Responding to an ageing academic workforce
Summary of the Academic Workforce Project 2020 Report

New Zealand's universities contribute to long-term and sustainable economic growth.[i] They achieve this in two ways – through advanced research and high-quality teaching. Both of these activities are underpinned by the skill and passion of the academic workforce.

In recent years the universities have become concerned that trends in the academic workforce could make it harder to maintain world-class university research and teaching in the future.

In response, with funding from the Tertiary Education Commission, Universities New Zealand – Te Pōkai Tara (Universities NZ) commissioned Business and Economic Research Limited (BERL) to analyse the academic workforce, identify possible scenarios for the future and present the universities with options and recommendations to prepare for these changes. BERL's report, entitled *Academic Workforce Planning – Towards 2020*, is the latest contribution to a wider academic workforce planning project.

A brief summary of BERL's findings follows.[ii]

Defining the challenge

In recent years the demand for university places has been higher than ever before. While some predict the rate of growth to slow in the coming decade, government policy to increase participation in degree-level study, particularly among young people aged under 25 years old and Maori and Pasifika[iii], combined with the desire to increase the number of international students, makes it likely that the total number of university students will remain at historically high levels.
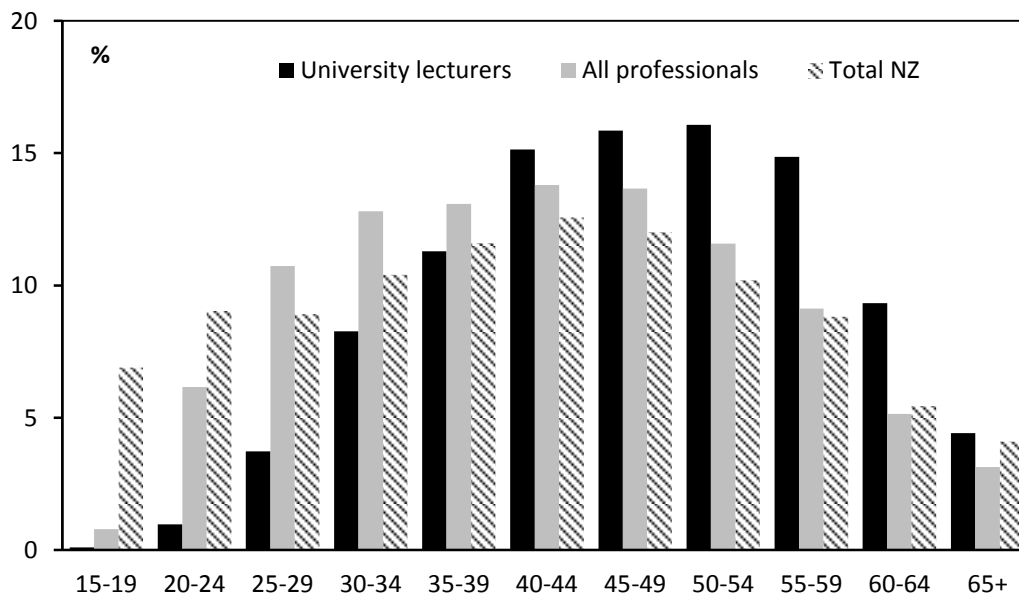
BERL's analysis of the academic workforce[iv] found that:

- 43% of the academic workforce is over 50 and 15% is over 60
- the number of older academic staff is growing and the inflow of younger academics is not keeping pace
- the academic workforce is ageing like other professions but is an older workforce to begin with (see chart below)
- an ageing academic workforce is a global trend
- the academic workforce operates within a global labour market that is becoming increasingly competitive

- studies show that New Zealand academic salaries are lower than in Australia, Canada and the US and are similar to those in the UK
- there are larger amounts of research funding and facilities available to academics in Europe and North America

These findings, in combination with the outlook for continued high numbers of students, make addressing the effects of an ageing academic workforce more pressing than in the greater New Zealand workforce.

Age composition of the workforce (2006 census data)

Scenarios for the future of the academic workforce

Having established the makeup of the academic workforce, BERL compared a number of scenarios for the period to 2021[v].

To ensure the scenarios were realistic BERL identified variables that influence the supply and demand of academic staff. These variables included:

- the growth of student numbers (both domestic and international)
- the mix of disciplines taught
- the participation rates of different student age groups

BERL applied Statistics New Zealand projections for low, medium and high population growth to the different scenarios to assess the population for each age range in order to determine student numbers. These student numbers were applied to staff: student ratios for different disciplines in order to derive the number of academic staff needed for each discipline in the future.

Based on these scenarios the universities will need to attract between 560 and 920 new academic staff each year between now and 2020. This range is higher than the 500 new academic staff attracted per year in recent years. Across the

three scenarios, the need to consistently attract academic staff is dominated by the rate of staff exits, which includes academics retiring during this period.

Strategic options and recommendations

BERL presents four strategic options to address the challenges in the academic workforce between now and 2020. They are:

1. to continue with the status quo
2. to address workforce issues on an individual university basis
3. to work collaboratively on selected workforce issues
4. to collaborate on the provision of courses and managing student numbers

In addition, BERL recommends the universities take the following actions:

- advocate funding framework changes and actively encourage collaboration
- create a clear and contemporary academic career development model
- target the improvement of the educational achievement of Maori and Pasifika students
- become the employer of choice for people within and outside the sector
- encourage shared service arrangements
- establish a website portal that focuses on academic careers
- build relationships with immigration officials and related industry players
- establish an integrated sector-wide workforce database
- obtain information on academic career pathways
- investigate the demographics and dynamics of casual and 'academic other' staff

BERL concludes that, regardless of the strategic options chosen and the recommended actions taken, the outflow will not be replaced and future academic staff requirements will not be met unless the New Zealand universities take action now to address these workforce issues.

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[i] NZIER, *The Economic Value of University Investment*, October 2010. Available from Universities New Zealand – Te Pōkai Tara, P O Box 11915, Wellington 6142 or at www.universitiesnz.ac.nz
[ii] BERL's report *Academic Workforce Planning – Towards 2020* is available on request from Universities New Zealand – Te Pōkai Tara, P O Box 11915, Wellington 6142 or at www.universitiesnz.ac.nz
[iii] Tertiary Education Strategy 2010-2015
[iv] 2008 was the most recent year from which BERL could gather robust data.
[v] 2021 was chosen as the date for modelling due to the availability of detailed Statistics New Zealand demographic projections for this year. BERL's analysis focuses on factors over the medium term and so the difference between this date and the 2020 horizon for the paper is immaterial.