

Executive Summary

1. Background

1.1 In consideration of the development of the sector and the interest of the stakeholders, the main objectives of the study commissioned by the Committee on Self-financing Post-secondary Education are as follows:

- a) To identify attributes of exemplary practices of good governance (including formal and informal policies, structures and arrangements that allow post-secondary education institutions to make decisions and take actions) practised within the post-secondary institutions in selected countries;
- b) To identify local and internationally recognised common good practices (for example, good practices promoted by transnational organisations such as United Nations Educational, Scientific and Cultural Organization (UNESCO), World Bank and the Organization for Economic Co-operation and Development (OECD) for the governance and quality assurance (QA) (including internal and external arrangements) for post-secondary institutions;
- c) To analyse the opportunities and challenges of the self-financing post-secondary education sector in the development of good governance in Hong Kong, including transparency in fee-setting mechanism and admission arrangement, balancing institutional autonomy with a corresponding need for accountability to the broader community; and
- d) To recommend a voluntary code of good practices for governance and QA for the self-financing post-secondary education sector in Hong Kong in order to (i) ensure the post-secondary institutions have a shared understanding of their roles and concerted efforts for effective governance and quality education; and (ii) foster transparency and accountability to the stakeholders and the public.

1.2 With reference to the prevailing practices on research projects, the following activities have been undertaken. This report presents the findings of the literature research and informal discussions with stakeholders and key informants:

- a) Conducting literature research to identify major development and models of best practices from the local, regional and international perspectives; and
- b) Conducting informal discussions with relevant stakeholders and key informants¹ to obtain their views on the proposed code of good practices for governance and QA for the self-financing post-secondary education sector in Hong Kong.

¹ In the course of conducting the study, in-depth interviews were conducted with representatives of quality assurance bodies and self-financing post-secondary education institutions, local and overseas. They are collectively referred to as “stakeholders and key informants” in this report.

2. Hong Kong experience

2.1 There have been on-going efforts to identify and promulgate good practices on QA and governance in the post-secondary sector. To allay public concerns about the consistency of quality of sub-degree provision in such a diversified and rapidly developing sector, a *Handbook on Quality Assurance of the Sub-degree Sector* has been developed. In developing the Handbook, a number of principles have been proposed which can be grouped into the following categories:²

- a) *Institutional structure and culture*, covering such aspects as support from senior management, QA being integral part of internal management and a cooperative process across all levels and clearly delineated role and responsibilities related to QA;
- b) *Institutional autonomy and public accountability*;
- c) *Mission and resources*, covering such aspects as QA being reflective of institutional mission;
- d) *Consultation and interaction* for continuous improvement;
- e) *Quantitative and qualitative indicators*;
- f) *Self-evaluation and peer review*;
- g) *Involvement of external parties*; and
- h) *Transparency* of QA processes.

2.2 Similar recommendations were made by the Working Group on Tertiary Education Institutions Governance in 2011. The Working Group was set up to address public concerns on a number of issues pertaining to the governance of post-secondary education institutions, including administration of donations, technology transfer and commercialisation, procurement, outside practice and financial reporting. Good practices related to disclosures and corporate governance in the context of financial reporting recommended by the Working Group include disclosure of governance structure by post-secondary education institutions in their annual reports, covering the following:³

- a) *Roles and responsibilities* of the governing body, the key functional committees (e.g. Finance Committee, Audit Committee);
- b) *Code of practice* for members of the governing body, if any;
- c) An acknowledgement from the governing body of its *responsibility* for preparing the financial statements;
- d) *Auditor's remuneration*; and
- e) A statement by the auditors about their *reporting responsibilities* in the auditors' report on the financial statements.

3. Practices abroad

3.1 There are a number of international and national guidelines and standards on good governance and QA. For instance, UNESCO and OECD published in

² Tripartite Liaison Committee (2010), *Good practices in quality assurance: a handbook for sub-degree sector*, p.16 – 21.

