



The Office Of The Principal and Vice - Chancellor

PROF MS MAKHANYA, PRINCIPAL AND VICE CHANCELLOR

UNIVERSITY OF SOUTH AFRICA

UNISA BOARD OF TRUSTEES ADDRESS

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UNISA 2015: Endings and new beginnings

- Dr Jackie Mphafudi, Chairperson of the Unisa Board of Trustees and all other members of the Board.
- Members of Unisa's Executive and Extended Management here present
- Distinguished guests, ladies and gentlemen

I INTRODUCTION

A very good morning to you all, and thank you for taking the time to be with us at this important meeting.

Managing a higher education institution in South Africa today, or anywhere in the world, for that matter- is a complex and challenging task that requires a delicate balance between day-to-day operational management and strategizing and planning for the future. 2015 was occupied with concluding our strategic planning cycle and ensuring that we had completed those objectives which we has set for ourselves over the period, and finalising and laying the groundwork for the 2016 – 2020 strategy and its implementation. 2015 has been a year of transition that has seen the achievement of many milestones, the continuance of others into the 2016 strategy, and the formulation of some new ones, thus heralding of a new institutional vision, mission and objectives.

The vision of the university, which has transitioned from being *the African university in the service of humanity* to *the African University shaping futures in the service of humanity*, is perhaps the most

immediate manifestation of Unisa's commitment to life-changing transformation. The new vision presents to the world a university that has broadened its narrower national scope towards becoming a fully African institution that is committed to advancing the South African and African educational agenda and to making its voice heard in the global arena, as a confident leader in ODeL that is distinctly African, and not merely an imitation of business models which currently characterise global ODeL.

New legislative and regulatory requirements introduced in early 2014 are impacting on our operations in an increasingly substantial manner and one is finding that the additional administrative requirements that have come with it are a source of frustration to many staff. This is understandable but unavoidable. The new reporting requirements have changed the format and content of the Annual Report and administration practices, which now include a requirement of auditable evidence, accurate monitoring and evaluation, risk awareness and management, compliance and accountability and Annual Performance Compacts with the Minister. The format of our planning and report has also changed in line with these requirements to include the 2015 Annual Performance Plan and the 2015 Institutional Risk Register, which indicated a slight reconfiguration of identified institutional risks, to reflect that the loss of reputation risk was deemed to be the number 1 ranked risk for Unisa.

II INSTITUTIONAL ETHOS

Where previously there was little focus on "people" at Unisa, other than as numbers in an HR system, we now have an institutional ethos which places people at the centre and forefront, and acknowledges that genuine transformation toward our envisioned institution must begin with the people themselves, and their deliberate development.

The focus on people has been undergirded by an open door policy, the creation of multiple "safe" spaces for institutional engagement on a variety of topics and issues, at which staff and students are invited and encouraged to speak freely and openly without fear of retribution, as well as the drafting of a number of policies and the adoption of practices that are aimed at providing a safe and conducive working environment for all of our staff. Key amongst these initiatives has been the ongoing embedding of an ethics mind-set and practice and deliberate and decisive actions against instances of antisocial (and illegal) behaviour at Unisa. Aligned to this, Unisa has now embedded an ethos and practice of sustainability in all its activities in the institution. Sustainability, including governance, risk and ethics, is now completely infused and embedded in the institution, in both policy and practice. This represents a major institutional transformation.

Governance and ethics are gaining very pleasing traction at Unisa. There is a growing awareness of the global focus on governance, leadership and management in higher education and recognition that Unisa

is appositely placed to position itself as the foremost proponent of governance in higher education. Unisa launched its School of Governance on 30 September this year, thus formalising in a very significant way, our commitment to the inculcation and practice of sound and transparent corporate governance at Unisa and in South Africa.

The Ethics project at Unisa has gained its own momentum and the various initiatives which it entails are proving to be successful and impactful. Monthly Senex discussions are repeated on the same day at ethics roundtables hosted by my office, ensuring that discussions involve all levels of the institution. The sessions are inevitably full and colleagues have come forward asking to present at the roundtables. The monthly “pop-in-for ethics”, the Principal and Vice Chancellor’s blogs, and the Friday Snippets have generated the intended institutional conversation, and raised a number of issues that require our attention. These have been recorded and will be addressed and feedback provided. I have received a number of reports indicating genuine appreciation for the information sharing and the visible progress that is being made in applying and resolving discipline at Unisa. The process of keeping staff informed will continue as it clearly makes a positive contribution to morale and the need to see that justice is being done at Unisa.

