

Education New Zealand Briefing

Title:	Education New Zealand's Board Strategy Session
Date:	1 February 2018
Priority:	Low
Security level:	Unclassified
ENZ ID no:	1718-064

Action sought

Addressee:	Action sought:	Deadline:
Minister of Education	There are no recommendations.	8 February 2018
Enclosure:	No	Round robin: No

Contact for telephone discussion (if required)

Name:	Position:	Telephone:	Cell phone:	1 st contact:
John Goulter	General Manager Stakeholders and Communications	██████████	██████████	Withheld under s9(2)(a)
Angela Meredith	Accountability Manager	██████████	██████████	x Withheld under s9(2)(a)

The following departments/agencies have seen this report

<input type="checkbox"/> ERO	<input type="checkbox"/> MBIE	<input type="checkbox"/> MFaT	<input type="checkbox"/> MoH	<input type="checkbox"/> MoE	<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 Withdrawn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:

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Recommendations

There are no recommendations.



John Goulter
General Manager Stakeholders & Communications
Education New Zealand

Hon Chris Hipkins
Minister of Education

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Purpose

1. The purpose of this briefing is to provide information about your meeting with Education New Zealand's (ENZ's) Board and ENZ's Senior Leadership Team on Wednesday 8 February 2018 at the Ministry of Education, Wellington.
2. As this Board strategy session now precedes the planned ministerial discussion on international education, the ENZ Chief Executive would be available for a discussion with you on the Board's expectations from the session, if that is helpful.

Your involvement

3. The details for your attendance are:
 - Venue: Room 1.06, Ministry of Education, Mātauranga House, 33 Bowen Street Wellington, Wellington
 - Time: 11:15am – 12:00pm
 - On your arrival you will be met by Charles Finny, ENZ Board Chair
 - Charles Finny is the key contact, phone [REDACTED] *Withheld under s9(2)(a)*
4. The biographies of the Board members are provided in Appendix One and the biographies of attending Senior Leadership Team members are provided in Appendix Two.

Background

5. On 8 February 2018, ENZ's Board and Senior Leadership Team are meeting for the Board's bi-monthly meeting and annual strategy session. ENZ's special advisors from the other international education agencies will also be participating in the strategy session.
6. The strategy session will be facilitated by Jenn Bestwick who was one of the reviewers for ENZ's Performance Improvement Framework (PIF) review in 2016. The programme includes:
 - review of the current international education context (both in New Zealand and globally) and the strategic implications for New Zealand and ENZ specifically
 - a stocktake of ENZ's progress towards its Four Year Excellence Horizon
 - a future focus on technology in education
 - a future focus on geopolitics and its potential impact on international student mobility
 - development of a 2028 picture of success for international education in New Zealand, to identify ENZ's strategic priorities in both the short and long term.
7. To inform this strategic planning process, the Board would like you to outline the Government's education priorities, and your views on how international education fits within the Government's broader framework for social and economic prosperity. Without limiting the scope of your remarks, this could include your views on:
 - the place of international education in the Government's 30 year future focused work
 - developing international capabilities for New Zealand students
 - international student wellbeing
 - the development of innovative, high-quality education programmes
 - the role of international education in regional development

- balancing opportunities for international students to work while studying and after graduation
 - any other areas of focus or priority that you would like the Board to be aware of
8. In addition to informing ENZ's work at the strategic level, your attendance at this meeting also enables you to meet the key leadership and governance team who are responsible for implementing the strategic objectives.
 9. The Board has been provided with an evidence-based summary of a wide body of international education literature to inform their strategy session. An abbreviated version of this is provided for your information as Attachment 1. This document will also be used to background the discussion on international education at the strategy meeting with ministers now scheduled for 22 February 2018.
 10. The ENZ Chief Executive would be available for a discussion with you in advance of the Board session, if that would be helpful.

ENZ's Board

11. The ENZ Board meet in person bi-monthly, and by video conference in interim months.
12. You have already met the Board Chair, Charles Finny. There are seven board members including the Board Chair.

ENZ's Senior Leadership Team

13. You have already met ENZ's Chief Executive, Grant McPherson. ENZ's Senior Leadership Team comprises ten members including the Chief Executive, with two of them based offshore (in China and the Middle East). Eight members will be present at this meeting.