³ Working Group on Tertiary Education Institutions Governance (2011), *Partner for excellence: financial reporting*, p.16 - 17

2005 guidelines on the quality of cross-border higher education. The purposes of the guidelines are to protect students and other stakeholders (namely governments, higher education institutions and providers including academic staff, QA and accreditation bodies, academic recognition bodies and professional bodies) from low-quality provision and disreputable providers as well as to encourage the development of quality cross-border higher education.

- 3.2 The practices and experience in a number of countries/regions including Europe, Asia Pacific, Australia, Canada, Denmark, Ireland, the United Kingdom (UK), Japan and Singapore are examined and presented in the report.

4. Proposed code of practices on governance and QA

Principles of good governance and QA

- 4.1 It is recommended that the proposed code should be formulated based on principles of good governance and QA that underpin practices in many publicly-funded and self-financing post-secondary education institutions as well as codes and protocols adopted by international, multilateral and national organisations. These principles of good governance and QA are summarised below:
- a) *Participation and accountability*, covering requirements for external members to be appointed to the governing body of self-financing post-secondary education institutions, with a programme of training to ensure that members of the governing body are capable of performing their duties with integrity and objectively, and that they are held accountable for the performance of the governing body;
 - b) *Inclusiveness*, by requiring that all stakeholders including academic staff, students and employers are represented in the governing body and/or other relevant committees and working groups, and that stakeholders are involved in the QA processes;
 - c) *Performance*, by requiring that performance indicators are compiled, as one of the means to show accountability based on learning outcomes; and
 - d) *Transparency*, by requiring that key information relating to the quality of programmes, including learning outcomes, and the good governance of institutions, are made available to stakeholders and members of the public.

Extent of disclosure

- 4.2 One of the principles on good governance and QA that underpin practices in many publicly-funded and self-financing post-secondary education institutions as well as codes and protocols adopted by international, multilateral and national organisations is *transparency*. Achieving transparency requires that key information relating to the quality of programmes, including learning

outcomes and good governance of institution, are disclosed to stakeholders and members of the public.

- 4.3 During discussions with stakeholders and key informants, several of them opined that the practice of public disclosure of information should be standardised across different institutions. Information that is considered of public interest, such as the composition and membership of the governing bodies and their terms of reference, should be published. Furthermore, information related to key committees such as academic boards and the senior management should also be published.
- 4.4 On the other hand, a number of them were of the view that institutions should have the flexibility in choosing what to publish. For information that is considered sensitive (e.g. student turnover rate) and may be subject to misinterpretation, institutions should be allowed to decide whether to publish or not. There is also other information, though not sensitive, which is proprietary and has a market value. Institutions may not wish to publish such information and allow other institutions copy practices or procedures developed by them.
- 4.5 A delicate balance has to be struck between accountability on the one hand and transparency on the other, in formulating the code, on the level of details and the extent of disclosure of information related to governance and QA. After all, if certain institutions choose to be private independent, or if the government allows them to operate on self-financing basis, these institutions should enjoy more autonomy in their operations compared to publicly-funded ones. This would enable the self-financing post-secondary education institutions to flexibly adjust their programmes, subject to the requisite QA requirements for the purposes of accreditation, to meet the social demand for post-secondary education and to satisfy the manpower requirements of the economy in a cost-effective manner.

Format of the code

- 4.6 As noted by the Tripartite Liaison Committee, the self-financing sub-degree “institutions and the programmes they operate are very varied. They have different origins and missions, and they differ in size and culture. It therefore stands to reason that no single model can fit the needs of all institutions. No one size fits all.”⁴ This applies equally to other self-financing post-secondary education institutions operating degree programmes. During discussions with stakeholders and key informants, it was stressed by several of them that the code should only cover broad principles and should not stipulate specific practices and guidelines. This will enable different self-financing post-secondary education institutions to formulate and implement individual guidelines and procedures that are considered appropriate to their operations, in accordance with broad principles set out in the code.

⁴ Tripartite Liaison Committee (2010), *Good practices in quality assurance: a handbook for sub-degree sector*, p. 126.

