



Education New Zealand

Statement of Intent

2014-2018

Contents

The Leadership Statement for International Education (2011)

New Zealand's quality education services are highly sought after internationally, and expand our international social, cultural and economic engagement. Growing New Zealand's international education sector requires setting clear goals and objectives against which progress can be measured.

Goals	Objectives
New Zealand's education services delivered in New Zealand are highly sought after by international students.	New Zealand will, over the next 15 years, double the annual economic value of these services to \$5 billion, through increasing international enrolments in our tertiary institutions, private providers, and schools.
New Zealand's education services in other countries are highly sought after by students, education providers, businesses and governments overseas.	New Zealand will, over the next 15 years: <ul style="list-style-type: none">› Develop and sustain mutually beneficial education relationships with key partner countries as a leading part of New Zealand Inc. strategies in Asia, the Pacific, the Middle East, Europe and the Americas.› Increase annual revenues from providing education services offshore to at least \$0.5 billion.› Increase the number of international students enrolled in providers offshore, from 3,000 to 10,000.
New Zealand makes the best possible use of its international education expertise to build skills in our work force, to grow research capability and to foster wider economic connections between New Zealand and overseas firms.	New Zealand will, over the next 15 years: <ul style="list-style-type: none">› Double the number of international postgraduate students (particularly in programmes in addition to those at PhD level), from 10,000 to 20,000.› Increase the transition rate from study to residence for international students with bachelors level qualifications and above.› Increase New Zealanders' skills and knowledge to operate effectively across cultures.

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Message from Board Chair

Education New Zealand has moved beyond the establishment phase and has begun to deliver the growth that is necessary to achieve the ambitious targets set by Government.

Numbers initially suffered in early 2013 but changes to immigration policy settings, new initiatives designed to strengthen industry capability, and increased promotional activity in key markets saw this largely corrected by the end of the year. Strong growth in student numbers has continued into 2014. This Statement of Intent for 2014 to 2018 demonstrates the organisation's intention to take promotional activity to a new level. It is intended it will reflect a sense of urgency on behalf of the Board and Government.

Our activity is not just focused on student attraction. We are encouraging the sector to internationalise more quickly, and to grow earnings from activity undertaken offshore. There have been some significant developments over the past year, but much more will be necessary if we are to achieve the goal of earning \$500 million a year from offshore activity by 2025.

Education diplomacy remains an important focus of our

activity and we look forward to intensifying this activity over the next four years. Initiatives such as the Prime Minister's Scholarships for Asia are helping deepen key relationships.

Education New Zealand cannot deliver on Government expectations by itself. It needs to work with the education sector on one hand and also wider Government agencies. The sector is ultimately responsible for delivering on our growth targets. I am delighted by the willingness of the sector to work with Education New Zealand. Delivery of our goals is likewise dependent on an alignment of policy settings across Government. Very good progress has been achieved in this area over the past year or so and much of the growth in student numbers that is beginning to occur is the direct result of changes in policy. We will need to continue to work closely with other agencies over the next four years.

The Board and staff of Education New Zealand in New Zealand and around the world are absolutely committed to delivering on the targets that have been set. This document explains in detail how we propose to take our activity to a new level.



Charles Finny | Board Chair
22 May 2014



Philip Broughton | Board Member
22 May 2014

Our role

Our purpose

Education New Zealand's purpose is to take New Zealand's education experiences to the world for enduring economic, social and cultural benefits.

What we do

Education New Zealand (ENZ) is a Crown Agency. The Ministry of Education and the Ministry of Business, Innovation and Employment are our monitoring agencies. We are based in New Zealand, Belgium, Brazil, Chile, China, Germany, India, Indonesia, Japan, Malaysia, the Republic of Korea (Korea), Saudi Arabia, Taiwan, Thailand, the United States and Viet Nam. Our statutory functions are shown in Appendix One.

We work with the diverse international education industry that encompasses seven sectors: universities, institutes of technology (ITP), private training establishments (PTE), English language providers, schools, wānanga, and offshore education service providers¹.

We work with the industry and across other governments to promote the quality of the New Zealand education system and New Zealand's expertise in providing education and training products offshore. This includes running promotional events and activities, alumni events and agent training.

As the capability and capacity of the industry varies between and within sectors, we work with the industry to strengthen their capability so they can benefit from growth opportunities. We also assist the industry to identify new opportunities for growth. Our research and market intelligence identifies potential growth opportunities and measures the effectiveness of our strategies and activities.

To promote New Zealand offshore, we work closely with other New Zealand Inc. agencies such as the Ministry of Foreign Affairs and Trade, Immigration New Zealand (part of the Ministry of Business, Innovation and Employment), Tourism New Zealand, and New Zealand Trade and Enterprise. We also work with other New Zealand education agencies such as the Ministry of Education, which leads international education policy work, and the New Zealand Qualifications Authority, which works to promote and achieve the international portability of New Zealand qualifications.

We also provide information to potential international students and their families about living and studying in New Zealand, and work with other agencies and the industry to ensure international students are adequately supported while living and studying here. International students are students who are non-residents of New Zealand who have entered New Zealand expressly with the intention to study, or have enrolled in a New Zealand provider offshore².

¹ Offshore education service providers deliver education products and services offshore, such as education publishing, education technology and education consultancies.

² ENZ counts international PhD students, exchange students, NZ Aid students, foreign research postgraduate students and full fee-paying international students as international students.

Our Board

The Board of Education New Zealand is made up of between five and seven members appointed by the Minister for Tertiary Education, Skills and Employment (this portfolio includes international education). The Board is responsible for the governance of the organisation, including setting the strategic direction and monitoring performance.

The Board regularly meets to carry out governance functions and deal with major issues.

Diagram 1: Governance of ENZ



On the Board's behalf, the Audit and Risk Committee monitors the financial and risk management of ENZ.

The Human Resources/Organisation Development Committee assists the Board in fulfilling its responsibilities regarding human resources and organisation development policies and practice.

A Marketing and Brand Committee has also been set up to monitor ENZ's brand.

A number of special advisors to the Board help guide and shape our work, and ensure connections with the strategic direction of other agencies. The special advisors are:

- › the Chief Executive of the Ministry of Education
- › the Chief Executive of the Ministry of Foreign Affairs and Trade
- › the Deputy Chief Executive Science, Skills and Innovation from the Ministry of Business, Innovation and Employment
- › the Deputy Chief Executive Immigration New Zealand from the Ministry of Business, Innovation and Employment.

A Stakeholder Advisory Committee provides the Board with expert advice, based on the committee members' knowledge and experience within the international education industry, to ensure the needs of the industry are taken into account.

Government priorities

The Government's main priorities and the Business Growth Agenda

Our work has strong links to the Government's main priorities, in particular:

- › Building a more competitive and productive economy;
- › Rebuilding Canterbury.