On that note, I would like to say that one of the most rewarding aspects of this year's engagements has been the commitment of Unisa’s Council in offering guidance and support, not only in the development of our new strategy, but also in the very dynamic matters of finance and governance.

III FINANCIAL STEWARDSHIP AND SUSTAINABILITY

Although, Unisa continues to be in sound financial position, due to major challenges facing the university, Unisa has recorded an operating loss of R34 million (2013: surplus of R1,141 billion) a decrease of 103%. In the last financial year under review the University’s total expenditure increased by 14%. One of the main reasons for the decrease in operating surplus is the fair value adjustment of investment income because of slow market growth and the liquidation of long term investment to meet cash flow needs. The fair value adjustment changed by 55% from R777 million in 2013 to R349 million in 2014.

The University received a qualified *financial* audit opinion for 2014. The basis for qualified opinion was the valuation of inventory (in-house printed study material and courseware valued at R86,2 million) at year end. Existence and completeness of Property Plant and Equipment (PPE) of movable tangible assets with net book value of R520,3 million.

During the period under review no reportable irregularities were reported by the auditors. The 2014 audit had a finding of non-compliance with the Value Added Tax Act, 1991 (Act No. 89 of 1991), Income Tax Act, 1962(Act No. 58 of 1962 as amended)

The audit for 2014 was scheduled as a performance audit by the Auditor General of South Africa. The scope thus extends beyond the finances of the University and incorporates other reportable aspects including the reliability of the self-assessment of institutional performance. Improvements include:

- Maintaining the proportion of study and fee income to total revenue at around 45%;
- Increase in financial support relative to NSFAS to a ratio of 1:1, currently at 1,05:1;
- The personnel expenditure as a proportion of council controlled income remains below 62%;
- Net income from Centres has surpassed the R150 million target set for 2015.

The unqualified audit reports on financial status and other legal and regulatory requirements have been flagged as a challenge.

IV ICT INFRASTRUCTURE

ICT at Unisa is a critical area of growth and development. Work commenced on the new Student Relationship Management (SRM) System, as well as on a mega project to replace the Student System. Both these projects are repeated in the 2015 Annual Performance Plan and Unisa anticipates significant, quantifiable outcomes during 2015. The core systems that support teaching and learning are being stabilised after a period of intense challenges during 2013 and 2014 when the number of students accessing online systems increased exponentially. Maturing ICT governance processes to minimise service disruptions, performing upgrades to infrastructure and improving coordination of system changes and resource requirements with stakeholders contributed to the better stabilisation of the key business systems.

As part of the development of an enterprise architecture for Unisa, a High Availability (HA) Architecture was designed in 2014 and implemented to address integration of key business systems – including the Student System, the Enterprise Content Management System, the Student Relationship Model, the Supply Chain Management System, Millennium, and the Oracle Human Resource and Finance systems – and to ensure that highly accessed and high-volume systems (like myUnisa) are supported by the right technology. A number of systems are going live in the very near future and these should contribute in a meaningful way to improved service levels to our students.

V TRANSFORMATION AND EMPLOYMENT EQUITY

A targeted effort has been made to change the demographic profile of staff at the university, in line with the Council-approved Employment Equity (EE) Plan. As an illustrative example, at senior management level (1

– 3), women constitute 48.7% of employees excluding foreign nationals and in terms of race, white staff constitutes 41%. This is a significant improvement relative to previous years. These changes at leadership level are important to ensure, set the tone for and enhance equitable representation in terms of race and gender across the university. With regard to changing racial profiles of academics, the proportion of African professors has changed positively and currently stands at 12.6%. Key initiatives that were implemented include the following:

- Executive decision to fill vacant positions with staff from designated groups
- Involvement of stakeholders, including organised labour, in appointing staff to ensure fairness and transparency
- Continuous and regular review of human resources policies and practices to ensure alignment with strategic and executive decisions
- Increased focus on mentoring and coaching, with this being a key performance requirement for all staff above 60 years of age
- Conducting continuous surveys to assess the impact of policies and practices in order to improve where there are challenges relating to staff health and morale

Additionally, a range of capacity-building programmes have been designed and implemented to create awareness of the preferred institutional behaviours among staff. These programmes cover issues such as ethical behaviour, harassment and general bullying, including racism and sexism.