4.7 The code will also focus primarily on the quality of student learning and will address matters on governance and QA in so far as they affect the quality of teaching and learning, starting from institutional governance, programme design and programme delivery to staffing, and physical resources support to student learning outcomes. Accordingly, it is recommended that the code should comprise the following sections:

- a) Institutional governance and management;
- b) Programme design and delivery; and
- c) Staffing, physical resources and student support

Framework of the proposed code

4.8 The framework of the proposed code is tabulated below. Readers may wish to refer to the report on a detailed discussion on the rationale for individual sections of the proposed code, including views of stakeholders and key informants and expected impact on institutions.

| Components of the Code | Examples/ Reference |
|-------------------------------|--|
| 1 | <u>Institutional governance and management</u> |
| 1.1 | <i>Mission and vision</i> |
| 1.1.1 | <p>Institutions should draw up and publish mission and vision statements which will underpin the institutions' design and delivery of learning programmes and QA and resource allocation policies.</p> <p>HKCAAVQ requires operators to demonstrate that their legal status, mission, aims and objectives are appropriate to the delivery of their learning programmes and have educational, QA and resource allocation policies that are related to their mission, aims and objectives and which are appropriate for their size and scope during the Initial Evaluation.</p> <p>The UK Quality Code for Higher Education states that higher education institutions are expected to publish information that describes their missions, values and overall strategy.</p> <p>In the Checklist for Good Practices drawn up by the Association of Universities and Colleges of Canada, the American Council on Education, the Council for Higher Education Accreditation and the International Association of Universities in 2004, institutions are urged in their self-assessment process by reviewing if their missions and goals include a commitment to social, cultural and economic well-being of communities, and linguistic and cultural diversity and a commitment to the importance of critical thinking that underpins responsible citizenship at the local, national and global levels.</p> |
| 1.2 | <i>Development plan and annual reports</i> |

| Components of the Code | Examples/ Reference |
|---|---|
| <p>1.2.1 Institutions should compile development plans which are aligned with their missions and visions and based on a detailed analysis of the institution's own strengths and weaknesses and of the opportunities and challenges presented by the environment, and annual reports containing, among others, a review of activities undertaken during the year and the performance of the institutions.</p> | <p>As stated in the handbook "Good practices in quality assurance" published in 2010, the Tripartite Liaison Committee observed that for self-financing post-secondary education institutions offering sub-degree programmes, most of them "develop a collectively agreed Strategic Plan, aligned with their Mission Statement, and based on a detailed analysis of the institution's own strengths and weaknesses and of the opportunities and threats presented by the environment".</p> <p>The UK Quality Code for Higher Education states that higher education institutions are expected to publish information that describes their mission, values and overall strategy.</p> |
| <p>1.2.2 Abstracts of the development plans and annual reports which contain high level performance outcomes should be published.</p> | <p>In the UK, the voluntary Code of Practice adopted by the Committee of University Chairmen also specifies that the institution's annual performance against key performance indicators should be published widely, including on the Internet and in its annual report.</p> <p>The National Governance Protocols introduced by the Australian government, as part of the Higher Education Support Act, require that the annual reports of post-secondary education institutions not eligible for general Commonwealth-funded places must be used for reporting of high level outcomes and include a report on risk management.</p> |
| <p>1.3 <u>Financial reports</u></p> | |
| <p>1.3.1 Institutions should publish at least a summary of a financial statement of the institution annually.</p> | <p>UNESCO and OECD guidelines on the quality of cross-border higher education ensure transparency of the financial status of the institution.</p> <p>The voluntary Code of Practice adopted by the Committee of University Chairman in the UK and the annual reports of post-secondary education institutions not eligible for general Commonwealth-funded places in Australia also cover the financial statements.</p> <p>The Law Reform Commission in Hong Kong in its report on charities published in December 2013 recommended that, among others, "the Administration should ensure that tax-exempt charities make information about their operations available to the public by publishing certain documents, such as their financial statements and activities' reports, on their websites." The Commission observed that in overseas jurisdictions, such as Australia,</p> |

