

## Education New Zealand Briefing

<b>Title:</b>	Education New Zealand quarterly report from 1 July to 30 September 2018			<b>RECEIVED</b> 26 NOV 2018 <i>Office of Hon Highness</i>
<b>Date:</b>	26 November 2018	<b>Priority:</b>	Medium	
<b>Security level:</b>	In Confidence	<b>ENZ ID no:</b>	1819-082	

## Action sought

Addressee:	Action sought:	Deadline:
Minister of Education	<p><b>Note</b> the attached Education New Zealand quarterly report for 1 July to 30 September 2018.</p> <p><b>Agree</b> that this briefing is proactively released as part of the January 2019 release.</p>	

## Contact for telephone discussion (if required)

Name:	Position:	Telephone:	Cell phone:	1 <sup>st</sup> contact
Grant McPherson	Chief Executive	[REDACTED]	[REDACTED]	
Angela Meredith	Accountability Manager	[REDACTED]	[REDACTED]	x

## The following departments/agencies have seen this report

<input type="checkbox"/> ERO	<input checked="" type="checkbox"/> MBIE	<input type="checkbox"/> MFaT	<input checked="" type="checkbox"/> MoE	<input type="checkbox"/> MoH	<input type="checkbox"/> MSD
<input type="checkbox"/> NZQA	<input type="checkbox"/> NZTE	<input type="checkbox"/> TEC	<input type="checkbox"/> TPK	<input type="checkbox"/> Treasury	<input type="checkbox"/>

## Minister's office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Declined	<input type="checkbox"/> Noted	<input type="checkbox"/> Needs change
<input type="checkbox"/> Seen	<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	<input type="checkbox"/> Withdrawn

## Comments:

## Education New Zealand Briefing

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### Recommendations

Education New Zealand recommends that you

- a. **note** the attached Education New Zealand quarterly report for 1 July to 30 September 2018

Noted

- b. **agree** that this briefing is proactively released as part of the January 2019 release

Agree  Disagree



Grant McPherson  
Chief Executive  
Education New Zealand



Hon Chris Hipkins  
Minister of Education

27/12/18

Proactively released

## Purpose

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1. Education New Zealand's (ENZ's) quarterly report for 1 July to 30 September 2018 is attached for your information.

## Background

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2. The quarterly report provides the first quarter progress report against the intentions stated in ENZ's *Statement of Intent 2018-2022* and *Statement of Performance Expectations 2018/19*.
3. Progress is reported under ENZ's four strategic priorities and ENZ's work to develop its capability to support those priorities. ENZ's strategic priorities are:
  - **Lead international education thinking:** Lead the future thinking of the international education industry and collaborate with other agencies to give effect to the government's goals for international education
  - **Promote New Zealand's quality education:** Capture the hearts and minds of international students and their families by delivering consistent story-telling around New Zealand's distinctive education experience
  - **Grow sustainable international education:** Encourage innovation and diversification to ensure the long-term, sustainable growth of international education
  - **Develop global citizens:** Bring people together from all parts of the globe to share ideas, skills and knowledge, and in doing so enable New Zealanders to feel at home in the world and the world to feel at home in New Zealand.
4. ENZ's monitoring agencies, the Ministry of Education and Ministry of Business, Innovation and Employment, have reviewed the quarterly report.
5. ENZ's Board Chair reviewed the quarterly report and authorised providing it to you.