As international education is one of New Zealand's most valuable exports, we contribute to the Government's priority of building a more competitive and productive economy and the Business Growth Agenda's work to build export markets. International education is one of the core elements identified to help achieve the Business Growth Agenda's export markets goal of increasing the ratio of exports to gross domestic product to 40 percent by 2025. International education also contributes to the Business Growth Agenda's goals for innovation, and skilled and safe workplaces.

In 2013³, the number of international students studying in Canterbury increased for the first time since the Christchurch earthquakes. We will continue to support the sustainable rebuild of Christchurch's international education industry with specific funding allocated in 2014/15.

We also support the Government's priority of responsibly managing the government's finances by ensuring we deliver our work programme efficiently and effectively, and deliver value for money.

The Leadership Statement for International Education (2011)

The Government's goals for the international education industry are set out in the Leadership Statement for International Education.

It sets out ambitious targets for the size, scale and sustainability of the industry by 2025. The targets mean accelerated growth is needed in the economic value of international students and offshore products and services. The volume of international students also needs to stop decreasing and start to grow.

The statement includes objectives for the quality of international relationships that underpin the international education industry, and the cultural and academic benefits from international education experiences. The quality of New Zealand's international education industry, and those relationships, is as important as the achievement of the numerical targets.

The Leadership Statement is set out on the inside cover of this Statement of Intent.

New Zealand's education system

The Tertiary Education Strategy 2014–2019 outlines six strategic priorities that support the shared outcomes for the New Zealand education system. We will work with New Zealand's other education agencies and with tertiary education institutions to realise the strategic priority of 'Growing international linkages' and support the priority of 'Strengthening research-based institutions'. We will do this by assisting tertiary education institutions to market to, and recruit, international students. We will identify opportunities for the provision of education products and services offshore. We will also provide support to tertiary education institutions to strengthen their capability.

³ This Statement of Intent includes calendar year information and financial year information. A calendar year is shown as a single year, such as 2013, while dates such as 2014/15 refer to a financial year.

New Zealand's education agencies, including ENZ, have developed a shared view of the key outcomes that will enable the agencies to collectively deliver on government priorities. We contribute to the shared education system outcome that 'The education system is a major contributor to economic prosperity and growth'. A summary of the education system's shared outcomes is shown in Appendix Two.

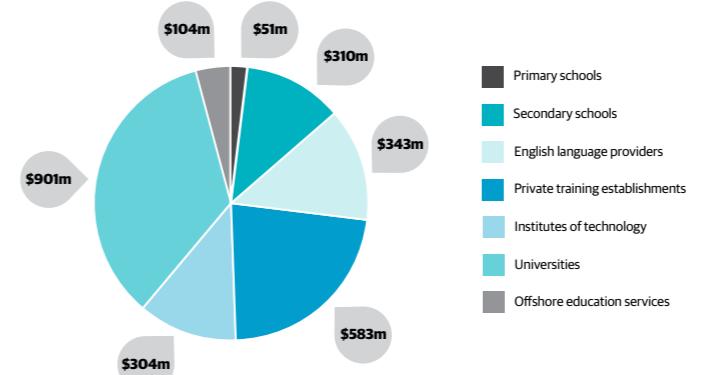
Our operating environment

New Zealand's international education industry

The value of the industry

International education is one of New Zealand's most valuable exports. The Economic Impact of International Education Report 2012/13 showed the international education industry was valued at \$2.60 billion in 2012, slightly up from a comparable valuation in 2008 of \$2.51 billion⁴. This slight increase in economic value over that period underlines the challenge for ENZ and the industry as we work to achieve the Government's goals in the Leadership Statement for International Education.

Graph 1: Value of the international education industry by sector



Source: The Economic Impact of International Education 2012/13, Infometrics.

In 2012, the industry's value sat between crude oil (worth \$2.2 billion) and logs, wood and wood articles (worth \$3.2 billion). It also supported more than 28,000 jobs in New Zealand – 13,600 jobs directly and 14,600 jobs indirectly.

International student attraction

There were 97,283 international students enrolled with a New Zealand provider in 2013 – a 1.8 percent decline compared to 2012 and a continuation of the year-on-year decline in numbers of international students since 2011. One of the challenges over the next four years is to not only reverse this downward trend, but deliver significant growth in international student numbers.

⁴ Infometrics produced this report for ENZ in cooperation with the Ministry of Education, Statistics New Zealand and the Ministry of Business, Innovation and Employment. It is available on our website for the industry www.enz.govt.nz.

Between 2011 and 2013, the university and the ITP sectors grew by 6 percent and the secondary school sector grew by 2 percent. This growth was offset by declines in the PTE sector (down 15 percent) and the primary school sector (down 11 percent). The decline in the PTE sector was predominantly driven by English language providers.

Some policy settings identified by English language providers as inhibiting growth were addressed in 2013. This included policy announcements extending full-time work rights for all scheduled breaks for students enrolled for one academic year. The policy announcements have resulted in some positive signs of growth as measured by student visa numbers.

Postgraduate enrolments

The number of postgraduate enrolments has increased year-on-year since 2011 due to increases in Masters' level and Graduate certificate and diploma enrolments. Between 2012 and 2013, Masters' level enrolments grew by 18 percent and Graduate certificate and diplomas by 12 percent in the Government funded tertiary sector. This level of annual growth needs to continue until 2025 in order to achieve the government's goal for the number of international postgraduate students studying in New Zealand. The taught-Masters' degrees (also referred to as 180-credit Masters' degrees) available from 2014 are expected to further increase the number of international students studying postgraduate qualifications in New Zealand.

Students studying with New Zealand providers offshore

In 2013, 3,270 students were enrolled with New Zealand providers offshore, a 14 percent increase since 2011. To achieve the Government's goals for delivering education offshore, the number of students enrolled with New Zealand providers needs to grow at a much higher rate than has been experienced over the last few years. We will need to work with the industry to identify and help them to benefit from opportunities to deliver education offshore.

Working with the industry to strengthen their capacity and capability

The growth potential of the industry's sectors and sub-sectors varies, both in scale and size. To achieve significant growth, education providers and businesses need to have the capacity and infrastructure to absorb increasing international student numbers and to deliver substantial projects offshore. As some opportunities may exceed the capacity or capability of a single provider, we will encourage them to collaborate so they can benefit from these opportunities.

As the capability to identify growth opportunities also varies, a focus on strengthening the industry's capability to identify growth opportunities will be required.

Our market intelligence tells us countries are eager for help to strengthen their capability and for more local delivery of education services in their country. They are also looking for clear signs of commitment to long-term reciprocal relationships with the New Zealand government and providers. To take advantage of emerging offshore opportunities, products will need to be packaged and promoted in the right way and business models will need to be well-developed.