| Components of the Code | Examples/ Reference |
|--|---|
| | Canada and New Zealand, certain information about registered charities is made available to the public and believed that this is an effective way of ensuring greater accountability and transparency among charities. |
| 1.4 <i>Management structure and processes</i> | |
| 1.4.1 The governing body of an institution should have an appropriate mix of stakeholders which may vary in accordance with the different circumstances of institutions; | <p>The Voluntary code of best practice for the governance of Australian universities published by the University Chancellors Council specifies that “there should be a majority of external independent members who are neither enrolled as a student nor employed by the university”.</p> <p>In the UK, the voluntary Code of Practice adopted by the Committee of University Chairmen requires that there should be a balance of skills and experience among members sufficient to enable the governing body to meet its primary responsibilities and to ensure stakeholder confidence.</p> |
| 1.4.2 The institution should formulate clear lines of responsibility, delegation of authority <i>and</i> terms of reference for its governing body and key committees like the academic board, finance committee and QA committee; | <p>The Council of Europe’s Higher Education Forum on Governance recommended that, among others, there should be transparency in procedures and tasks and effective mechanisms of accountability of those involved in governance.</p> <p>The Standards and Guidelines for Quality Assurance embrace similar basic principles such as responsibility, safeguarding the interest of society, effective organisational structures, transparency and visible accountability processes.</p> <p>The UK voluntary Code of Practice adopted by the Committee of University Chairmen requires that the governing body should adopt a Statement of Primary Responsibilities, relating to, amongst others, approval of the mission and strategic vision of the institution, long-term business plans, key performance indicators and annual budgets, and ensuring that they meet the interests of stakeholders.</p> |
| 1.4.3 The institution should have in place a system of appointment of members to its governing body and key committees and a procedure for periodical review of the performance of these members; | In Australia, the National Governance Protocols, as part of the Higher Education Support Act, states that the governing body of post-secondary education institutions not eligible for general Commonwealth-funded places should have systematic procedures for nomination of prospective members. |

| Components of the Code | Examples/ Reference |
|--|--|
| 1.4.4 The institution should ensure that members of its governing body and key committees are aware of their roles and responsibilities by providing, for example, programmes of induction and professional development; | In Australia, the National Governance Protocols, as part of the Higher Education Support Act, specify, among other things, that the governing body of post-secondary education institutions not eligible for general Commonwealth-funded places should state its objectives and functions and have an appropriate system of delegation, the duties of its members and sanctions for the breach of such duties; to make available a programme of induction and professional development for its members; to ensure its members are aware of their roles and responsibilities and at regular intervals to assess its performance and its conformance with these Protocols. |
| 1.4.5 The institution should have in place a written code of conduct for members of its governing board and key committees and staff, spelling out their duties, a procedure for declaration of interests, requirements that its management or employees should not involve in outside employment or business interests in conflict or potential conflict with the business of the institution and sanctions for the breach of the code; | The Governance Code of Legislation, Principles, Best Practices and Guidelines drawn up for Irish universities requires that all universities should have written codes of conduct for members of the governing body and employees, developed via a participative approach, and that members of the governing body are required to disclose outside employment and business interests that may be in conflict or potential conflict with the business of the university, that the management or employees of the university should not involve in outside employment or business interests in conflict or potential conflict with the business of the university. |
| 1.4.6 The institution should have in place a system of periodical audits of its management processes to ensure that procedures and guidelines are complied with; and | The UK voluntary Code of Practice adopted by the Committee of University Chairmen requires that the governing body should meet at sufficiently regular intervals in order to discharge its duties effectively. |
| 1.4.7 The institution should publish the composition, membership and terms of reference of its governing body and key committees. | The UK voluntary Code of Practice adopted by the Committee of University Chairmen requires that the institution shall maintain and publicly disclose a register of interests of members of the governing body. |
| 2 <u>Programme design and delivery</u> | |
| 2.1 <i>Quality assurance structures and processes</i> | |
| 2.1.1 Institutions should set out their framework for managing academic standards and quality and develop QA mechanism and procedures that are clear and transparent to all their stakeholders including staff, existing | The Tripartite Liaison Committee recommended in its handbook <i>Good practices in quality assurance</i> that the quality assurance management structures should be in place, with procedures that are transparent to all stakeholders involved in the process. |