## Proactive release

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6. ENZ intends to proactively release this briefing as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

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# Quarterly Report

## Education New Zealand

1 July to 30 September 2018

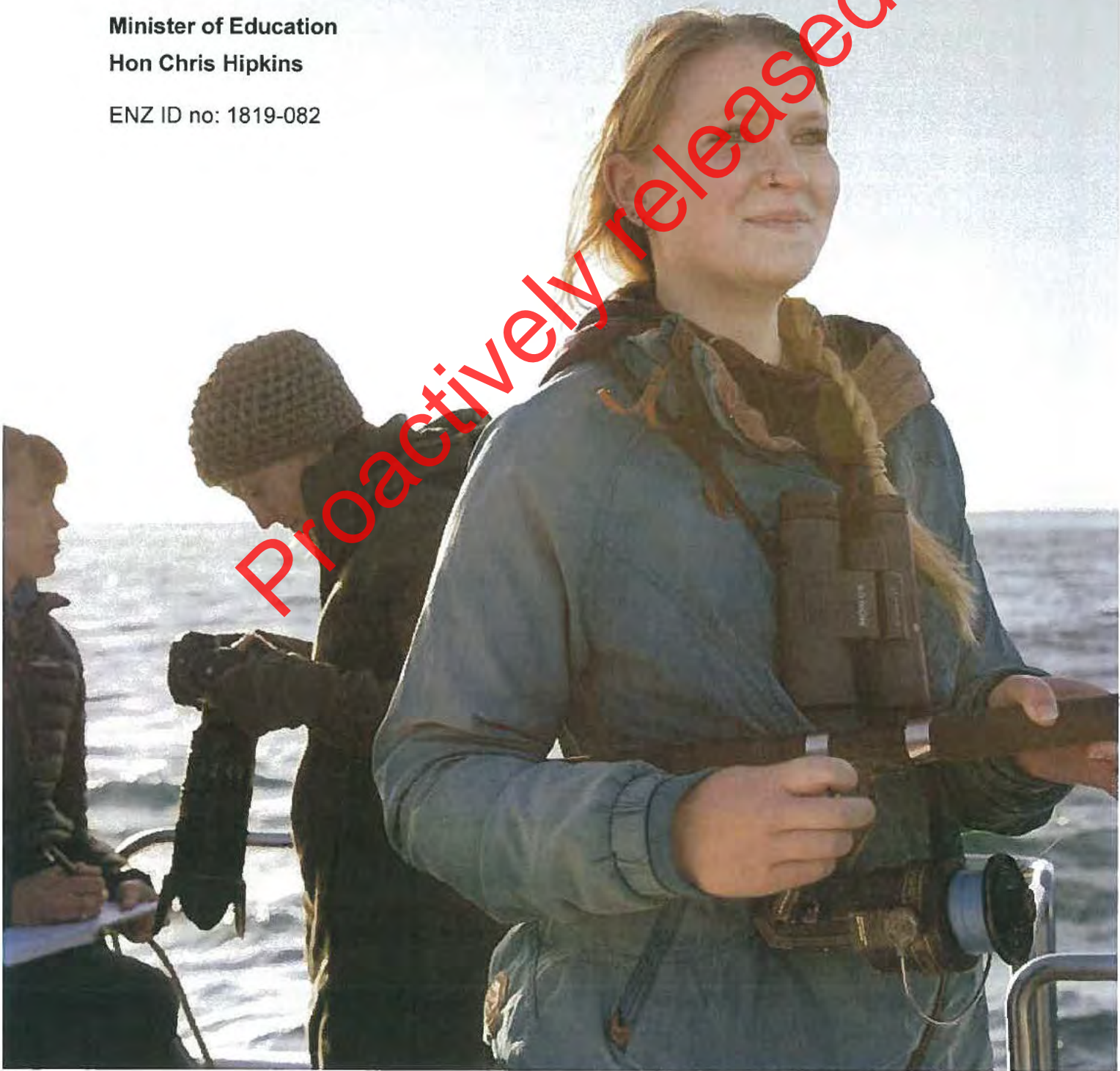
In Confidence

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**Minister of Education**  
**Hon Chris Hipkins**

ENZ ID no: 1819-082

Proactively released



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## Executive summary

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This quarterly report covers the period 1 July – 30 September 2018<sup>1</sup>. This is the first quarterly report against Education New Zealand's (ENZ's) *Statement of Intent 2018-2022* and *Statement of Performance Expectations 2018/19*. From next quarter, it will also report against ENZ's *Letter of Expectations for 2018/19*.