The international environment

The global economy is expected to continue to improve over the next few years. Higher economic growth is expected to occur in China, India, Indonesia, Malaysia, the Philippines, Thailand and Viet Nam compared to the rest of the world. This should benefit the international education industry as many of these countries are key source countries for international students.

Future global demand for international education

New Zealand has been successful in attracting a small but significant slice of the international student market.

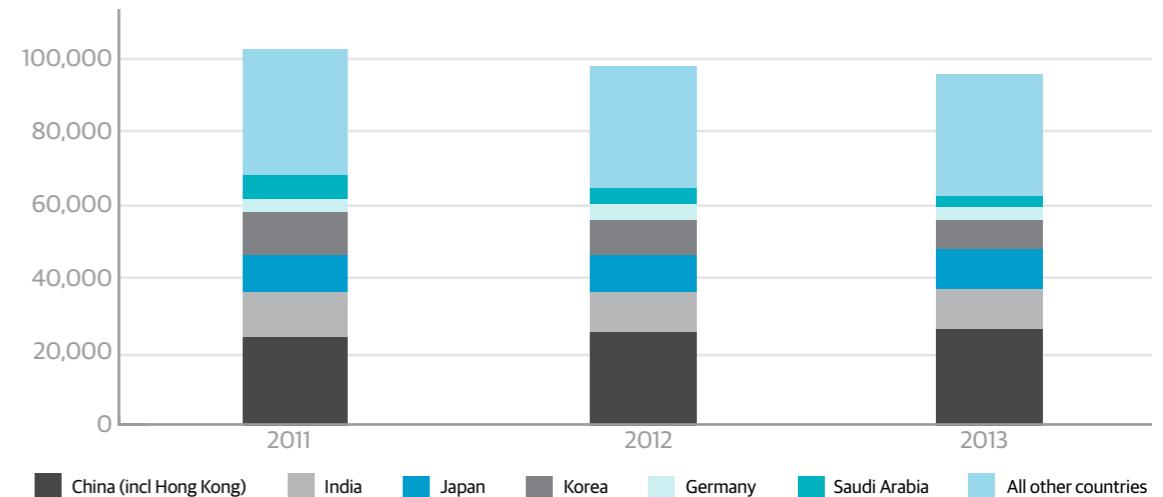
Much of the global growth in international education to 2025 is expected to come from China and India, and to occur in the non-compulsory education sector. Other countries and regions, for example Indonesia and Africa, are expected to have more students looking to study internationally due to their growing middle class and/or growing youth population.

Some traditional source regions, such as North Asia and Western Europe, are forecast to have aging populations. However many of their governments have multi-year programmes to encourage students to study offshore so they can develop their skills and operate in a globalised world. This means these countries would have a smaller student population who would be more likely to study overseas.

New Zealand's high exchange rate is expected to dampen demand in some sectors and markets. One of the challenges facing the industry will be to take advantage of the forecast demand in spite of this.

China and India are expected to continue to be strong markets for international students for New Zealand, while other potential markets continue to emerge. New Zealand also has some established student attraction markets, such as Germany, Japan and Korea, that have the potential for further growth. We will need to raise New Zealand's attractiveness within these markets.

Graph 2: Number of international students studying in New Zealand by country of origin



Source: Export Education Levy and Tertiary Single Data Return 2013, Ministry of Education.

Some of New Zealand's international education products and services are already being delivered around the world, including the Middle East, China and India. It is difficult to get accurate data to measure this sector.

Infometrics has undertaken an assessment of the value of the educational services sector as part of their work to measure the value of the industry. The research identified that two regions dominate where the revenue currently comes from: the Middle East and Asia, which together account for 84 percent of offshore revenue. Emerging markets in those regions, such as Indonesia, and Latin America provide growth opportunities for education providers from which sectors and sub-sectors⁵ can benefit.

⁵ Some examples of sub-sectors are education publishing and education technology.

In 2013, we reviewed our market prioritisation. We identified Tier 1 markets, where there is significant government and/or industry interest, and Tier 2 markets, where there are historical or emerging opportunities to focus our efforts. We identified China, India and the Association of Southeast Asian Nations⁶ (ASEAN) as Tier 1 markets and the Americas, Europe, the Middle East, Japan and Korea as Tier 2 markets. Within those regions we have identified countries that have existing opportunities for growth and the countries expected to send increasing numbers of international students offshore between 2015–2020 and 2020–2025.

Increasing competition in international education

Competition for international students is strengthening as more providers in English and non-English speaking countries enter the industry. New Zealand's main competitors are much larger and have more resources. Some competitor countries, or their international education providers, have been working to make themselves more attractive to potential international students. The market's responsiveness to policy setting changes by New Zealand and its competitors has continued to be demonstrated.

New Zealand needs to compare favourably as a study destination in terms of price, quality and ease of access. We also need to leverage New Zealand's many strengths, including:

- › a world-class English language education system
- › educators who encourage innovation and creative thinking
- › a relatively safe, multi-cultural environment
- › excellent lifestyle options
- › employment and immigration opportunities post-study.

Changing the way education products and services are delivered

Globally, there are over 2.9 million users of massive open online courses (MOOCs). They provide a low-cost, easily-accessible way to learn. This method of learning bypasses some of the barriers to studying with an overseas institution and enables students to build their skills without the significant financial investment required in typical educational delivery models.

MOOCs create opportunities for education providers and businesses to benefit via a much larger potential global market for their products and services. MOOCs can generate revenue by raising awareness of an institution, providing pathways into paying courses and charging for course completion certificates and assessments. They also create a risk as potential students may see MOOCs as a viable alternative to travelling to a foreign destination. We will work with the industry to identify and benefit from these and any other opportunities yet to emerge.

The wider New Zealand environment

Working with other New Zealand government agencies

Education and immigration policies and settings, during studying and afterwards, can affect New Zealand's attractiveness to potential international students. By the end of 2015, Immigration New Zealand will have completed changes to the way it works, including rolling out a new IT system and changing how student visa applications are lodged and processed.

We need to work closely with other government agencies to reduce barriers to growth, ensure the industry is fully informed of any proposed changes, ensure the industry's views of any changes are taken into account, and monitor the impact of those changes on application volumes and New Zealand's attractiveness as an education destination.

We work closely with the other New Zealand education sector agencies to collectively deliver on the government's education priorities, and with the other New Zealand Inc. agencies to collectively promote New Zealand in offshore markets.

Supporting Christchurch's international education industry

New Zealand is seen as a relatively safe destination, and one which is warm and welcoming to visitors. The impact of the Christchurch earthquakes on Christchurch and the wider New Zealand international education industry is continuing to ease. In 2013, the number of international students studying in Canterbury increased compared to the previous year – this was the first annual increase in international student numbers since the earthquakes. To ensure the recovery of the Christchurch international education industry continues, we will support Christchurch through targeted initiatives in 2014/15.