| Components of the Code | Examples/ Reference |
|--|---|
| and prospective students, employers and relevant professional bodies as well as members of the public; | The UK Quality Code for Higher Education requires that higher education institutions set out their framework for managing academic standards and QA and enhancement and describe the data and information used to support its implementation. |
| 2.1.2 Institutions should have in place formalised procedures for programme design and approval, ensuring that learners' goals in terms of employment and articulation to further study are met and allowing stakeholders including staff, students, employers and the profession to contribute to or participate in the academic decision-making process | Good practices of a number of institutions are presented in the handbook <i>Good practices in quality assurance</i> published by the Tripartite Liaison Committee, demonstrating the need to ensure that learners' goals in terms of employment and articulation to further study are taken into account in programme design. |
| 2.1.3 To ensure transparency, the formalised procedures for programme design and approval should be explained clearly to staff, existing and prospective students; and | The Irish Higher Education Quality Network has identified a set of common principles of good practices, which includes the requirement that all providers should be responsible for the establishment of QA procedures that are clear and transparent to all their stakeholders, including staff, students, external stakeholders and the general public. |
| 2.1.4 To facilitate existing and prospective students in making informed decision on their choice of institutions and programmes, institutions should provide as much information as possible on details of their programmes including programme contents, admission criteria, intended learning outcomes and articulation pathways for further education. | |
| 2.2 <u>Programme monitoring and reviews</u> | |
| 2.2.1 Institutions should put in place a formalised system of conducting <i>regular</i> monitoring and reviews in an objective manner to assess programme effectiveness, validity and relevance. Stakeholders including staff, students and employers should be kept informed suitably, and the formalised system should have incorporated feedback from stakeholders like academic staff, students, graduates and | UNESCO and OECD, in their 2005 guidelines on the quality of cross-border higher education, recommended that higher education institutions should develop, maintain or review current internal quality management systems so that they make full use of the competencies of stakeholders such as academic staff, administrators, students and graduates and provide accurate, reliable and easily accessible information on the criteria and procedures of external and internal QA. |

| Components of the Code | Examples/ Reference |
|---|--|
| employers; and | |
| 2.2.2 Institutions should publish outcomes of their QA and programme reviews in a manner that is clear and readily accessible to stakeholders like staff, students and employers. | In Asia, the “Chiba Principles” for QA in higher education in the Asia-Pacific require that for internal QA, appropriate and current information about the institution, its programmes, awards and achievements should be made publicly available. The quality assessment standards and criteria should be publicly available and applied consistently and that the assessment would normally include: (1) institutional self-assessment; (2) external assessment by a group of experts and site visits as agreed; (3) publication of a report, including decisions and recommendations; and (4) a follow-up procedure to review actions taken in light of recommendations made. |
| 3 <u>Staff, other resources and student support</u> | |
| 3.1 <u>Staffing and staff development</u> | |
| 3.1.1 Institutions should have a fair and transparent human resources system which includes policies such as appointment, appraisal, promotion and termination, as well as policies and measures to facilitate staff development and to encourage and recognise good performance. | In the Institutional Review conducted by HKCAAVQ, institutions are required to have “a clear staff employment and development policy readily accessible by existing and potential employees. It should also have a medium- to long-term staffing plan that fits its current and planned purposes.” |
| 3.2 <u>Learning and teaching resources</u> | |
| 3.2.1 Institutions should ensure that there are adequate staff and learning and teaching facilities to support their programmes of study at an acceptable level of quality on a continuing basis; and | In Europe, the European Network for Quality Assurance in Higher Education guidelines include recommendations that institutions should ensure that the resources available for the support of student learning are adequate and appropriate for each programme offered. The guidelines also contain recommendations that institutions should ensure that they collect, analyse and use relevant information for the effective management of their programmes of study and other activities. More specifically, it is recommended that the information systems should, depending to some extent on local circumstances, cover learning resources available and their costs. |
| 3.2.2 Institutions should publish information on staffing and learning and teaching facilities available to support programme delivery and student admission targets. | The website “Concourse for Self-financing Post-secondary Education” launched by the Committee on Self-financing Post-secondary Education contains information related to individual institutions on the facilities available and the student target admission. iPASS also contains information |