ENZ's Special Advisors

14. ENZ's special advisors help guide and shape the Board's work and ensure connections with the strategic direction of other agencies. The special advisors attending this meeting are:
 - Claire Douglas, Deputy Secretary, Graduate Achievement, Vocations and Careers, Ministry of Education
 - Catherine Graham, Divisional Manager, Economic Division, Ministry of Foreign Affairs & Trade
 - Dr Grant Klinkum, Deputy Chief Executive, New Zealand Qualifications Authority
 - Steve McGill, General Manager, Settlement, Protection & Attraction, Ministry of Business, Innovation and Employment

Appendix One: Biographies of ENZ's Board members

Charles Finny, ENZ Board Chair



Charles Finny is a partner at Saunders Unsworth Ltd. He was the Chief Executive Officer of the Wellington Regional Chamber of Commerce from 2005 to 2010, and prior to that he worked as a diplomat and trade official, including postings in China, Taiwan and Singapore. He is a fluent Mandarin speaker.

Mr Finny is a board member of New Zealand Trade and Enterprise, and the Wellington Chamber of Commerce. He is the independent Chair of the Port Company CEO Group and of the New Zealand Institutes of Technology and Polytechnics. He served on the Victoria University of Wellington Council from 2008 to 2015, and the board of the New Zealand Film Commission from 2009-2016.

Philip Broughton



Philip Broughton (Ngāi Tahu and Ngāti Kahungunu) has 35 years' experience as a chartered accountant, mentor and business advisor. He is a consultant with the firm Polson Higgs with responsibilities for Māori business development.

Mr Broughton has extensive board governance experience, particularly in the not-for-profit sector. He currently serves on the board of Presbyterian Support Otago and is a member of Te Kupeka Umaka Māori ki Araiteuru (Southern Māori Business Network). He has previously held the roles of President of the Otago Southland Employers Association, Deputy Chair of the Advertising Standards Complaints Board, President of Business New Zealand, and board member of Ngāi Tahu Tourism Ltd.

Richard Leggat



Richard Leggat has a varied background across business, marketing and e-commerce. He worked for apparel manufacturer Lane Walker Rudkin before switching into the finance sector and working as a share broker in New Zealand and London.

Mr Leggat is the Chairman of the New Zealand Cycle Trail and past Chair of Cycling New Zealand. He serves on the boards of New Zealand Post, Tourism New Zealand, Snow Sports New Zealand, Warren and Mahoney, and Panuku Development Auckland.

John Morris



John Morris is a secondary education specialist with nearly 40 years' experience in the education sector. Mr Morris has held a number of leadership roles, including 20 years as Headmaster at Auckland Grammar School and 4 years as Principal of Takapuna Grammar School.

Mr Morris is the founding Chairman of the Association of Cambridge Schools in New Zealand and a member of the Partnership Schools' Authorisation Board, the Tertiary Education Commission, a Director of Academic Colleges Group, and

chaired the Transition Board of the Education Council of Aotearoa NZ. Mr Morris is also a former Chairman of the Education Forum, an education lobby group and think-tank, and a former member of the University of Auckland Council.

In 1999, Mr Morris was awarded a Woolf Fisher Fellowship for Outstanding Educational Leadership and in 2013 was honoured with the ONZM for Services to Education. He currently runs his own education consultancy.

Karen Rolleston



Karen Rolleston is the New Zealand Chief Executive of Telco Technology Services (TTS0, an education technology company. Prior to this she was the Chief Executive of 3P Learning Ltd, an online education company specialising in literacy and numeracy programs for schools and students (Mathletics and Reading Eggs). Ms Rolleston has worked in the ICT sector for over 20 years with the last 10 working with schools to improve learning outcomes through the use of ICT.

Ms Rolleston is an Advisory Board member of Vertical Horizons Group, an international private training company. She has held directorship roles with Limestone Risk Management Ltd, 2Touch Technologies and Interactive Whiteboards Australia Pty Ltd.