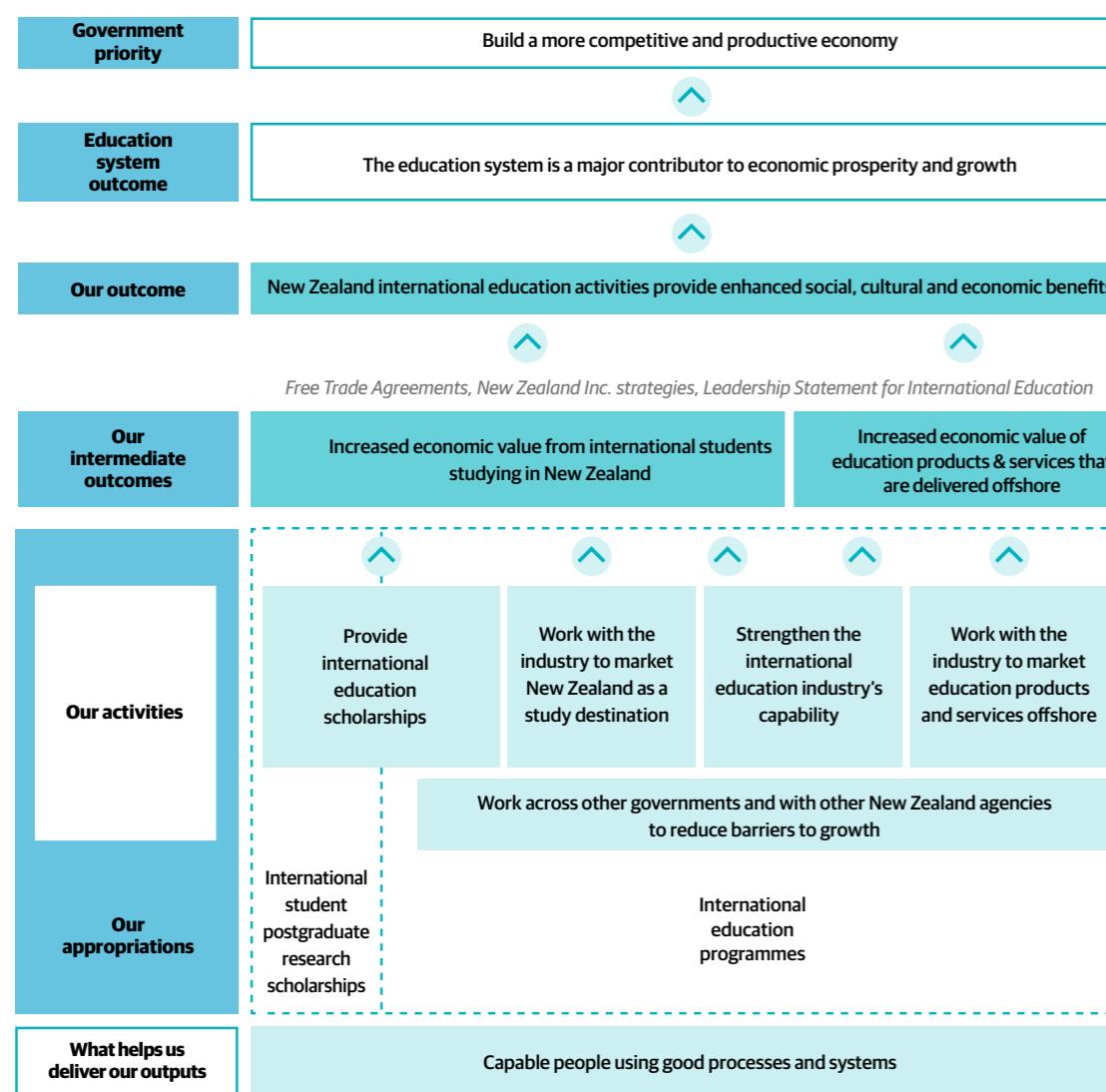
⁶ The Association of Southeast Asian Nations is made up of ten countries that are located in Southeast Asia, including Indonesia, Malaysia, Thailand and Viet Nam.

Our outcomes framework

This outcomes framework shows how our work contributes to the Government's goals for economic growth and the education system. It illustrates the link between our work (our outputs), the impact we have, and the Government's priority of building a more competitive and productive economy.

Together with the international education industry we are working to ensure the industry contributes to the New Zealand economy and the education system. We have identified two key areas (intermediate outcomes) that contribute to New Zealand having a more internationally competitive and productive economy. These are:

- › Increased economic value from international students studying in New Zealand;
- › Increased economic value of education products and services that are delivered offshore.



Intermediate outcome: Increased economic value from international students studying in New Zealand

We are working with the industry to identify and benefit from new and existing growth opportunities. We plan to achieve this outcome through a mix of ongoing activities and new activities including high impact projects designed to increase international student numbers. As awareness of New Zealand as a potential study destination is low in many markets compared to our competitor countries, we need to increase awareness to increase the number of potential students who consider and then decide to study in New Zealand.

Only the Auckland region receives more international students than Canterbury. Continuing to grow the number of international students who study in Christchurch will assist the city's earthquake recovery and benefit the wider New Zealand economy.

A capable industry is able to benefit from new and existing growth opportunities, and can successfully market themselves. Strengthening the capability of the industry will help to further increase the economic value from international students in New Zealand and reverse the downward trend in international student numbers.

We will award scholarships to New Zealanders to study in offshore institutions and scholarships for international students to study in New Zealand to promote the quality of the New Zealand education system.

Intermediate outcome: Increased economic value of education products and services that are delivered offshore

We are working with the industry to identify and benefit from new and existing growth opportunities. We will also use a mix of ongoing activities and new activities including high impact projects designed to increase the value of education products and services offshore.

We will work with providers to increase their profile and presence so they can enter new markets and expand existing markets for education products and services. This includes encouraging education providers and businesses to collaborate so they can benefit from opportunities that exceed the capability or capacity of a single provider or business. We will also use our relationships across other governments and with potential partners to identify opportunities for increasing the export of New Zealand's education products and services to other countries.

Our operating intentions

Intermediate outcome: Increased economic value from international students studying in New Zealand

We are seeking to achieve:

- › increased economic value from international students studying in New Zealand
- › increased international student numbers in New Zealand
- › increased awareness of New Zealand as a study destination
- › increased international students numbers in Canterbury
- › a more capable industry that is able to attract more international students.

What will we do to achieve this?

We will implement high impact projects that are designed to accelerate the growth in New Zealand's economic value from international students. What the projects are designed to achieve will vary from year to year. Projects will range from projects to strengthen industry capability to projects identifying how the industry can benefit from new opportunities to attract international students.

Work with the industry to market New Zealand as a study destination

We will use New Zealand's Education Story to represent the international education industry's work and the 'Think New' brand to position and promote New Zealand education in offshore markets. The 'Think New' brand is made up of three key brand attributes that we will emphasise to varying degrees depending on the market.