| Components of the Code | Examples/ Reference |
|---|--|
| | related to individual institutions on the number of teaching staff, student enrolment and the staff-student ratio. Such information is useful to prospective students giving them an idea of staff and teaching facilities available to support the level of student enrolment. |
| 3.3 <i>Student support</i> | |
| 3.3.1 Institutions should ensure that adequate support is given to students through induction and orientation, the provision of diverse learning experience to meet different learning needs of students, pastoral care and counselling, to facilitate the development of generic skills and whole-person development, underpinned by the institutions' commitment to outcome-based learning; | The Tripartite Liaison Committee, in its handbook <i>Good practices in quality assurance</i> , has identified a number of good practices of institutions in ensuring that adequate support is given to students through induction and orientation, the provision of diverse learning experience to meet different learning needs of students and counselling and mentorship, to facilitate the development of generic skills and whole-person development, underpinned by the commitment to outcome-based learning. |
| 3.3.2 For institutions admitting non-local students, measures should be in place to help non-local students adapt to learning and teaching at the institutions and daily living in Hong Kong, and to facilitate the integration of local and non-local students in programme and other student activities; | The Danish Code of Conduct specifies that institutions should lay down principles for the composition of classes or groups, so that within each study programme the best possible relationships may be established between students of different nationalities, including Danish and international students, and individual consideration can be taken with regard to specific cultural elements. In addition, institutions should also organise activities and make suggestions as to how staff and students may be inspired to meet across national and cultural boundaries in their leisure time, and how Danish students can take their share of the responsibility for the highest possible degree of integration throughout the programme. |
| 3.3.3 Institutions should provide clear information to prospective students on the process for application and admission to their programmes, tuition fees, admission requirements, programme contents, intended learning outcomes, professional recognition if applicable, articulation pathways and employment prospects to help them in selecting institutions and programmes; and | The Danish Code of Conduct specifies that all institutions should ensure that potential applicants receive updated and reliable information, including the language of instruction used in each study programme. The UK Quality Code for Higher Education recommended that higher education institutions should describe the process for application and admission to the programme of study, make available to prospective students information to help them select their programme with an understanding of the academic environment in which they will be studying and the support that will be made available to them, set out what they expect of current students and what |

| Components of the Code | Examples/ Reference |
|--|---|
| | current students can expect of the higher education provider. |
| 3.3.4 Institutions should keep existing students fully informed of the policies and regulations governing students' rights and responsibilities, course assessment and appeal mechanism. | The Tripartite Liaison Committee pointed out in its handbook <i>Good practices in quality assurance</i> that a number of institutions have incorporated their academic regulations on course requirements and assessment, grading system and graduation requirements and regulations governing college examinations into their prospectus for students, aligned assessment tasks with learning outcomes, adopted continuous assessment, standardisation of marking and student feedback, and the use of internal moderation and external examiners as well as a panel or board to review cases requiring special attention and a system of appeals. |

5. Promulgation of the Code: implementation strategy

A common code for a diverse and vibrant sector

- 5.1 There is diversity in the self-financing post-secondary education sector. Furthermore, there are three separate QA bodies in Hong Kong to monitor the quality of the post-secondary education sector. While some self-financing post-secondary education institutions are subject to QA processes of the HKCAAVQ being an external, independent body, other self-financing institutions are subject to QA processes of their own parent self-accrediting institutions, with quality audits and peer reviews conducted respectively by the Quality Assurance Committee (QAC) and Joint Quality Review Committee (JQRC). The practices of the QAC and JQRC with respect to say the publication of audit or review reports are different.
- 5.2 The impact of a common code of good practices on different self-financing post-secondary education institutions is likely to be different. Some may find the publication of financial reports acceptable for reasons like they have been publishing these reports already. Some may find provisions of the code on say the governing bodies easy to comply with, as similar provisions are stated in their governing ordinances. A common code will no doubt help to reduce differences among institutions, as far as practices, including disclosure practices, on governance and QA are concerned.