Unisa remains committed to its social justice mandate of delivering on the crucial human resource requirements of the country and continent. In this regard, the university provides unparalleled access to a diverse student population ranging in age, race, gender, geographical location and socioeconomic status. Access is accompanied by a commitment to student success and graduation. As part of the Council-approved enrolment plan, Unisa is committed to an undergraduate student equity profile of at least 72% African, 60% female, 1% disabled and 25% under the age of 25.

The following improvements can be noted for the year under review:

- Increase in the proportion of full-time Black academic staff at Associate Professor and Professor level from 7,5% to 8,5%;
- The proportion of full-time academic, professional and administrative staff over 50 years of age is at 27,9%, which is still within the target range of 25% to 35%;
- Increase in the proportion of women in the Professoriate from 10,6% to 10,8%;
- Increase in the proportion of academic FTEs from 75,7% to 78,9%;
- Increase in the proportion of academic staff with Doctoral degrees from 33,3% to 34,2%;

- Increase in the proportion of full-time staff living with disabilities from 0,8% to 0,9%.

Unisa also has in place a comprehensive programme of staff development, talent management and succession planning to ensure that staff are incentivised, acknowledged and nurtured into professional excellence and leadership role. Some of these include: Extended Management Training; the Young Academics development programme; and the Building Tomorrow's Leaders programme which has been expanded to include members of Labour; and Talent Management and Development programmes

VI RESEARCH AND INNOVATION

The proportion of PG students is 12,1% of the total student body, and has decreased from 2013 while remaining well below the ministerial target set for 2019. It is important to increase this ratio in order to maintain an active research community.

For the first time 2015 marked the routine analysis¹ of the January exam sitting and the following was reported:

- Over time, a positive trend is evident in the average pass rates of PG students. Given the combined sittings of October/November and January/February, the average aggregated normal pass rates (NPR) have increased from 65,3% in 2012/13 to 67,1% in 2013/14 and 69,8% in 2014/15.
- Overall, CEDU reported the highest aggregated NPR of 85,1%, followed by CAES (81,6%) and CEMS (74,7%). These three colleges also showed positive increasing trends over the past three cycles. The lowest rates were reported by CAS (45,7%).
- PG students on Masters & Equivalent level reported the highest NPR of 85,2%. These rates have remained fairly consistent over the past three cycles.
- In terms of major field of study (MFOS) EDUCATION reported the highest aggregated pass rate for the 2014/15 exam sitting cycle (85,1%), while BUS/MAN reported the lowest rates (49,4%).
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Nationally the proportion of headcounts graduating in each year has been on the increase since 2009. Unisa has also shown improvements since then but remains well below the rest of the country in 2014 (29,1% vs 51,7%). The number of graduates per year is relatively small in terms of the contribution to the national pool over time but has grown significantly in the last three years

¹ *An overview of Unisa's PG NQF 7-8 Exam Sitting Results - Briefing Report, Dion van Zyl & Glen Barnes, 30 March 2015*

Notable improvements include:

- M&D proxy graduate rate from 12,1% to 15,9% and an increase in PG cohort retention and throughput;
- Research output per capita from 1,29 to 1,53 (note that this may decline once the approval of the research outputs by the DHET is received);
- The proportion full-time academic staff with NRF rating from 6,8% to 7,7%;
- Number and value (Rm) of competitive research grants from R9,2 million to R19,1 million.

VI ACADEMIC MATTERS

While many factors determine whether or not a student is academically successful, students who do not complete their qualifications are a loss to the University, particularly in terms of subsidy, and to the country in terms of subsidy investment and skills production. It is thus important to monitor aspects of UG student performance.

UG students currently constitute 83,6% of total headcount enrolments (HEMIS 2014), and this portion has increased from the previous report to a point above the approved ministerial ratio of 81,6%.

The proportion of students in 2014 (in all qualification types) has returned to similar ratios seen previously in 2010, 2011 and 2012. HC enrolments recorded a drop from 355 240 (2013) to 328 492 (2014). While this figure is well below the ministerial target for 2019 (361 643), the FTE total (187 801) remains above the ministerial target of 185 325 in 2014. This is due to the increased workload of students in line with the requirements of the re-admission policy and progression rules.

The overall 7,5% decline in numbers from 2013 to 2014 is evident across the most of the qualification types, the total declining from 355 240 (2013) to 328 492 (2014). The only area of growth is in Doctoral students, which grew by 12,2% from 1 872 to 2 100.