- › **Learn:** Students will learn in a world-class education system. Taught by professional and passionate teachers who have only one thing in mind – the students' success. Students will be challenged to think differently and to push the boundaries in an atmosphere of encouragement and excellence.

- › **Live:** New Zealand is a safe and welcoming place. A welcoming and open country where 'the new' is celebrated.
- › **Work:** Students who study in New Zealand gain skills that can lead to employment in New Zealand or offshore.

The industry will be encouraged to use New Zealand's Education Story, the 'Think New' brand and 'The Brand Lab' (a marketing toolkit) in their promotional activities targeted at attracting international students to New Zealand.

We will target digital marketing at potential students and their parents to increase awareness of New Zealand as a study destination and encourage potential students to consider studying in New Zealand. This includes the use of Facebook, media banners and advertisements. Digital marketing is the one of the most effective ways of communicating with potential students who are digital natives linked into the world through the internet.

ENZ works with New Zealand institutions to coordinate and participate in a range of promotional events and activities which promote New Zealand as a world-class education destination. These events and activities are aimed at potential students, their families and agents.

We will use our student attraction website in our promotional events and activities to attract potential students. The website also funnels enquiries and interest from potential students and their families to educational institutions and agents.

We will use targeted activities to attract potential students; often building on their governments' priorities regarding sending students offshore for a short period of study or encouraging English language proficiency.

Many of our current promotional activities are generic, rather than targeted at specific sub-sectors. As the growth potential for each sub-sector within each market varies, we will also implement new activities that focus on growing specific sub-sectors.

Our country specific communications and marketing plans will continue to be developed and implemented. The plans identify the results we want to achieve and contain a calendar of events, campaigns, and website and partnership activity.

Diagram 2: ENZ's prioritisation of markets and activity levels



We will continue to work to maintain, and build on, the increased awareness of New Zealand in China following the screening of the ENZ-funded 'Dragons in a Distant Land' documentary in 2013. The documentary was about Chinese students' experiences before, during and after studying in New Zealand.

Our strategy for the Indian market is to continually build awareness leveraging India's passion for cricket. We will work with other New Zealand Inc. agencies to leverage the Cricket World Cup 2015, being hosted by New Zealand and Australia.

In a number of markets, potential students and their families often use education agents to assist them in investigating whether to study overseas. Education agents act as a key influence on the decision making process. We will strengthen our relationships with education agents to increase their preference for, and commitment to, New Zealand. We will focus on agents located in China, India and ASEAN countries.

We will invest in market research to measure the awareness and reputation of New Zealand education within our key markets, and continue to identify further opportunities for growth and improved targeting of our promotional activities. This will ensure our promotional activities increase awareness at the required rate. We will

⁷ Our primary focus is on Indonesia, Malaysia, Thailand and Viet Nam.

also undertake in-depth research on the current and future state of Tier 1 and 2 markets regarding the position of New Zealand as an education destination in those markets and the opportunities, by sector, for attracting international students.

We will ensure that the information we provide to potential students, their families and agents is up-to-date and easy to understand.

Work across other governments and with other New Zealand agencies to reduce barriers to growth

Alongside the other New Zealand Inc. agencies, we will use the New Zealand Story as a shared foundation to position and promote New Zealand in international markets. This will complement our work to promote New Zealand as a country that international students can come to for a world-class education experience.

As part of New Zealand Inc., we are co-located offshore with other New Zealand agencies so we can work interactively and support each other's activities to promote New Zealand. We are usually co-located with the Ministry of Foreign Affairs and Trade or with New Zealand Trade and Enterprise. However, in Brazil we are co-located with Tourism New Zealand and, in Mumbai, we are co-located with Immigration New Zealand.

Education and immigration policies and settings significantly affect New Zealand's competitiveness to attract international students. We maintain relationships with other New Zealand agencies, particularly where an agency's policy settings affect the international education industry. When other New Zealand agencies plan changes that are likely to impact on the industry, we ensure the industry's views are taken into account. We monitor the impact of those changes on application volumes and New Zealand's attractiveness as an education destination.

Through the International Education Senior Officials' Steering Group (the group), we will work with other government agencies involved in international education to ensure that advice to Ministers is effectively 'joined up' by aligning our work programmes. The group is made up of representatives from the Ministry of Business, Innovation and Employment, the Ministry of Education, the Ministry of Foreign Affairs and Trade, ENZ, the New Zealand Qualifications Authority and the Tertiary Education Commission.

We will ensure that operational policy opportunities and issues are identified and considered across the government agencies. The strategic drivers for the group's work include:

- › ensuring the high quality of education and pastoral care are maintained and improved
- › ensuring New Zealand offers a competitive immigration setting for international students and highly qualified skilled migrants while managing labour market risks
- › using data to build intelligence about the international education industry and markets
- › monitoring progress against the objectives in the Leadership Statement for International Education.

We will work with Tourism New Zealand to present joint education-tourism offerings to ensure the opportunities presented by tourism and international education are realised effectively. As a member of New Zealand Inc. and the education sector, we will also support the New Zealand Qualifications Authority's work to achieve recognition of New Zealand's qualifications by other governments. The international portability of qualifications is important in many of our key international student markets.

Through our Regional Partnership Programme, we will work in partnership with international education providers, representative groups and local government economic development agencies to support the development and growth of international education in New Zealand's regions. The activities that form part of the programme for each region we work with will vary as each region is at a different stage in deciding how to grow their international education industry.

Through our international network, we will build and maintain relationships across governments and with potential partners to identify opportunities for attracting international students to New Zealand, and promote the quality of the education system.

We will leverage our bilateral international education agreements and programmes between New Zealand and other countries to increase student numbers, and encourage the development of more agreements and programmes. We will support providers so they can leverage agreements, such as the New Zealand-China Vocational and Technical Education Model Programme, to increase the number of international students.

Strengthen the international education industry's capability

One of the ways to grow the economic value from international students studying in New Zealand is to increase providers' ability to generate growth. ENZ has an important role in strengthening the industry's capability so providers can identify and benefit from new and existing growth opportunities.

In 2014/15, we will finalise an overarching industry roadmap⁸ for New Zealand's international education industry using the sector specific strategic roadmaps developed in 2013/14. The overarching industry roadmap will identify an agreed future vision for each sector and the steps each sector can take to reach their goals. We will use the overarching industry roadmap and sector roadmaps to guide our work to strengthen the industry. Using the roadmaps to guide us, we expect to increase the level or frequency of some capability building activities while reducing others.

Through the International Education Growth Fund (IEGF)⁹, we will provide matched funding for up to 50 percent of the total cost of short-term projects for the industry. The funded projects will be expected to increase the number of international students studying in New Zealand or at New Zealand institutions offshore, increase the value of goods and services provided offshore, or increase the value of existing activities. We will call for applications twice a year under the IEGF.