Striking the right balance

- 5.3 As remarked by several stakeholders and key informants interviewed in the course of the study, the mode of financing and operation should not affect transparency practices. Besides, both publicly-funded and self-financing institutions, regardless of their modes of operations, have similar obligations in terms of governance, QA, accountability and transparency, which are very

important to the post-secondary education sector.

- 5.4 Nevertheless, it may be desirable that the code should not adversely affect the operation of self-financing institutions, reduce their competitiveness and limit their flexibility to respond to the diverse and changing needs of students and employers. Thus, it is necessary to strike a delicate balance between autonomy and accountability, taking due consideration of the expectations of students, parents, employers and members of the public.

Winning support

- 5.5 During discussions with stakeholders and key informants, most of them were supportive of having a code on governance and QA that helps promote transparency and accountability, while taking due consideration of institutions' autonomy.
- 5.6 Given the favourable reception to the ideas of the code, it is essential that after the code has been drafted, institutions and clients of institutions such as students, parents, employers and members of the public should be formally consulted and their views sought before the code is finalised. Such a consultation process will not only help refine the code but also help win the support from those who have a stake in the self-financing post-secondary education sector.

Addressing concerns

- 5.7 During discussions with stakeholders and key informants, concern was expressed that public expectation of the code might be high. After the government has taken the initiative to draw up a code of good practices, students, parents and members of the public might expect that through the code the government could exercise more control, monitor and improve further the programme quality of self-financing post-secondary education institutions.
- 5.8 Furthermore, as opined by most stakeholders and key informants, institutions would have to devote extra resources to dealing with requirements of the code. If information that is sensitive and prone to misinterpretation is released, institutions would have to devote additional manpower to deal with enquires or complaints, and to respond to any adverse comments or misreporting in the media.
- 5.9 In drafting and promulgating the code, these concerns have to be addressed and public expectation managed. The promulgation of the code should be accompanied by a public education programme, explaining to students, parents, members of the public and the media the purposes and scope of the code. In addition, measures have to be taken to facilitate self-financing post-secondary institutions in complying with the code, or parts of it, on a voluntary basis.

Facilitating the market for the self-financing sector

- 5.10 During discussions with stakeholders and key informants, it was pointed out by several of them that if the code is voluntary, different institutions with different modes of operation and financing might choose to adopt selected parts of the code, if at all. This would render comparison across institutions not so meaningful. It was suggested by several of them that compliance with the code by institutions should be regularly monitored.
- 5.11 On the other hand, it was stressed by a number of stakeholders and key informants that the code should be promulgated but not made compulsory. There should be room for institutions to decide which parts of the code to follow. Care should also be taken to avoid creating workload and pressure on administrative staff of institutions and limiting the flexibility of institutions, especially smaller institutions, in responding to market demand.
- 5.12 Furthermore, several of them cautioned that implementing the code without facilitating institutions in complying with the code would render the code less effective. It was suggested that the government should consider adopting a "carrot and stick" approach, leaving monitoring and reviews to QA bodies. The government should also provide clear guidelines and take steps to ensure consistency in complying with the code.
- 5.13 To meet expectations of institutions on the one hand and students, parents and members of the public on the other, the code has to be implemented in such a manner that compliance is voluntary leaving sufficient room and flexibility to institutions, but yet there should be consistency across different institutions. The code should be implemented with support and monitoring by government, yet it should not create another layer of bureaucracy and another set of QA requirements over and above those of the QA bodies.