The new International Education Strategy 2018-2030 (the Strategy) was launched by Minister Hipkins at the New Zealand International Education Conference and Expo 2018 (NZIEC). International education agencies are working on the development of the Strategy's implementation plan.

ENZ held the NZIEC where 600 delegates attended streams on marketing and market opportunities, product development, student experience and pastoral care, global citizenship and working with agents. Ministers Hipkins and Lees-Galloway spoke to the delegates about post-study work rights and Minister Hipkins launched the Strategy and announced the relaunch of the ENZ Recognised Agency Programme (ENZRA).

ENZ's '1 Million Cents Scholarship' campaign won the Marketing Campaign of the Year category at the PIEoneer Awards. The 2017 campaign celebrated reaching one million followers across ENZ's social media channels.

ENZ and the Ministry of Education supported Minister Hipkins' visit to China to reaffirm the high value that New Zealand places on its education relationship with China and to promote New Zealand as a welcoming destination for Chinese students. ENZ continued to implement its 'Volume to Value' strategy for the Indian market. New Zealand university academics delivered guest lectures at Indian institutions and the inaugural New Zealand-India Academic Conclave was also held.

ENZ and the Ministry of Foreign Affairs and Trade provided funding for American high school students to participate in a youth leadership summit in New Zealand on how to support sustainable youth-led movements and community engagement. The summit generated significant media coverage in the United States.

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<sup>1</sup> This report includes calendar year and financial year information. A calendar year is shown as a single year, such as 2018, while dates such as 2018/19 refer to a financial year.

Impact measures

Target 2018/19	2017/18 Full Year Result	2018/19 First Quarter Result	On track	Comment
The economic value from New Zealand's international education sector 2020: Increase	\$5.1 billion		●	Measured biennially. An estimated value for 2018 will be available in mid-2019 once 2018 enrolment data is finalised.
The percentage of prospective students in priority markets who rank New Zealand in the top three preferred countries 2021/22: Increase	15%		●	To be measured in Q3.
The number of international students enrolled to study outside Auckland 2018: Increase	49,414		●	2018 full year enrolment data will be available in mid-2019.
The economic value per international student 2020: Increase	\$39,290		●	Estimated value will be available when the 2018 enrolment data is finalised in mid-2019.
The proportion of international students who were satisfied or very satisfied with their overall experience ≥ 85%	Revised measure		●	ENZ shortlisted three research agencies for the student experience satisfaction survey. The results will be available in Q4.
Awareness of the contribution of international education to New Zealand 2021/22: Increase	63%		●	To be measured in Q4.

Key: ✓ met, or on track to achieve full year target

x not met

● not measured, or not currently on track to achieve full year target

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## Performance measures

	2018/19 Target	2017/18 Full Year Result	2018/19 First Quarter Result	On track	Comment
Percentage of users that agree ENZ's services and support have added value	≥ 75%	71%		●	Users will be surveyed in Q3 or Q4.
Percentage of users satisfied with the information and intelligence provided by ENZ	Overall rating = good or higher	87% of industry users rated ENZ's information and intelligence as 'good' or higher		●	Users will be surveyed in Q3 or Q4.
Number of key messages about the benefits to New Zealand from international education delivered through third parties.	≥ 150	198	31	✓	
Percentage of Active Visits on ENZ's studyinnewzealand.govt.nz website.	≥ 70%	76%	77%	✓	
Number of registrations to ENZ's Student Membership Programme through studyinnewzealand.govt.nz website.	80-100,000	83,512	26,533	✓	
Percentage of Prime Minister's Scholarship recipients who report making 5 or more professional/business connections during their time on scholarship	Establish baseline	New measure in 2018/19	53.6%	✓	
Percentage of Prime Minister's Scholarship recipients who report making 5 or more academic connections during their time on scholarship	Establish baseline	New measure in 2018/19	64.8%	✓	
Percentage of Prime Minister's Scholarship recipients who record that the scholarship has benefited their future career aspirations.				✓	
<ul style="list-style-type: none"> <li>Asia</li> <li>Latin America</li> </ul>	95%	96%	100%		
	95%	98%	100%		