We will develop appropriate support services, and undertake research that institutions can use to develop business and marketing plans to help strengthen the industry's capability.

As part of the industry development programme, we will also develop and provide tools for the industry to use in attracting potential students. Seminars will also be run to inform providers about market opportunities.

We will encourage agents to use our e-learning programme and ensure that the e-learning programme stays up-to-date and relevant for them. The programme is designed to enable agents to provide potential students and their families with information about studying in New Zealand and to sell New Zealand as a study destination. It covers a range of topics including helping a student to choose a programme of study, providing information on the conditions of a student visa and preparing students for life in New Zealand.

Provide international education scholarships

The presence of skilled New Zealanders studying at offshore education institutions promotes the high quality of the New Zealand education system, while enabling those New Zealanders to enhance their skills. We will continue to award the Prime Minister's Scholarships to New Zealanders for study overseas across a range of courses and international locations.

We oversee the awarding of the New Zealand International Doctoral Research Scholarships that fund international students to come to New Zealand to undertake PhD study. The scholarships are intended to attract top international students to New Zealand. In 2014/15 we will review the scholarships to ensure the funding is effectively used and supports the Government's goals for the international education industry. Any agreed changes to the scholarships will be implemented from 2015/16.

⁸ The overarching industry roadmap and the sector specific strategic roadmaps also contribute to the intermediate outcome 'Increased economic value of education products and services that are delivered offshore'.

⁹ The IEGF and its activities also contribute to the intermediate outcome 'Increased economic value of education products and services that are delivered offshore'.

Impact measures

Measure	How measured	Baseline	Target
Increase the gross economic value of the New Zealand international education industry.	Economic impact analysis studies using methodology agreed with Statistics New Zealand.	2008: \$2.51b <i>Trend</i> 2012: \$2.60b	2015: Increase value to \$2.8b. 2018: Increase value to \$3.4b. 2025: Increase value to \$5.0b.
Increase the number of international students ¹⁰ studying in New Zealand.	Export Education Levy and Tertiary Single Data Return, Ministry of Education.	2011: 103,113 international students. <i>Trend</i> 2012: 97,958 international students. ¹¹ 2013: 95,619 international students.	2014: Increase enrolments by 4% per annum. 2015: Increase enrolments by 4% per annum. 2016: Increase enrolments by 4% per annum. 2017: Increase enrolments by 4% per annum.
Increase the number of international postgraduate students studying in New Zealand.	Tertiary Single Data Return, Ministry of Education.	2011: 10,228 international postgraduate students. <i>Trend</i> 2012: 11,030 international postgraduate students. 2013: 12,222 international postgraduate students.	2014: Increase enrolments by 6% per annum. 2015: Increase enrolments by 5% per annum. 2016: Increase enrolments by 5% per annum. 2017: Increase enrolments by 5% per annum. 2025: Double the number of international postgraduate students to 20,000.
Increase awareness of New Zealand as an international education destination in targeted markets.	Brand awareness survey, Education New Zealand.	2013/14: Establish baseline.	2014/15: Increase awareness based on 2013/14 results. 2015/16: Increase awareness based on 2014/15 results. 2016/17: Increase awareness based on 2015/16 results. 2017/18: Increase awareness based on 2016/17 results.
Increase the number of international students studying in Canterbury ¹² .	Export Education Levy and Tertiary Single Data Return, Ministry of Education.	2011: 9,746 international students. <i>Trend</i> 2012: 7,330 international students. 2013: 8,142 international students.	2014: Increase enrolments by 10% per annum. 2015: Increase enrolments by 12% per annum.

¹⁰ The number of international students studying in New Zealand in 2011 and 2012 has been revised to reflect the updated definition by ENZ of who is counted as an international student (refer to page 3). As a result, the baseline and trend information provided in this document are different to the baseline and trend information in ENZ's Statement of Intent 2013-2016.

¹¹ The Ministry of Education has revised the number of full fee-paying international students studying in New Zealand in 2012. As a result, the total number of international students studying in New Zealand in 2012 has been revised from 98,184 to 98,161.

¹² Specific funding to support the rebuilding of the Christchurch international education industry is only provided in 2014/15.

Measure	How measured	Baseline	Target
Increase the proportion of international students who were satisfied or very satisfied with their overall experience.	Four yearly International Student Barometer surveys by i-Grauate. (Survey ratings are Very Satisfied, Satisfied, Dissatisfied, Very Dissatisfied)	2011/12 ¹³ : <i>Trend</i> 2013 ¹⁴ :	2015: Secondary schools: 95% Private training establishments: 89% English language schools: 88% Institutes of technology: 89% Universities: 89% 2019: Secondary schools: 95% Private training establishments: 91% English language schools: 90% Institutes of technology: 91% Universities: 91%

Intermediate outcome: Increased economic value of education products and services that are delivered offshore

We are seeking to achieve:

- › increased economic value from the provision of education products and services offshore
- › increased international student numbers studying with New Zealand providers offshore
- › increased number of collaborative industry projects set up in target markets
- › increased number of deals as a result of introductions made by ENZ.

What will we do to achieve this?

One of our key pieces of work will be to identify the providers and businesses that deliver education products and services offshore and understand more about them, their needs and what they deliver. Our depth of knowledge of who these providers and businesses are and what they deliver has grown over the last few years, but still needs to improve as we know more about some subsectors, such as education publishing, than others.

We will implement high impact projects that are designed to accelerate the growth in New Zealand's economic value from delivering education products and services offshore. What the projects are designed to achieve will vary from year to year. Projects will range from projects to strengthen industry capability to projects identifying how a sector can benefit from a new opportunity to deliver their product or service offshore.

Work with the industry to market education products and services offshore

Our staff will work with offshore education service providers who deliver education products and services offshore. The aim is to increase the profile and presence of those providers so they can enter new markets and expand existing markets for education products and services.

¹³ ENZ and the Ministry of Education contracted i-Grauate to run the 2011/12 surveys.

¹⁴ The institutions contracted i-Grauate to run the 2013 surveys.

New Zealand's Education Story, which represents the industry's work, and the 'Think New' brand will be used to position and promote New Zealand education products and services in offshore markets. Providers and businesses will also be encouraged to use those tools and 'The Brand Lab' in their promotional activities.

We will improve ENZ's and the industry's understanding of transnational education to identify, and benefit from, opportunities. Transnational education is a set of education activities that span a national border through arrangements such as twinning, franchising, qualification validation, online learning, joint degrees and branch campuses.

We will support the development of offshore projects designed to deliver financial and wider market benefits for the international education industry. Our support can include identifying business growth opportunities, advising a provider on a potential new market, or co-funding work by a group of providers to progress a venture. The support provided will vary, based on sector or sub-sector needs, the stage those sectors are at in identifying or developing an opportunity, and the potential for growth.