Dr Linda Sissons



Dr Linda Sissons is a highly experienced chief executive in the tertiary education sector and is the current Chief Executive of the Primary Industry Training Organisation. Before that she was interim Chief Executive of Taratahi Agricultural Training Centre (2015-2016), Chief Executive of the Wellington Institute of Technology (2001-2015) and Chief Executive of Hutt Valley Polytechnic (1999-2001).

Dr Sissons is currently the Chair of the Board of Governors of the Commonwealth of Learning.

Victoria Spackman



Victoria Spackman is a co-owner and director of the Gibson Group and its immediate past Chief Executive (from 2012-2017). She is the Director of [Te Auaha](#), the New Zealand Institute of Applied Creativity at the Weltec/Whitirea creative campus in Wellington.

Ms Spackman's has strong governance experience, having chaired Wellington's iconic Bats Theatre for 12 years, served two 3-year terms on the Screenrights board and sat on the SPADA executive board for 6 years. She is a director of technology company, Rabid Technologies Ltd.

Ms Spackman holds qualifications in arts and law from Victoria University of Wellington. In June 2016, she was honoured with an ONZM for services to theatre, film and television.

Appendix Two: Biographies of ENZ's Senior Leadership Team

Grant McPherson, Chief Executive



Grant McPherson is ENZ's first Chief Executive. He leads ENZ on its mission to take New Zealand's education experiences to the world for enduring economic, social and cultural benefits.

Grant's previous experience includes roles as Deputy Chief Executive and General Manager, Strategy at New Zealand Trade and Enterprise, following extensive experience as Regional Director, South/South East Asia and Group General Manager, Business Solutions on the New Zealand Trade and Enterprise Leadership Team.

Fiona Cameron, Director, Organisation Development



Fiona has an extensive mix of private and public Human Resources/Organisation Development experience. She has worked in globally-based organisations and in many of the New Zealand education sector agencies. Fiona has a Diploma in Teaching, a Masters (hons) in French Literature and a Graduate Diploma in Commerce specialising in commercial law.

Fiona's team focuses on making ENZ a great place to work. Her team leads work in building a 'one team' culture at ENZ, and regularly works with ENZ managers to ensure staff are offered a range of development opportunities.

Lisa Futschek, Regional Director the Americas and Europe



Lisa Futschek is ENZ's Regional Director for the Americas and Europe. Lisa joined ENZ in 2013 after an 18 year diplomatic career with the Ministry of Foreign Affairs and Trade, which included postings in Chile and Germany. Prior to that Lisa held roles with MPs Michael Laws and Pauline Gardiner while working for Parliamentary Services.

Lisa holds undergraduate honours degrees in English and Music from Otago University and a Postgraduate Diploma in Broadcast Communication from Auckland University.

John Goulter, General Manager, Stakeholders and Communications



John joined Education New Zealand in December 2013. He has broad experience in government relations, issues management and public affairs, having worked for organisations including Inland Revenue, Telecom NZ, and the Earthquake Commission, and as chief press secretary in the Prime Minister's Office. Formerly a journalist, John spent several years working in the Parliamentary Press Gallery as a political editor.

John's team oversees ENZ's communications and stakeholder engagement.

Paul Irwin, General Manager, Student Marketing



Paul joined ENZ from advertising agency FCB Wellington, where he led the Wellington office for almost five years. He has extensive experience in marketing strategy, digital marketing, international marketing and team management, honed during the past 15 years in management roles.

Paul worked for the Economist in London and Asia, setting up the marketing department in Singapore and growing revenue from their publishing products. Throughout his career Paul has worked with numerous government clients including New Zealand Trade and Enterprise, State Services Commission, ACC, the Reserve Bank and organisations such as Forest and Bird, Public Trust and Fairfax Media.

Clive Jones, General Manager, Strategy and Insight



Clive joined ENZ in November 2012, coming from a role as Deputy Chief Executive at the Universal College of Learning (UCOL) in Palmerston North. As General Manager, Strategy and Insight he is responsible for leading strategic thinking and initiatives designed to support the future success of the international education industry.

Before joining UCOL in 2000, Clive worked in telecommunications, local government and in the electricity industry in a variety of managerial roles. He has a Bachelor of Technology degree and a Masters in Business Administration from Massey University.