Improvements in the undergrad status for 2015 include:

- Increase in UG proxy graduate rate from 7,9% in 2013 to 9,7% in 2014;
- Increase in the proportion of students completing qualifications in line with admission policy from 10,9% to 11,0%;
- Increase in the course success rate (Degree Credit Success Rate) from 58,0% to 66,8%;
- Improvement in UG cohort retention (dropout rate) from 25,7% to 25,5%;
- Improvement in the proportion of UG course failure rates higher than 40% from 46,7% to 32,0%;
- Increase in the proportion of SET FTE enrolment to total FTE enrolment from 14,1% to 14,4%.

What is masked by the average figures is the equity profile of the students. The University average success rate for African students has increased from 55,7% to 65,0%, Coloured students from 57,0% to 65,9%, Indian students from 61,3% to 69,3% and White from 67,3% to 74,0% (**Error! Reference source not found.**). Female students continue to show higher success rates with 60,8% (2013) and 69,8% (2014) compared with their male counterparts with 52,7% (2013) and 61,2% (2014).

VII TECHNOLOGY ENHANCED ASSESSMENT

The decision to implement technology enhanced assessment practices flows from the Vice Chancellor's project to Review and Reconfigure the Unisa Assessment Systems and Practices, which I mentioned to you last year. The project comprised two parts; the first dealing with the review and reconfiguration of assessment systems and practices in general and the second with the implementation of alternative assessment practices. It is in the second part that technology enhanced assessment is mainly situated and the following types were approved by Senate:

- Take-home examinations
- Timed examinations
- Portfolios
- E-portfolios
- Research portfolios
- Webinar
- Peer review
- Continuous assessment
- MCQ's generated by random selection

Each of the types requires procedures and specific system development but the first examinations were run in May/June 2015. Once again the response from lecturers and students were overwhelmingly positive despite the fact that there are still some challenges remaining. The general opinion seems to be that alternative assessments supports learning-orientated teaching and that it is student-centred.

VIII COMMUNITY ENGAGEMENT

Community engagement has grown exceptionally over the past few years. The university funded a total of 217 projects to the value of R42 463 257 in 2014. Ninety-one (91) of these projects are partnerships. Close to 600 academics and 1 500 students have entered the community classroom with 60 000 community members/beneficiaries to critically engage national development priorities. The CE projects focused mainly on education and employment creation. These areas are in line with the main challenges

identified in the National Development Plan. The bulk of the beneficiaries (88%) reached are members of the community as well as learners and children. More than 50% of the projects and allocated funds were distributed among four colleges, namely the College of Human Sciences (CHS), the College of Education (CEDU), the College of Economic and Management Sciences (CEMS) and the College of Law (CLAW).

Various products and artefacts were co-produced with communities to improve the standard of living of people in particularly vulnerable communities, to educate the public on topics of national concern, to stimulate debate and dialogue and to influence policy-makers. The eight colleges of Unisa collectively reported 4 917 educational and training related outputs from the projects. The programme contributed to no less than 32 master's and doctoral degrees, and 45 accredited articles, 1 book, 11 book chapters and 30 articles were published in national and international conference proceedings.

Unisa has shown tremendous growth in Community Engagement and Outreach in the past year. This makes Unisa the largest community engagement academic enterprise on the continent and a leader in this area.

IX STUDENT AND ALUMNI MATTERS

The office of the Dean of Students/ Student Affairs is a core co-curricular department whose statutory and professional mandate are to ensure open access, support and success to all Unisa registered students in the diverse paths of their students work at both undergraduate and post-graduate levels. It is also a department mandated to facilitate Student Governance, the constructive development of inclusive student community, including but not limited to issues of disabilities, students' human rights, health and wellness and holistic student social development, student encounter and relationship management, and student psycho-social support. In particular, Student Affairs has the requisite duty to provide an enabling environment for the Academic access and Success of Students, whilst paying attention to addressing the needs of a diverse student profile by offering relevant student support.

New modes of Students Affairs engagements in which inclusive, interactive and impactful relationship management, encounter, engagement and support through the following have become important flagship programmes of the office of the Dean of Students/ Student Affairs, including but not limited to:

- Successful Student Assemblies at National and Regional levels, addressed by the Principal and Vice Chancellor and on relevant national and continental imperatives.