We will also undertake in-depth research on the current and future state of Tier 1 and 2 markets to identify opportunities, by sector, for the delivery of education products and services offshore.

Work across other governments and with other New Zealand agencies to reduce barriers to growth

Alongside the other New Zealand Inc. agencies, we will use the New Zealand Story as a shared foundation to position and promote New Zealand in international markets.

Through our international network, we will build and maintain relationships across governments and with potential partners to identify opportunities for increasing the provision of education products and services to other countries. We will also use our international network to promote the quality of New Zealand's education products and services.

New Zealand education agencies have world-class systems, frameworks and tools that could be adapted for use by other countries to enhance the quality and performance of their education systems. We will work with the Ministry of Foreign Affairs and Trade, New Zealand Trade and Enterprise and education agencies to support the commercialisation of the New Zealand government's education-related intellectual property and 'know how'.

Strengthen the international education industry's capability

An overarching industry roadmap¹⁵ will be finalised in 2014/15 using the sector specific strategic roadmaps developed in 2013/14. The overarching industry roadmap will identify an agreed future vision for each sector and the steps each sector can take to reach their goals. We will use the overarching industry roadmap and sector roadmaps to guide our work to strengthen the industry. Using the roadmaps to guide us, we expect to increase the level or frequency of some capability building activities while reducing others.

One of the ways to grow the economic value of education products and services delivered offshore is to increase education businesses' ability to more effectively generate growth. The IEGF fund¹⁶ will also assist education businesses to develop sustainable growth strategies and increase the value of goods and services provided offshore.

As part of the industry development programme, we will work with sectors and sub-sectors to strengthen their capability so they are able to benefit from opportunities in the provision of products and services offshore. We will support the industry to work together and build relationships with offshore partners to benefit from those opportunities. This may include working with a particular sector, sub-sector or individual provider.

As some opportunities exceed the capability or capacity of a single provider or business, we will encourage education providers and businesses to collaborate so they can identify and benefit from those opportunities. We will also encourage them to share export stories and strengthen the capability of organisations less experienced in exporting to learn how others have achieved success. For example, in 2013 and 2014 we supported education technology conferences – backing a rapidly developing and growing sub-sector.

Impact measures

Measure	How measured	Baseline	Target
Increase the gross economic value of education products and services that are delivered offshore.	Economic impact analysis studies using methodology agreed with Statistics New Zealand.	2008: \$107m <i>Trend:</i> 2012: \$104m	2015: Increase value to \$150m. 2018: Increase value to \$240m. 2025: Increase value to \$500m.
Increase the number of international students enrolled with New Zealand providers offshore.	Tertiary Single Data Return, Ministry of Education.	2011: 2,850 international students enrolled with New Zealand providers offshore. <i>Trend:</i> 2012: 3,056 international students enrolled with New Zealand providers offshore. 2013: 3,270 international students enrolled with New Zealand providers offshore.	2014: Increase enrolments by 10% per annum. 2015: Increase enrolments by 10% per annum. 2016: Increase enrolments by 10% per annum. 2017: Increase enrolments by 10% per annum. 2025: 10,000 international students enrolled with New Zealand providers offshore.
Increase the number of new offshore collaborative industry projects set up in target markets to help grow international education.	Operational data, Education New Zealand.	2011/12: 3 new offshore industry projects set up in target markets. <i>Trend:</i> 2012/13: 9 new offshore industry projects set up in target markets.	2014/15: 10 new projects. 2015/16: 10 new projects. 2016/17: 10 new projects. 2017/18: 10 new projects.
Increase the number of deals made as a result of introductions (between governments or institutions) made by Education New Zealand.	Operational data, Education New Zealand.	2013/14: Establish baseline.	2014/15: 20 new deals. 2015/16: 25 new deals. 2016/17: 25 new deals. 2017/18: 25 new deals.

¹⁵ The overarching industry roadmap and the sector specific strategic roadmaps also contribute to the intermediate outcome 'Increased economic value from international students studying in New Zealand'.

¹⁶ The IEGF and its activities also contribute to the intermediate outcome 'Increased economic value from international students studying in New Zealand'.

Our organisational development

Our ability to support the international education industry and be their voice depends on ENZ having committed people with the right skills, supported by the right structure, systems and processes.

In 2013/14, ENZ continued to evolve and finalise its organisational structure, policies and processes to support an expanded work programme. We are now focused on ensuring that our organisational development activities support the efficient and effective delivery of outputs.

We will work within the spirit of the whole-of-government directions for procurement, information and communications technology (ICT), and property to ensure we use efficient and effective back office services to support our outputs as far as possible. One of the ways we will measure our efficiency and effectiveness is through monitoring the ratio of administration expenses to core operating expenses.

Our people

Our spirit values are a foundation for the organisation. The values that reflect our spirit are inspirational leaders, business savvy, innovative, knowledgeable, connectors, passionate, welcoming, trustworthy, and one team.

We currently employ approximately 70 people. They are based in New Zealand and internationally.

To make sure our organisation is fit-for-purpose, we are implementing our People Strategy 2012-15. The key elements of our People Strategy are:

1. Planning resource requirements and attracting capability
2. Employee engagement and performance improvement
3. Developing our people
4. Recognising, retaining and rewarding our people.

The People Strategy will be reviewed in 2014/15 to ensure its elements remain up-to-date and relevant to the organisation over the next four years. The People Strategy supports our purpose, spirit, focus, outcomes, outputs and work programme.

The Strategy will evolve along with the direction and needs of the organisation. It forms a basis for future decision-making in terms of human resource operating procedures and processes, and is a guide to achieving the highest standards of employee performance.

Our organisational performance measures are reflected in individual performance agreements.

Good employer matters

We recognise that we need a diverse workforce to effectively deliver services to our customers. We provide equal employment opportunities to make the most of the talents of all of our people.

Our status as a good employer will be assessed against the elements and criteria set out by the Human Rights Commission. Over the next four years we will continue to ensure that all elements are in place and working well through our People Strategy.

We will continue to run an employee engagement survey. We will develop and implement solutions for areas of improvement identified through the survey.

Our technology

ICT is vital to the effective delivery of our services and is a vital component of our marketing, information delivery and capability building strategies.

We will complete Phase 3 of our ICT Programme which is designed to optimise our ICT platform. In the last two years we have completed Phases 1 (stabilise) and 2 (transform) to ensure that our ICT platform is fit-for-purpose. Phase 3 (optimise) has been split into two separate phases:

- › Phase 3a – which focuses on access security, a refreshed standard operating environment, communications and mobility – is expected to be completed in 2014/15
- › Phase 3b – which will focus on knowledge management and the further development of our communications platform – has yet to be scoped.