Key: ✓ met, or on track to achieve full year target

\* not met

● not measured, or not currently on track to achieve full year target



Activity indicators

	2018/19 activity standard	2017/18 Full Year activity	2018/19 First Quarter activity
Number of referrals to institutional websites from ENZ's studyinnewzealand.govt.nz website	120,000	166,887	49,304
Usage of Intellilab	Establish baseline	New activity in 2018/19	1,416 users
Usage of the Brand Lab	25,000 downloads	15,081	3,217
Usage of the Skills Lab	100 registered users	476 registered users	483 registered users
Number of new and existing Prime Minister's Scholarships funded.			
• Asia	300-350	253	125
• Latin America	100-150	72	50
Number of new and existing New Zealand International Doctoral Research Scholarships funded.	10-20	28	26

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Organisational capability

	2018/19 Target	2017/18 Full Year Result	2018/19 First Quarter Result	On track	Comment
Ratio of administration expenses to core operating expenses	13-18%	15%	18.7%	●	The spend on administration expenses is on track for the YTD but due to timing issues the spend on operating expenses is behind for the YTD. This has pushed the ratio just outside of target for the first quarter. This measure is expected to move back within target now that strategic projects are commencing, and operating expenses are being paid out.
Core unplanned turnover	< 11%	9.9%	6.6%	✓	
Employee engagement	Top quartile of the staff engagement index for the public sector	Top quartile of the staff engagement index for the public sector		●	To be measured in Q4.
Identify and actively manage a targeted portfolio of markets that drives current opportunities and creates future market positions:					
<ul style="list-style-type: none"> <li>Country Activity Plans (CAPs) document business activity and investment for each 'promote' and 'explore' market</li> <li>Country team reviews completed three times per year</li> </ul>	100%	100%	100%	✓	

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Financial performance to 30 September 2018

STATEMENT OF FINANCIAL PERFORMANCE	As at September		
	Actual 2018/19	Budget 2018/19	Actual 2017/18
<b>\$000s</b>			
<b>Operating Revenue</b>			
Revenue from the Crown - operating	6,908,000	6,908,000	6,951,750
Revenue from the Crown - EEL	816,250	816,250	816,250
Other revenue	512,422	277,700	1,371,112
<b>Total operating revenue</b>	<b>8,236,672</b>	<b>8,001,950</b>	<b>9,139,112</b>
<b>Scholarship Revenue</b>			
Revenue from the Crown - scholarships	1,137,500	1,137,500	1,137,500
<b>Total scholarship revenue</b>	<b>1,137,500</b>	<b>1,137,500</b>	<b>1,137,500</b>
<b>Operating Expenditure</b>			
Personnel costs	2,907,208	2,756,200	2,948,000
Other expenses	4,257,248	6,001,471	6,309,195
Depreciation & amortisation expenses	73,367	59,639	103,000
<b>Total operating expenditure</b>	<b>7,237,823</b>	<b>8,819,310</b>	<b>9,360,195</b>
<b>Scholarship expenditure</b>			
Scholarship expenses	126,599	155,212	90,805
<b>Total scholarship expenditure</b>	<b>126,599</b>	<b>155,212</b>	<b>90,805</b>
<b>Net surplus / (deficit)</b>	<b>2,009,750</b>	<b>164,928</b>	<b>825,612</b>

