

The Carich Affair: Picking up the “pieces” (students) and moving on

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In recent years Private Training Enterprises (PTEs) started teaching diploma programmes at levels 5 and 6 in full competition with Institutes of Technology and Polytechnics (ITP). ITPs became increasingly concerned about the ability of PTE students to pathway into higher level ITP programmes, so as to continue with their studies. The National Advisory Committee on Computing Qualifications (NACCQ) had done considerable work to map the unit standards contained in the national diplomas to their qualifications and this exercise drew into question the perceived value of the PTE levels 5 and 6 diplomas from the perspective of ITPs (Ross & Robertson, 2003). In the event, these concerns became less relevant when a major player in the PTE domain collapsed. In October 2003 Carich were forced to close business down and suddenly the future of their students, including a major cohort from the international market, was in serious jeopardy. The New Zealand government requested higher education institutions to rescue students, recognizing the negative impact that the collapse of Carich would have on students. They also coordinated the re-assignment of students to institutions who volunteered to help. This paper is written as an opinion piece to explain how Wintec and CPIT handled the situation, which occurred at an extremely busy time of the year for ITPs. It discusses the associated problems, the benefits that accrued as a result of the successful rescue operation, and lessons learned from the experience.

1. INTRODUCTION

Ministry of Education indicated that Tertiary Education Institutions should step in to help when Carich students and staff found they could not enter the classrooms one day during October 2003. But chaos reigned at ground zero. Documentation was still locked in Carich offices, most Carich staff had left, students were waiting for help, Ministry of Education had not offered assistance, local and international media were on the Carich case, lawyers were involved in bankruptcy procedures and it was a typically busy year's end for the ITPs. Vague promises were made at high levels that Carich students would be helped, but the ITPs had little information about

operations inside Carich, and there was no clear plan in the institutions.

Wintec and CPIT worked independently and provided different solutions. In preparation for this paper, two separate five-page reports were written to record experiences in relative detail (McCarthy (2004) and Potgieter (2004)). These reports were then compared in order to produce this paper. The authors of this paper were responsible for the management of the projects and are therefore 100% biased, which is why this is not presented as a research paper!

2. ITP APPROACH

Generally, businesses prefer to take another business over that is still operational because it is still servicing income, information can be obtained from internal processes and resources are available for integration. None of these conditions existed for the salvage project the institutions had to undertake. Effectively, each institution had to use its own processes and resources or buy additional resources to obtain even basic administrative information that remained evasive for long periods, which was a major cause of frustration.

Both institutions provided an alternative environment for Carich students to complete their National Diploma in Computing Level 5, at no cost. Previously this qualification competed for students with the ITP's Diploma in Information and Communications Technology Level 5 (DipICTL5). It was originally thought by many people that ITPs would be able to easily help these students because of the

perceived similarity of these qualifications. However, Ross & Robertson (2003) had already exposed the gap between these qualifications and implications for students in an internal working paper as members of the NACCQ Curriculum and Quality working group. The negative implications of these differences became evident during the rescue project.

There were also several groups of students in different stages of completion of the Carich qualification and a solution had to be created where these groups could be kept separate to minimize re-work. The fact that NZQA decided to split international and domestic students across ITPs and PTEs did not particularly influence the teaching environment that was created at CPIT. The total number of students serviced by CPIT was substantially higher than that of Wintec.

Furthermore, both institutions appointed teaching staff from Carich, used the free time of PC labs available during the school holidays and created some administrative capacity for student information salvaged from Carich. Only the curriculum that had not been covered by Carich was taught, resulting in students finishing at different times during 2004. Both institutions found that many students had disappeared and could not be helped. We were also very satisfied to have experienced the positive response of students who appreciated being helped.

3. SPECIFIC EXPERIENCES

3.1 Timing and resources

Carich students would have been much worse off if the challenge was posed to the institutions during mid-term activities. Timetabling of classrooms and PC labs was no problem, even during Summer School. The software image of PC labs was reconfigured to suit the Carich programme and Wintec purchased additional equipment in order to minimize constraints impacting on Carich students. Both institutions experienced timetabling challenges when their own classes started from the middle of February. CPIT reported that students found it difficult to adapt after being used to attending half day programmes, which impacted on continued attendance. The appointment of Carich academic staff to continue with teaching ensured continuity and ena-

bled ITP staff to take their scheduled annual leave over the summer.

3.2 Administration

Wintec appointed two administrative staff of Carich, namely the Academic Dean and Student Data Officer, to ensure the smooth transition of student information. This meant that the correct information was obtained from the Carich files and transferred to the Wintec system with little trouble. Because these staff members also previously liaised with NZQA they were able to ensure continuity of student administration in order to submit the Carich results. Another very important benefit was that they understood exactly what needed to be done in order to ensure continuity of student loans. They could also work on the complications of having unusual lengths for course durations, explain the split of results between two systems to NZQA and assist to improve administration regarding Contractors Bonding Limited (CBL) for students. This avoided some of the problems experienced by CPIT, and enabled Wintec staff to manage challenges caused by the introduction of a new system. However, it also caused additional financial expenditure.

3.3 English language

CPIT experienced major challenges with the English language proficiency of students where it was found that few students had IELTS of Academic 6.0 or higher, their scores ranging from 3 to 8. Students with low scores were requested to attend courses before being allowed to continue their studies. Wintec continued with the students who were enrolled leaving it to the Carich tutors to overcome possible problems that might exist, but nothing came to our attention during the regular meetings of the Programme Committee and discussions with the tutors. It is possible that students with low proficiency in English language simply did not turn up for continued studies at Wintec. The quality of Carich staff was certainly very high, and they did their best to help students overcome the challenges they faced.