- National and Regional student leadership (SRC and leaders of student structures Academic, Political interest, ecumenical, etcetera) on academic core business, leadership, governance and student welfare at UNISA.
- 2015 marked the successful articulation of the inaugural Student Affairs and Services Week in which diverse student affairs, governance and academic support services were showcased and student active participation enlisted.
- An inter-university debate between Unisa SRC and SRC's of TUT, University of Pretoria, VUT, Wits and University of Johannesburg was also the highlight of the Student affairs week.
- The National Presidents of Students Political Party structures in governance on the relevance of political parties and student structures in universities with good media support was a highlight.

Improvements in the service dimension to students include:

- Decrease in the average assessment response time to students from 33 to 31 days;
- Proportion of buildings on all campuses with access for people with physical disabilities maintained at the target 25%;
- Increase in the proportion of students using the online lending system from 13% to 24%.

Challenges identified include:

- Decline in the proportion of students active on myUnisa from 92,4% to 92,0%;
- Decline in the proportion of 'off campus' registrations from 28,2% to 20,9%;
- Decline in the proportion of study material delivered on time from 93,1% to 89,1%;
- Decline in the general student satisfaction survey of the student satisfaction survey from 65,0% to 59,9%.

Alumni are important stakeholders of the University. They form the basis of Convocation and many are influential decision makers and potential donors and advocates for the University. The total number of alumni in the alumni database is low relative to the total number of alumni of the University. The estimated cumulative number of alumni still alive is approximately 500 000. The Foundation and Alumni Directorate is currently developing a fundraising strategy which will include the systematic reconstruction of the alumni database and the increased number of active alumni.

Although the number of active alumni increased from 86 684 to 137 109, the value of their contributions have decreased from R276 502 to R240 044. While the income from alumni has more than doubled between 2009 and 2013, the amount is less than modest, given the need to increase third stream income. A fundraising strategy is being developed will set much higher, but realisable annual targets.

X OUR AFRICA FOCUS

Our current and our envisaged 2016-2030 Unisa strategy assert that we are an *African university* and as such, we have a deliberate *Africa focus*, evidenced in our Afrocentric programmes and engagements, which include amongst others, our African Intellectuals series, memorial lectures, honorary doctorates, collaborative agreements such as the ground breaking Memorandum of Understanding with the African Union Commission (AUC), the establishment of a variety of Institutes, the Thabo Mbeki Presidential Library and Museum (which is a state-of-the-art-repository for materials of all African leaders), and the Young Africans Leadership Initiative of President Barack Obama, in which Unisa is integrally involved. All are aimed at leveraging Unisa's, as well as our national, continental and global capacities to deepen that consciousness, grow our knowledge-base and reclaim, preserve and grow our heritage. Unisa believes its expression of our "African-ness," cannot be narrowly defined or confined to the generation and inculcation of for example, indigenous knowledge generation and dissemination. As a university we must claim our space as a proud ODL university, comfortable with its African identity and confident of its ability to play a leading role in our country and continent, as well as the global arena. This is, in fact, the message that I have been sharing very successfully as I position our institution continentally and internationally.

Unisa's hosting of the 26th World International Council for Distance Education Conference at Sun City in October this year succeeded our wildest expectations, placing Unisa firmly at the forefront of innovative ODeL delivery and practice.

XI NOTABLE ACCOLADES AND AWARDS

A number of Unisa staff, too numerous to mention have received accolades and awards ranging from the scholarship domain to representation on a variety of influential boards and committees. These numbers swell each year, demonstrating the traction that Unisa is gaining in the sector and beyond.

Unisa is also seen increasingly, as a strategically important collaborative partner, which bodes very well for the future, especially in terms of its status, reputation and impact on higher education, nationally, continentally and globally.

XII CONCLUSION

Ladies and gentlemen, a single report can never do justice to all of the work that is happening at Unisa. I cannot for example, reflect on the wonderful work that is being done by the many institutes and departments at Unisa. Time does not permit me to share with you the many wonderful and affirming moments, and the generosity of spirit which I have experienced from staff and students alike, this past year. But you may rest assured that we are leaving no stone unturned to ensure that our students and

stakeholders experience the least possible levels of disruption, and where this does occur we have taken concrete steps to alleviate.

As we move in the 2016 it will be with an eye to our next strategic phase and the work that needs to be done to ensure that we have finished what we set out to of in 2015, We are under no illusion that this will be a difficult task, but I believe that we have both the capacity and the will to make it happen.

I thank you.