STATEMENT OF FINANCIAL POSITION	As at September		
	Actual 2018/19	Budget 2018/19	Actual 2017/18
<b>\$000s</b>			
<b>Assets</b>			
Total current assets	6,478,968	6,190,000	7,997,000
Total non-current assets	508,174	368,000	581,000
<b>Total assets</b>	<b>6,987,142</b>	<b>6,558,000</b>	<b>8,578,000</b>
<b>Liabilities</b>			
Total current liabilities	2,498,758	3,900,000	6,099,000
Total non-current liabilities	84,634	0	85,000
<b>Total liabilities</b>	<b>2,583,392</b>	<b>3,900,000</b>	<b>6,184,000</b>
<b>Net assets</b>	<b>4,403,750</b>	<b>2,658,000</b>	<b>2,394,000</b>

The year-to-date actual expenditure of \$7.237m was \$1.581m or 18% behind budget.

Delays in expenditure for strategic projects, marketing campaigns, co-funding and CAPS activity are the result of timing issues only and will be caught up during the financial year.

## Lead international education thinking

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### International Education Strategy 2018-2030

ENZ and the Ministry of Education supported the finalisation of the International Education Strategy 2018-2030 following public consultation on the draft Strategy in June. In August, the Strategy was approved by Cabinet and launched by Minister Hipkins during his speech at the NZIEC 2018. The vision of the Strategy is for international education to contribute to a thriving and globally connected New Zealand through world class education. The Strategy sets out three key goals:

- Delivering an Excellent Education and Student Experience
- Achieving Sustainable Growth
- Developing Global Citizens.

International education agencies<sup>2</sup>, led by ENZ and the Ministry of Education, are working on the development of the NZIES's implementation plan which will be presented to International Education Ministers in December 2018.

### New Zealand International Education Conference and Expo 2018

ENZ held the NZIEC 2018 from 8-10 August in Wellington. The conference delegates included education business representatives, chief executives, international marketing directors, and representatives from other New Zealand government agencies. Minister Lees-Galloway spoke to delegates about changes to post-study work rights and answered questions and Minister Hipkins launched the NZIES and the refreshed ENZ Recognised Agency Programme.

The NZIEC also delivered insights to the 600 delegates across six breakout streams including marketing and market opportunities, product development, student experience and pastoral care, global citizenship and working with agents. A series of 'vox-pops' were filmed during the conference breaks to capture delegates' views and help promote the launch of the NZIES on ENZ's website and industry communications.

## Promote New Zealand's quality education

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### PIEoneer Marketing Campaign of the Year

ENZ's '1 Million Cents Scholarship' campaign won the Marketing Campaign of the Year category at the PIEoneer Awards held in London on 7 September. ENZ ran the 2017 campaign to celebrate the milestone of reaching a global social community of one million followers across its Study in New Zealand channels on Facebook, Instagram, Twitter, WeChat, Weibo and Snapchat.

With a small budget of just over \$10,000 the campaign achieved 20% engagement (against an industry benchmark of 1%), generated 1,200 scholarship entries and saw the Study in New Zealand community deliver valuable word-of-mouth referrals and key messages about New Zealand's unique, high-quality education offering.

### China

Minister Hipkins visited Beijing and Guangzhou in July to reaffirm the high value that New Zealand places on its education relationship with China and to promote New Zealand as a welcoming

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<sup>2</sup> International education agencies are ENZ, Education Review Office, Ministry of Business, Innovation and Employment, Ministry of Education, Ministry of Foreign Affairs and Trade, New Zealand Qualifications Authority and Tertiary Education Commission.

destination for Chinese students. ENZ's Chief Executive and the Ministry of Education's Senior Manager International accompanied the Minister.

During the visit Minister Hipkins signalled New Zealand's commitment to providing quality education, supporting international student wellbeing and having more New Zealanders study in China. The Minister's programme included:

- meetings with the Chinese Minister of Education and the Guangdong Vice-Governor
- meeting with national-level education agents JJJ Education and EIC
- institutional visits to Peking University and South China University of Technology
- engagement with education industry representatives, New Zealand alumni and Prime Minister's Scholarship for Asia students, including at a gala alumni and business event in Guangzhou for over 130 guests
- media engagement and social media coverage to raise the profile of New Zealand as a safe, quality and welcoming destination for Chinese students to live and study in.

