



Amazing Grades

Grade Inflation at New Zealand Universities

Dr James Kierstead

Over the past few decades, grades have been rising at universities across the English-speaking world, usually in a way that cannot be explained by improvements in student performance.

Researchers call this 'grade inflation' on the model of monetary inflation, and like monetary inflation, grade inflation has serious costs. When top grades are no longer reliable signals of genuine achievement, the best students are robbed of the fruits of their industry, average students aren't motivated to work harder, and society as a whole loses out.

Is grade inflation a problem at New Zealand's universities? This report suggests that it is. It shows

1. that grades have risen substantially over the past couple decades; and
2. that this is difficult to explain in terms of improvements in student performance.

To see whether grades had risen, we requested grade distributions from all eight New Zealand universities from as far back as possible. The data we received showed

- that between 2006 and 2019, A grades (A+, A, and A-) increased from between 15% and 25% of total grades awarded to between 25% and 35%;
- that during COVID, A grades spiked at above 35% at most universities, and to as high as 49% of all grades

awarded at the University of Auckland;

- that the percentage of As then fell, only to rebound almost immediately to between 30% and 40% of total grades;
- that the percentage of A grades went up across the whole period 2006-2024, with the median percentage increasing by 13 percentage points, from 22% to 35%;
- that the percentage of As in different academic disciplines also increased over the period, spiked during COVID, and then rebounded after an immediate post-COVID fall;
- that pass rates display a similar pattern, and are now mostly above 90% (and even above 95% in a couple of cases);
- that grade inflation has probably been even more severe in some other university systems such as the UK, where the proportion of first-class degrees grew by 28 percentage points between 1996-7 and 2022-3.

Can the grade rises at our universities be explained by improvements in student performance? We look at four factors that could plausibly have improved student performance, but find

- that the percentage of Excellence results in externally-assessed NCEA assessments is down slightly since 2014, suggesting that the intake of university students hasn't improved in recent years;
- that the proportion of female students (who tend to get better grades) has flatlined since 2015, suggesting

that it isn't higher female participation that has led to the rise in grades;

- that though funding per student did rise to 2019, it fell in the COVID period, suggesting that more funding can't explain the pattern of grade rises we observed;
- that the ratio of staff to students at our universities has remained steady since 2015, suggesting that it isn't more staff per student that has led to the rise in grades.

How have we gotten into this situation? We suggest that the level of grade inflation at our universities is largely a product of the incentives that are generated by the university system. Instructors have an incentive to grade generously to keep up their student numbers, which are crucial to funding allocations. Administrators, for their part, also have an incentive to keep up student numbers, whether at programme, faculty, or university level, and no reason to take any serious measures to curb grade inflation.

Anonymous testimonies from academics largely corroborate this picture. Academics told us

- that they were instructed to pass 60-88% of students (in different cases) in their courses under threat of losing their funding;
- that they or their colleagues were explicitly instructed to pass students who had been given a failing grade;
- that instructors sometimes graded more generously in the hope of improving student evaluations of their teaching;
- that they were discouraged from setting more rigorous types of assessment, such as exams;
- that they were discouraged from taking robust action against clear cases of student plagiarism.

With respect to the surge in grades during COVID, we found

- that there was no evidence that student performance improved in this time;
- that many academics had been told to offer every possible 'accommodation' to students;
- that at least one university lifted marks across the board by a full grade.

Grade inflation is a complex problem with no simple solution. A range of approaches to mitigating the problem do exist, though, and could be applied here, including

1. statistical moderation techniques which update student GPAs by course difficulty, thus discouraging students from choosing courses to get easy As (and instructors from giving out As to get more students);
2. national exams for academic disciplines examined by boards of local and international academics, meaning that instructors would not be giving grades to their own students;
3. de-emphasising student numbers in funding allocations, which would lessen the pressure on academics to keep student numbers up through generous grading;
4. educating educators about the nature and costs of grade inflation, and about the importance of accuracy and fairness in grading.

We present three possible paths for policy-makers keen to get to grips with grade inflation: a high-impact but politically difficult path, a middle way combining more moderate policies, and a series of 'easy wins' that could be implemented immediately.

Which path we choose to follow will depend on practicalities, as well as on political will. But choosing to embark on any of these paths should help us start combatting grade inflation at New Zealand universities.

ABOUT THE AUTHOR

James Kierstead is a Senior Fellow at The New Zealand Initiative, where his work focusses on universities, free speech, and democracy. Born in Canada and educated mainly in the UK, he completed his PhD in classics at Stanford in 2013. That year he also moved to Wellington to take up a position as a Lecturer (later Senior Lecturer) in Classics at Victoria University. In 2022, he began working at The New Zealand Initiative, publishing his first report *Blessing or Bloat? Non-Academic Staffing at New Zealand Universities in Comparative Perspective* (co-authored with Michael Johnston) in August last year, a few months after which his role at Victoria University was disestablished. Last year he published his second report, *Unpopular Opinions: Academic Freedom in New Zealand*, which helped make the case for the academic freedom legislation currently going through Parliament. Besides his academic publications on ancient and modern democracy, he has published pieces in *The Dominion Post*, *The Spinoff*, *The New Zealand Herald*, *The Australian*, *The Spectator Australia*, *Quillette*, *Quadrant*, *Times Higher Education*, *Chronicle of Higher Education* and other outlets.