes funding VET at the level required for quality provision; providing funding for partial VET courses where they are linked to a demonstrated industry need; and removing upskilling rules that exclude graduates from funding for further study at a lower AQF level.
- **Invest in brokering collaboration between providers, industry, and community,** to create qualification pathways that meet identified needs. This could occur through targeted funding to leading providers, or through a sector-wide body to facilitate collaboration.
- **Accelerate reform of the Australian Qualifications Framework,** to make it easier to design courses and qualifications that combine applied and academic learning. This includes streamlining regulation and approvals, especially for dual-sector providers, so that combined VET and higher education courses can have a single layer of regulation.

## Rethinking work and learning – Industry partnerships

There is clear evidence that work-based learning contributes to improved academic and occupational outcomes. The availability of work-integrated learning opportunities in tertiary education and training has been severely impacted by the COVID-19 crisis, with many students struggling to find work placements, and apprenticeships and traineeships declining. Graduates from 2019 and graduates entering the labour market in late 2020 or early 2021 will have had limited opportunities for direct engagement with employers through work-based learning.

VU has strong partnerships with industry that enable new models to be created that combine work and learning. The Melbourne Centre for Civic Construction (MCCC) is a major initiative under development at VU's Werribee campus, to deliver a skilled workforce for the transport and infrastructure sector; build innovation; and strengthen Victorian businesses in national and international supply chains. MCCC will integrate VU's existing School for Transport Systems and Civic Infrastructure (STSCI), a cross-university teaching and research program that spans construction, clean energy (including waste to energy), fire, water, and digital technologies.

The MCCC initiative draws on an extensive network of government, industry and academic partners, including providers engaged in Victoria's Big Build projects, and internationally. It represents a major investment by VU in developing the Werribee Campus into a specialised, responsive facility that can evolve and adapt along with industry, the economy and VU itself.

### Policy implications

Partnerships between providers and industry require substantial investment of time and resources from all parties, as well as a shared commitment to a more skilled workforce. Along with support for brokering (proposed above), governments could create stronger architectures for collaboration, including fit-for-purpose qualifications models and financial support. The apprenticeships model has long been an exemplar of provider-industry partnerships to build workforce skills, and points the way to potential new learning models for the post-COVID world.

### Recommendations

- **Create a national cadetship initiative**, providing subsidies incentives to employers to hire students as 'cadets'. The proposed cadetships could involve two streams:
  - a 'higher apprenticeship' stream, extending existing apprenticeship system architecture to higher qualification levels (diploma and degree)
  - a shorter-form stream, involving direct employment alongside completion of a graduate certificate or micro-credential through an education and training provider.

These schemes would require cooperation between state and federal governments, to combine employer incentives and subsidies (federal) with identification of industries in which cadetship models could be applied (state), and development of new qualifications.

- **Closely integrate both programs into employment initiatives** (such as Job Seeker or Working for Victoria) to strengthen connections between training and the labour market.
- **Fund industry brokers to coordinate work placement opportunities** across education and training providers, to maximise efficiency in placing students and ensure employers and students are well supported (similar to the Group Training model for apprentices). In relevant industries, this could include placing VET and higher education students together, to strengthen shared learning and encourage uptake of pathways to higher qualifications.

## Rethinking planning – Mitchell Institute Centre for Jobs

The COVID-19 crisis has sharpened interest in labour market analysis and skills needs forecasting. More than ever before, the delivery of tertiary education and training must be informed by dynamic data on skills needs and job opportunities, to give students the best possible chance of a successful transition to the workforce. This includes accurate, detailed information about existing industry needs, and new opportunities to create growth sectors.

VU hosts the Centre of Policy Studies (CoPS), an international leader in undertaking economic modelling research for governments and businesses. CoPS specialises in Computable General Equilibrium (CGE) modelling, which can forecast the effects of major economic and policy changes and shocks. CoPS is intensively involved in modelling the effects of COVID-19 across the economy, including within specific industries, jurisdictions and geographic locations.

Understanding the impact of COVID-19 on the skills and jobs pipeline will require multifaceted research approaches, including large-scale modelling and deep insight into specific impacts on industries, sectors, cohorts, and education systems. As a dual-sector university, VU's research capability in understanding these effects is enhanced by its close connection to communities and industry, and its market intelligence as an education and training provider.

The Mitchell Institute Centre for Jobs is a planned new VU initiative currently under development, to focus on the local jobs that are central to post-COVID economic and social recovery in the West of Melbourne. The Centre will specialise in the geographic distribution of jobs, focused on creating jobs and improving employment outcomes for outer-metropolitan areas, and identifying where the greatest economic and social returns can be achieved. The Centre will undertake research and develop insights about the jobs and skills needed for the recovery, including the respective role of government, industry, education and individuals, and will re-conceptualise how place interacts with the workforce and workplaces of the future.

Through the Centre, CoPs, the Centre for International Research on Education Systems (CIRES) and the Mitchell Institute will pursue an innovative research agenda, covering jobs and skills growth; economic activity around precincts; and improved social inclusion. There will be significant community and industry engagement to identify needs and challenges, and to disseminate research findings—including direct links to provision of education and training to meet skills needs in the West of Melbourne, through VU's higher education and VET programs.