Matt Penney, Chief Financial Officer



Matt joined ENZ in October 2014. He previously held Financial Controller roles at Bathurst Resources and Contact Energy, and has worked in New Zealand, the United Kingdom and Ireland for various listed companies and a state owned enterprise. Matt is a Chartered Accountant and has a Bachelor of Commerce and Administration from Victoria University.

Matt's team carries out the finance functions of ENZ, including budgeting, financial planning and strategic planning. Matt's team is also responsible for ensuring ENZ's IT systems and processes.

Greg Scott | General Manager, Industry Development



Greg joined ENZ in November 2014, combining a career as a chartered accountant with leadership roles in education in both the tertiary and secondary school sectors. Greg was previously a principal lecturer and international dean at university level, education sector lead for NZTE and the director of an international college in Christchurch, during which time he led the development of the school sector strategic roadmap for ENZ.

As General Manager, Industry Development, Greg leads a team of business development and project managers who support New Zealand international education providers to achieve sustainable growth for the benefit of all New Zealanders.

Greg has B.Com and MBA degrees, a post-graduate Diploma in Teaching and retains his CA membership with the New Zealand Institute of Chartered Accountants. He is based in ENZ's Christchurch office.

New Zealand has been supporting the development of global skills and knowledge through international education for more than 25 years



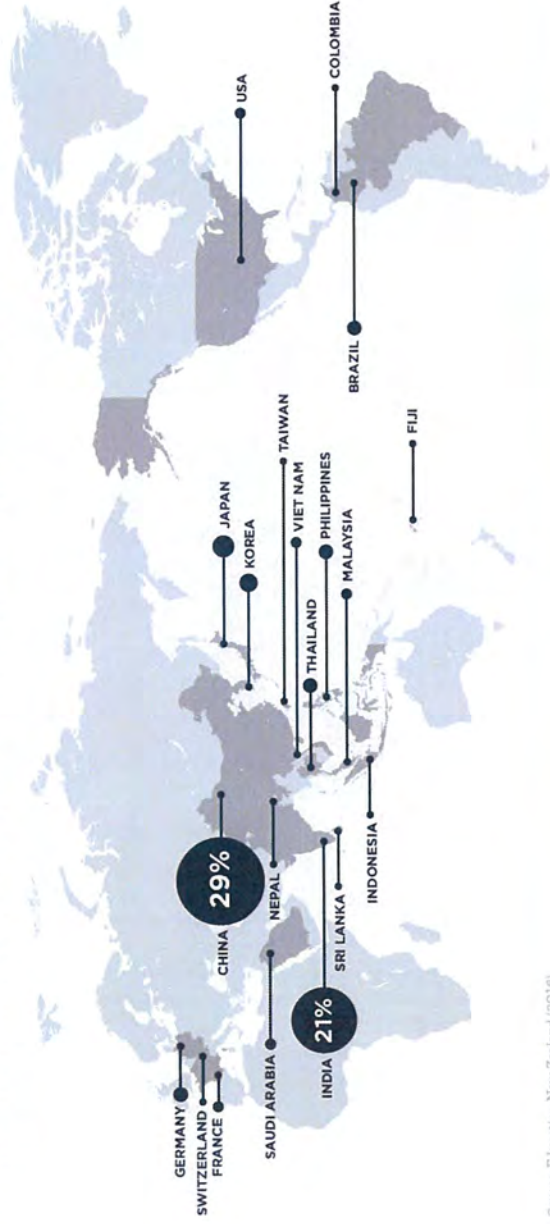
At \$4.5 billion, international education is NZ's fourth largest export and makes an important contribution to NZ's economy



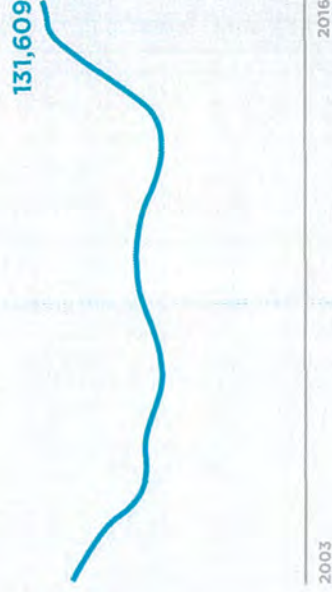
The value of international education to NZ is much broader than just economic