3.4 Quality of students

CPIT were challenged more than Wintec with a requirement for students to meet academic standards and rigour. It appears that several students withdrew from CPIT because of the pressure caused by an increase in the time spent in laboratories in

order to progress faster than they were used to. This was not an issue at Wintec where students continued working at the pace they were used to. Carich students who enrolled in DipICT L5 and Bachelor of Information Technology (BInfoTech) studies at Wintec for 2004 appear to be progressing satisfactorily.

3.5 Graduation

Students completed their studies at different stages until May of 2004. Graduation ceremonies were adapted to the situation. The first group graduated at CPIT on January 16th “with a letter of congratulations, a copy of their academic record at CPIT, a form to use to apply to NZQA for being awarded the National Diploma in Computing (Level 5), a glass of orange juice and a sandwich and savoury or two” (McCarthy, 2004, pp3). Such were the mood of the whole project to innovate and meet the unique challenges of the day...

3.6 Finance

Both institutions appointed additional staff to service the students, while Wintec also acquired additional items of equipment and study material. Net additional expenditure has yet to be calculated when the final administration has been done by the middle of the year. At the time of writing this paper neither institution received any financial compensation from Ministry of Education.

3.7 The student perspective

During early stages of the project students were even more disorientated than staff of the two institutions. Students said that they felt powerless and frustrated, and they wished to receive clearer communication about what was happening (as did we all!). As they became involved in meetings on the campus, their major wish was to get back into class and continue with their studies. During orientation at the beginning of 2004, they indicated their major wish was for payments of student allowances to recommence (it was stopped when Carich closed). Once classes were under way and the money stream was reconnected, some students were challenged by the faster pace at CPIT, and apparently left. Students were able to take a two week break over Christmas, which enabled them to “recharge their batteries”.

It was noticeable that students were always very appreciative of the effort being made by the two institutions and staff from Carich. This was highly motivational to everyone involved in the rescue operation. It was especially satisfying to have a number of students enroll into the ITP programmes for 2004.

4. CONCLUSION

It is estimated that the institutions helped more than half of the students who were enrolled at Carich in Hamilton and Christchurch. Major reasons for students failing to complete their Carich qualification were not taking up the offer, deciding to return home, not achieving high enough level of English accomplishment, not being able to keep up with the pace of study and other personal reasons. These were not within the control of the institutions who had to operate in crisis mode in order to provide a service for free and without external assistance. Fortunately, the institutions received positive exposure in media that was good for public relations for the institutions.

Two matters of serious concern need to be considered briefly, namely the role of PTEs in the higher education environment, and students from the International market. In the first instance, from the ITP perspective, alarm bells regarding the operation of PTEs in IT training had already started ringing in 2002. Concerns were raised in NACCQ circles about the flow of students from ITPs to PTEs, resulting in inefficiencies in some government-owned institutions where classes were suddenly half-full. The market is still open for alternative service providers, funded by government, to reduce overall efficiency of ITPs.

Competition is allowed with, what appears to be, the intent to improve strategic management, efficiency and academic quality in the higher education sector. This might enhance the “strength” of competitors as they adjust their operational efficiency and/or academic quality in order to retain or grow “market share”. The higher education industry then “sorts itself out to the benefit of the nation”. Some institutions would simply go out of business if they could not meet the required financial and/or quality performance levels set by various administrative government units for the higher education sector (e.g. MoE, TEC, NZQA). “Less efficient” institutions either disappear on their own or are “removed from

the scene” for whatever reason. This appears to be the value proposition of competition in higher education. MoE, TEC and NZQA determine the future of institutions while monitoring performance and applying policy.

Those institutions remaining after severe competition might however, need time and resources to recover from the financial losses they might have experienced. This is especially true if they simply used a larger pool of financial resources to “outlive” the competition from their reserves, while not significantly changing efficiency or quality. Furthermore, one can argue that if a new competitor exits the race “too soon”, then perhaps little or no long-term benefit has been achieved from the national perspective. The remaining contenders are not necessarily more efficient, deliver higher quality or have become more flexible. Admittedly, this might be because they were already at an optimum level of efficiency, quality and/or flexibility - but we simply do not know without in-depth investigation. These are matters for possible further investigation.

Secondly, participation in the international market holds far reaching implications. The most immediate complication is the matter of language proficiency and implications for efficient teaching environments. This was clearly shown by the Carich experience at CPIT. The risk exposure for institutions servicing significant numbers of international students, as well as the risk exposure of the country as a whole, is of major concern. The degree of exposure to a single and potentially capricious market namely China must also be noted and managed appropriately. While the easy solution would be to reduce international student numbers and exposure to a single overseas country it might be worthwhile to simply do appropriate risk management in order to ensure that complications are addressed at institutional level by increased funding and regulation of academic departments.

Effectively, major damage to the image of New Zealand as a reliable provider of higher education was reduced by the Carich rescue operation. The institutions were also able to make important contributions to maintain good international relationships and it is worth noting that the number of international students studying Information Technology at the two institutions has increased for 2004. This growth might not have happened if, for example,

the Asian press had to carry a story of how their students were left to dry when Carich was closed without support for the students who were enrolled at the time.

Would we do it again? Well, we actually had little choice in the matter. We are grateful to have been able to make a difference to the lives of so many students and their families at home who had even less of a choice. . .

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