ENZ ran a digital and social media promotion of New Zealand entrepreneurship education products for prospective Chinese students. The campaign showcased Chinese alumni stories and entrepreneurship education experts in both China and New Zealand. Massey University, University of Canterbury, University of Otago and the Southern Institute of Technology provided original content for the promotion across WeChat.

## **Grow sustainable international education**

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### **European Association of International Education annual conference**

ENZ coordinated a branded New Zealand pavilion at the European Association of International Education<sup>3</sup> (EAIE) annual conference in Geneva. The conference is the second largest global annual business to business conference for international education. All eight New Zealand universities and three institutes of technology and polytechnics were represented at EAIE and reported excellent levels of partner engagement throughout the week.

ENZ also arranged a New Zealand networking reception at the residence of Ambassador David Walker, Permanent Representative to the World Trade Organisation, and facilitated a preconference briefing on global and market-specific insights for New Zealand education providers. ENZ's Chief Executive and Regional Director Americas and Europe attended EAIE and held a series of bilateral education and other meetings during the conference.

### **India**

ENZ continued to implement its 'Volume to Value' strategy by supporting the implementations of a joint ENZ-Universities NZ India Strategy. Fourteen New Zealand university academics delivered guest lectures across 23 prestigious Indian institutions in August, as part of the third annual ENZ Guest Lecture Series. An inaugural New Zealand-India Academic Conclave also brought together Ministers, academics, researchers and industry experts to work on challenges facing both countries, including future-proofing education systems, health and environmental sustainability.

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<sup>3</sup> The EAIE is the European organisation for expertise, networking and resources in the internationalisation of higher education.

ENZ also partnered with Universities New Zealand to launch the second phase<sup>4</sup> of the New Zealand Master's campaign in India, promoting industry-linked 18-month taught Master's qualifications. A dedicated microsite was created to help students explore the options.

## Japan

New Zealand was selected as a study destination for the 2019 'Next Generation Leadership' programme organised by the Tokyo Metropolitan Board of Education. Under the programme, approximately 200 students from Tokyo state high schools are selected annually to receive scholarships for one year of study in Australia, Canada, the United States, and now New Zealand. In 2019, Auckland will host 20 'Next Generation Leadership' students. This initiative is part of the Memorandum of Understanding between ENZ and the Tokyo Metropolitan Board of Education to promote education exchange between Japan and New Zealand.

Ten school teachers and ten agents also participated in familiarisation tours of New Zealand in August, hosted by ENZ and Air New Zealand in partnership with SIEBA, to showcase the school sector and regions throughout New Zealand.

## Saudi Arabia

The second Khebrat School Immersion Project<sup>5</sup> cohort of nearly 60 Saudi teachers undertook professional development with the University of Auckland, University of Waikato and Victoria University of Wellington. This opportunity follows an inaugural cohort of Saudi principals and teachers who began their professional development training at the Universities of Auckland and Waikato in January 2018. The contracts are worth an estimated \$4 million and resulted from an ENZ-facilitated visit to New Zealand by a Saudi delegation in February 2017.

## Develop global citizens

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### Christchurch – Parkland Youth Leadership Summit

Twenty-eight students from Marjory Stoneman Douglas High School<sup>6</sup> in Parkland, Florida participated in a week-long youth leadership summit hosted by the University of Canterbury and the Volunteer Student Army. The summit was intended to exchange experiences, ideas and knowledge to support sustainable youth-led movements and community engagement. The visit received funding from ENZ and the Ministry of Foreign Affairs and Trade.

The students heard from prominent speakers from across New Zealand's business, government, university and non-profit sectors. Students also conducted a tree-planting project, held panel discussions and visited Government House at the invitation of Governor General.