China dominates, but our students come from all over the world



While we have seen strong recent growth, student volumes have only recently surpassed levels seen over a decade ago



International education is more than just bringing students here to study



Since 2013 over 1,300 kiwi students have benefited from Prime Minister's Scholarships to participate in a wide variety of student exchanges, undergraduate or postgraduate study, research or internships offshore

Sales of education related products and services by NZ companies to offshore customers were worth \$242 million in 2016

They choose New Zealand as a study destination because we offer quality education in a safe and welcoming environment

Reasons people study in New Zealand:

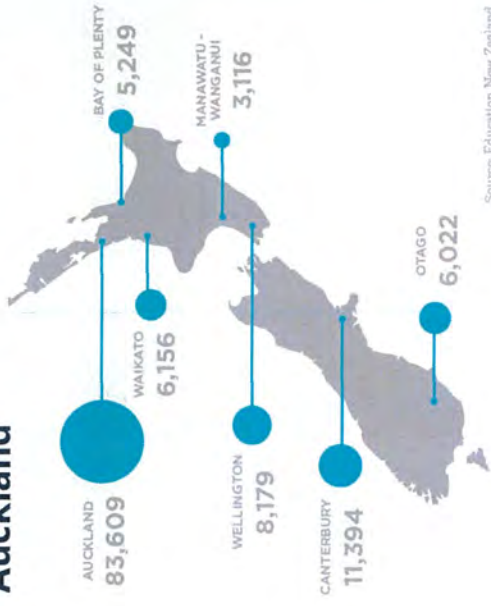


* 60% to 80% of students (depending on level of study) are overseas within 10 years of completing their studies as per the MOE's changing places research

UP TO 80% RETURN OVERSEAS WITHIN 10 YEARS OF COMPLETING THEIR STUDIES*

Source: Education New Zealand, market research

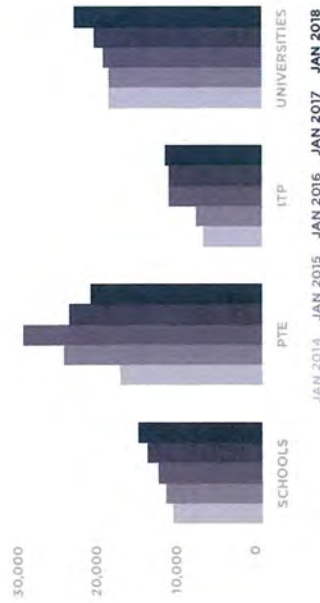
And the benefits must support regional development beyond Auckland



Source: Education New Zealand

But recent rapid growth has created quality and student experience issues in specific sectors

Valid Student Visas by sector



Source: MBIE, Immigration New Zealand

A complex array of factors affect student outcomes, with many agencies and levers to influence them



A sector in transition



International education has grown rapidly in recent years fuelled largely by the strength of two markets. It is in transition to create a more sustainable future built on high quality, high value programmes and services to more diverse markets.

Global context



Global demand for quality international education currently exceeds supply



The outlook for New Zealand looks good for the next 7-10 years, but beyond this a global oversupply situation will exist



International education providers are generally focused on maximising the short term benefits of international education



New Zealand needs to balance its focus on improving quality and value in the short to medium term alongside developing new approaches to remain globally competitive in the long term



ENZ is positioned to lead the industry for growth in quality and value over the next 7-10 years



Student flows are dependant on global settings, and will ebb and flow as our competitors' settings change

Quality education is at the heart of our student experience



We have options to sustain or grow the future value of international education without compromising on quality or the student experience



By changing the current sector mix and/or regional dispersion of international students New Zealand could influence quality, volume and value.

Source: Informetrics

Regulatory settings need to maintain an appropriate balance between enabling education providers to attract international students while managing labour market impacts and education quality issues

POTENTIAL IMPACTS INCLUDE:

- international students in part-time work during study displacing domestic workers and suppressing wages
- international graduates undertaking low-skilled and low-paid work, competing with domestic graduates and workers
- international graduates crowding out more experienced or skilled migrants from the residence programme
- exacerbating infrastructure constraints in high growth regions