### Policy implications

Linking education and training provision to industry and community needs is a shared endeavour between providers and government. It requires a two-way flow of data and insights to support planning and investment decisions at institutional and system level. It also requires agility and in depth qualitative work, recognising that no single source of data can answer all the questions about skills supply and demand that will arise in the post-COVID context—especially at local level. VU's planned Mitchell Institute Centre for Jobs is an example of one provider harnessing research and institutional knowledge in a way that can inform system efforts to meet skills needs, and points to the potential to join up intelligence across the sector.

### Recommendations

- **Invest in a diverse pool of evidence on skills supply and demand**, and mechanisms for sharing insights with providers, industry and communities. This should include dynamic, large-scale models to monitor system-wide trends, as well as in-depth analysis of specific industries, occupations, places, cohorts, and types of education and training provision.



## Rethinking community – University without boundaries

VU is the university of the West of Melbourne, which has the fastest-growing population in Victoria and a rich array of socio-economic, cultural and linguistic diversity. VU's aspiration to be a 'university without boundaries' is enacted through the strong partnerships it has built with communities and industry in the West of Melbourne, and its commitment to deliver what the community needs to learn and thrive. As the West is ravaged by the economic and social effects of the COVID-19 crisis, connecting to community and Country is more important than ever. Strong connections build resilience, and are the foundations on which recovery will grow.

VU's model of engaging with community is changing, from *campuses* to *precincts* in which learning and community development can occur side-by-side. VU plays a key role in several place-based initiatives, including the state government Priority Precincts program and federal government City Deal, and in leading the West of Melbourne Economic Development Alliance (WoMEDA). VU also works closely with local government, and recently signed a Memorandum of Understanding with Brimbank City Council to improve learning and employment outcomes.

Place-based approaches require interdisciplinary thinking, and connections between local and global concerns. VU's new focus on Planetary Health represents an institute-wide commitment to have an impact on communities and the world, towards the achievement of the Sustainable Development Goals. The new Graduate Certificate in Planetary Health explores the connection between the health of the planet and the health of communities, equipping a new generation to think and work in connected, sustainable ways. It builds on VU's existing interdisciplinary strategies in *Health, Sport and Active Living* and the *Sustainable Industries and Liveable Cities*.

VU's connection to community is also enacted in a strong sense of accountability to the First Peoples of Australia. The *Bathelmun Yalwonga* strategy commits to providing an environment for students and staff that fosters Aboriginal innovation and success. The Moondani Balluk Academic Unit works across VU to strengthen connections between researchers, teaching staff and Aboriginal communities, including by fostering and sharing Indigenous knowledge.

### Policy implications

The complexity of VU's community engagement activities demonstrate the investment required for tertiary education institutions to remain connected to industry and community. VU has acted as a conduit between employers or infrastructure developers and community groups, to create skills and jobs pathways that would not have existed otherwise. VU Polytechnic also engages with many small- to medium- enterprises that fall 'under the radar' in government engagement with industry. This is especially evident in major government infrastructure contracts that are awarded to major companies, who then subcontract substantial proportions of the work.

The resources invested in these relationships could be streamlined if government played a stronger leadership role in connecting stakeholders with a shared interest in skills and jobs. The Victorian Skills Commissioner is an example of an intermediary organisation that supports the entire skills sector to engage with government priorities, reducing the adverse effects of provider competition, and ensuring clear accountabilities for all parties to deliver (which can be challenging to embed in direct provider-industry partnerships). An expanded government role could also build on the work of Skills and Jobs Centres that are associated with specific providers, and improve the connectedness of support for vulnerable learners sector-wide.

### Recommendations

- **Establish local skills and jobs coordination groups**, potentially led through Priority Precincts or local government structures. These groups would drive collaboration to deliver on industry and community skills needs, including by combining provision capacity to meet

discrete skills needs that are not financially viable for any one institution; or to meet large-scale, project-based skills needs that require joined-up effort across multiple providers. Audit of the specific roles and responsibilities in all major projects could be part of this role.

- **Fund the groups to identify and respond to immediate opportunities** to drive skills and growth in their communities, within a designated funding allocation through which they are accountable to deliver demonstrable local impact. This would offer potential for grants-based funding programs to transition into sustainable place-based investment strategies.
- **Establish a single public interface in local communities** (online and face-to-face), offering referral services across all local skills and jobs providers and initiatives. This could be delivered in partnership with local councils, expanding on the 'no wrong door' model used to support vulnerable groups, to cater to adults at all stages of life and learning. These centres could also develop sophisticated outreach and engagement strategies for communities and other key cohorts, across multiple tertiary education providers.

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## References

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Mitchell Institute for Education and Health Policy  
300 Queen Street, Melbourne, Victoria 3000  
+61 3 9919 1820  
[info@mitchellinstitute.org.au](mailto:info@mitchellinstitute.org.au)  
[mitchellinstitute.org.au](http://mitchellinstitute.org.au)