The summit generated significant coverage in the United States media, including high profile publications The Washington Post, the New York Times and the Los Angeles Times, along with major United States television networks. These showcased New Zealand as a desirable international education destination, well placed to host aspiring student leaders.

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<sup>4</sup> ENZ launched the first phase of New Zealand Master's promotions in April 2018 with collateral designed to familiarise the Indian market with New Zealand's 18-month taught Master's qualification.

<sup>5</sup> The Khebrat School Immersion Project is funded by the Kingdom of Saudi Arabia's Ministry of Education.

<sup>6</sup> On 14 February 2018, 14 students and 3 teachers were killed and 17 were wounded at the high school. In its aftermath, the high school students mobilised to create 'Never Again MSD', a student-led gun control organisation that advocates for tighter regulations to prevent gun violence in the United States.

### **North American Whānau Council**

ENZ attended this year's North American Whānau Council East Coast meeting in Vermont to show New Zealand government support for Auckland University of Technology's (AUT) efforts with international alumni. The events were held at Champlain College and the University of Vermont where AUT has strong exchange programmes. AUT's relationship with Champlain College has been instrumental in helping not only alumni but the university itself reconnect with the local Abenaki tribe; the Abenaki tribe's Chief Don Stevens attended Whānau Council events to show local indigenous support for AUT's connection with the region and to present gifts to AUT.

East Coast is one of three Whānau Councils worldwide made up of alumni who attended AUT's Noho Marae programmes specifically designed for international students. Students learn what it is to be whānau and experience a range of Māori cultural activities and developing an understanding of why connecting with indigenous cultures is important. AUT's Noho Marae programme and its support of the Whānau Councils has been instrumental in international students maintaining a deep and meaningful connection to New Zealand. These students are lifelong advocates for New Zealand, its education system and Māori culture, and actively share their positive New Zealand education experiences with their peers in the wider community.

### **#MyStudyinNZ Journey Facebook group**

ENZ created #MyStudyinNZ Journey, a Facebook group for international students living in New Zealand to connect, share upcoming events and meet-ups, ask questions and offer advice. This idea came out of our student experience research where students told us they value the advice of other students.

Membership is open to international students who are currently living and studying in New Zealand, relevant education institution contacts and regional contacts interested in sharing information and event details that will enhance students' New Zealand experience. Currently, the group has nearly 400 members and is growing steadily. Moderators ensure that students get the information they need while maintaining the group atmosphere as a safe and positive space.

### **Korea New Zealand Schools Scholarship programme**

New Zealand hosted 150 Korean students from farming backgrounds at schools in Canterbury, Nelson-Marlborough and the Waikato regions as part of the Korea New Zealand Schools Scholarship. Staff from the Korean Embassy and ENZ also attended the official welcomes and orientations held in the three hosting regions.

The scholarship is a deliverable component of the Free Trade Agreement (FTA) with South Korea and was operationalised by the Schools International Education Business Association (SIEBA) on ENZ's behalf. The scholarship sees 150 Korean students per year experience New Zealand education and improve their English language during an eight-week programme. This is the third and final year of the scholarship programme under the FTA; the first group of students came to New Zealand in July 2016.

## Develop ENZ's capability

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### ENZ and the New Zealand Government-to-Government Partnerships Office

ENZ and the New Zealand Government-to-Government Partnerships Office<sup>7</sup> (G2G) implemented a three-month pilot initiative to grow the value for New Zealand's international education sector. The initiative involves a part-time secondment of an ENZ staff member to G2G. The secondment is focused on identifying education leads and opportunities in G2G target markets and developing an approach for both organisations to work together to pursue opportunities to deliver New Zealand education internationally.

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<sup>7</sup> The New Zealand Government-to-Government Partnerships Office (G2G) is also known as G2G Know-How and acts as a one-stop-shop for partner governments wishing to access New Zealand's world-class expertise across the public and private sectors.