Monitoring organisational capability

Measure	Baseline	Target 2014-2018
Employee engagement.	In 2013/14, ENZ ranked in the top third of government agencies which complete the same survey (approximately 30) in terms of engagement and staff satisfaction levels.	Maintain or improve employee engagement as measured by an employee engagement survey.
Core unplanned turnover.	Unplanned turnover for the year ending 30 June 2013 was 5.7%.	No more than 12%.
Ratio of administration expenses to core operating expenses.	In 2012/13, the ratio was 1:5.	Between 1:5 and 1:4.

Our systems and processes

Capital and asset management intentions

The value of our capital assets is small. The table below summarises the forecast value of our assets at 30 June 2014 and our capital investment intentions over the next four years.

	Forecast net book value at 30 June 2014	Comment on assets forecast at 30 June 2014	Purchases 2014-18
Property fit out	\$119,000	Fit out of new offices on Lambton Quay in 2013/14.	We will be reviewing the accommodation of the offshore offices as part of the changing needs to achieve market growth.
Information technology	\$1,186,000	Infrastructure firmly established.	The basic building blocks are now in place and future investment will be based on improving organisational efficiency and effectiveness.
Motor vehicles	\$130,000	Two offshore vehicles replaced in 2013/14.	A further vehicle will be replaced in 2014/15.

	Forecast net book value at 30 June 2014	Comment on assets forecast at 30 June 2014	Purchases 2014-18
Office equipment	\$36,000	Refurbishment of new offices reflecting ENZ growth in full time equivalent numbers.	Replacement of assets at the end of their useful lives.
Furniture and fittings	\$36,000	Refurbishment of offices reflecting ENZ growth in full time equivalent numbers.	Replacement of assets at the end of their useful lives.

Risk management strategy

ENZ has a risk management and reporting framework that provides a consistent way to identify risks and assess them to determine the most important risks. We will:

- › monitor the risks regularly through the Audit and Risk Committee
- › revise, where necessary, risk severity and likelihood levels
- › report any significant risks, and appropriate strategies to address them, to the Minister and monitoring agencies as they arise.

We have identified ENZ's broad risks and mitigation strategies.

Risk	ENZ's mitigation strategies
<i>Changes to the international environment</i>	<ul style="list-style-type: none"> › Use ENZ's market intelligence and research to identify changes likely to affect the international education industry, including changes being made by New Zealand's competitor countries. › Promote the quality of education products and services that can be delivered offshore.
<i>New Zealand's international education brand</i>	<ul style="list-style-type: none"> › Promote New Zealand as a world-class and high value study destination as opposed to a commodity-level proposition. › Work with the industry to ensure New Zealand has the capability and capacity to accommodate an increase in international student numbers. › Work with other New Zealand Inc. agencies to align strategies and ensure that the industry's views of any changes planned by other agencies are taken into account. › Work with the industry to strengthen their capability in promoting and delivering New Zealand's international education products and services. › Use offshore alumni networks to showcase the quality of New Zealand's education system. › Work with other New Zealand education agencies to enable the collective delivery of the government's priorities for the education system.

Risk	ENZ's mitigation strategies
<i>Changes to the international environment</i>	<ul style="list-style-type: none"> › Promote New Zealand as a world-class and high value destination. › Implement programmes that build agent relationships, preference and commitment to New Zealand. › Support sectors and sub-sectors to explore other potential growth opportunities.
<i>International education goals</i>	<ul style="list-style-type: none"> › Undertake robust strategic and business planning, including defining clear goals and medium term targets. › Engage with the industry to gain their support of the goals and to support their work to achieve the goals. › Undertake regular reporting against approved plans. › Regularly monitor whether ENZ's activities are having the expected impact and, where required, adjust our activities to ensure the achievement of the goals.
<i>Government policy settings</i>	<ul style="list-style-type: none"> › Work with Immigration New Zealand and the New Zealand Qualifications Authority to ensure visa and regulatory policies are balanced with maintaining and improving New Zealand's edge in international education. › As part of the International Education Senior Officials' Steering Group, work with other New Zealand agencies to develop and implement the cross-agency work programme. This work will include identifying and working to remove barriers to growth, and identifying and implementing opportunities to increase New Zealand's attractiveness as a study destination. › Engage with other education agencies to promote understanding of New Zealand's education system in offshore markets.
<i>ENZ's reputation with the industry</i>	<ul style="list-style-type: none"> › Develop and maintain a clear understanding of the industry's needs. › Use ENZ's communications channels to ensure the industry understands what ENZ does, and is seeking to, achieve. › Deliver high quality support to the industry to help strengthen their capability. › Monitor the quality of the products and services we deliver to the industry, and whether they meet industry needs.

Appendix One: Our statutory functions

ENZ's functions are specified in section 270 of the Education Act 1989. Our statutory functions are to:

- › deliver strategies, programmes and activities for promoting, together with providers and other government agencies, New Zealand education overseas
- › promote New Zealand as an educational destination for international students
- › promote the provision of New Zealand education and training services overseas
- › manage, in collaboration with other government agencies, activities undertaken by representatives appointed to act on behalf of the New Zealand Government in relation to international education
- › carry out research on international education markets and marketing strategies
- › administer any international programmes or activities that are consistent with the Government's policy on international education
- › provide information, advice, and assistance to providers on strategies to promote industry coordination and professional development
- › provide information to international students about living and studying in New Zealand
- › work with other agencies to ensure that international students are adequately supported while living and studying in New Zealand
- › foster collaborative networks with former international students.

Appendix Two: New Zealand's education system outcomes

As part of New Zealand's education sector, we work with the other government agencies who work within New Zealand's education system. The other agencies are the Ministry of Education, the New Zealand Qualifications Authority, Education Review Office, Tertiary Education Commission, Careers New Zealand and the New Zealand Teachers Council.

The agencies have worked together to develop a shared view of the key outcomes that will enable collective delivery on government priorities. The outcomes support our shared vision for the education system and help explain our contribution to this vision.

Education System Outcomes

Priority groups experience improved outcomes (Māori learners, Pasifika learners, learners with special education needs and learners from low socio-economic backgrounds)

Education provision of increased quality and value to all

Every learner has achieved education success

The education system is a major contributor to economic prosperity and growth

Investment in education has provided higher returns

The sector's success in achieving these outcomes is the result of agencies carrying out their core functions, working in partnership where agencies share common interests, and working together on issues that affect the sector as a whole. For example, ENZ uses the world-class quality of New Zealand's education system and the success of New Zealand students as promotional tools. ENZ's work is also supported by education agencies' quality assurance of educational providers and the qualifications system.

The Education Sector Leadership Board, of which ENZ is a member, oversees the education sector's work to ensure an integrated, aligned and strategic approach is taken. The collaborative activities range from the Education Sector ICT Standing Committee taking a sector view on key technology investments, to information exchanges between teams from the various agencies.

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