VICE CHANCELLOR'S REPORT TO COUNCIL
FIRST QUARTER, 2019

1. INTRODUCTION

It gives me pleasure to inform Council that on 2 February 2019 we hosted a successful Welcoming Ceremony attended by more than 8 000 first year students, parents and guardians. This was followed by a smooth start to our 2019 academic year in early February. This time of the year is not without its challenges and I convey my gratitude to employees and student leaders who have been working tirelessly behind the scenes to promote a welcoming and affirming experience, especially for first-time entering students – many of whom are the first in their families to attend university.

Mandela University, like many universities across the country, is dealing with a significantly increased enrolment growth mainly due to the bursary scheme introduced in 2017 to widen access to higher education for students from poor and working class backgrounds. This increase in access has not seen a proportional increase in resources to address the infrastructural and staff capacity required to accommodate the influx. As a result, the higher education sector continues to grapple with student protests during the first quarter of this year and our University was no exception.

We faced student protests on 6-7 March, relating to approximately 300 students who were unable to register due to financial and academic barriers. To resolve these challenges, management established a clearing house that was tasked with reviewing the list of students who had been excluded from registration with a view to recommending to the appeals committee cases that justified further consideration. The appeals were finalised on 15 March 2019, which was the last day of registration. The University continues to strive to ensure that every student who is admitted and registered is afforded the necessary support towards their holistic development and success.

The main theme for this quarterly report is student access and enrolments with a specific focus on our student profile and the diverse financial, accommodation, transport, and other forms of support provided to our students. It also provides Council with an overview of strategic highlights and challenges since the last Council meeting in December 2018, as these relate to our six Vision 2020 strategic priorities and our top three risk areas (namely: human capital management and labour relations; financial sustainability; and the reintegration business models).

2. VISION 2020: STRATEGIC PLANNING

Senior management has been seized with implementation of the **key strategic redirections** emerging from our revised Vision 2020 strategy, the inaugural address and the listening campaign. These include:
- Re-imagining our institutional identity and strategic positioning, linked to the legacy and values of Nelson Mandela to differentiate our university within the higher education sector nationally and internationally.
- Fostering an inclusive, transformative institutional culture that promotes social cohesion and awakens African scholarship as part of our decolonisation endeavours.
- Revitalising the humanities and fostering critical transdisciplinary scholarship that redraws the frontiers between the sciences and humanities as we contribute to solving complex societal challenges.
- Repositioning engagement to partner with external communities on common platforms or hubs of convergence to co-create innovative solutions to complex societal challenges.
- Embracing humanising pedagogical approaches and student-centric support that liberate the full potential of our students and promote holistic student success.
- Developing, attracting and retaining the next generation of socially diverse academics.
- Promoting our long-term sustainability through innovative resource mobilisation and responsible resource stewardship.

2.1 Organisational re-design – case for change

The University is recalibrating itself to ensure that its structures, systems and processes are **agile, fit for purpose and strategically aligned**. The University-wide organisational redesign process, mandated by Council, is unfolding across all Faculties and Divisions under the leadership of senior management.

During this first quarter, we conducted wide-ranging consultations with multiple stakeholders to communicate the case for change as it relates to organisational redesign. These consultations included senior management, executive deans and campus principals, union leadership, and middle management. We have a detailed project plan outlining the key phases and milestones for the next few months. The process is closely monitored by executive management with the assistance of a reference group co-convened by HR and Institutional Planning. We intend tabling an organisational redesign blue-print proposal to Council in June 2019.

2.2 Strategic growth trajectories

2.2.1 Revitalising the humanities

Our Chair of Critical Studies in Higher Education Transformation hosted the successful Colloquium "*Dalibhunga: This time? That Mandela?*" from 6 to 8 March. It was a pinnacle event of the Mandela Centenary celebrations, arranged in partnership with the Nelson Mandela Foundation and the HSRC. A thought-provoking exhibition curated by students and staff in our School of Music, Art and Design, and our Archives and Exhibition Centre was inked to the colloquium.

In our efforts to revitalise the humanities, I am happy to report that the Centre for Philosophy in Africa was formally launched on 21 February 2019. Dr Sam Nzioki has been appointed as the interim Director of this centre. We have also launched the SARChI Chair for *Identities and Social Cohesion in Africa*, which is the first of its kind in our Faculty of Arts. I wish to congratulate Prof Andrea Hurst who is the incumbent of this Chair.

2.2.2 Ocean Sciences

Various events have already occurred in 2019 consolidating our strategic position as a university of first choice in ocean sciences. From 21-25 January, we hosted the regional inception workshop of the **"One Ocean Hub"** – part of a £20 million project funded by the UK-based Global Challenges Research Fund (GCRF). Our SARChI Chair, Prof Patrick Vrancken, is the regional lead for the project on the African continent. The **"Tightening the Net"** Workshop was held on 4-8 March under the auspices of our FISHforce Academy, led by Prof Hennie van As. This is an international project funded by the Norwegian government (about R50 million) through which we have already established an academy in Mombasa, Kenya. A further academy will open shortly in Zanzibar, while others are planned for Mozambique, Namibia and Angola. The **Second International Indian Ocean Expedition (IIOE-2)** conference was hosted by our University during the week 11-15 March. This is the first time that the conference has been held on the African continent. It is gratifying to note that the IIOE2 management team hailed it as the best so far in the series. Finally, the **SANOCEAN** conference linking South African and Norwegian universities in collaborative projects was hosted by Mandela University on 25-27 March.

Under the leadership of the Ocean Sciences Technical Team, work is underway to update our **Ocean Sciences Strategy** for the next five years in collaboration with Executive Deans and other relevant stakeholders. This will include scaling up our ocean sciences academic offerings at under- and postgraduate levels

2.2.3 Medical School

Work on the Medical School on our Missionvale Campus is continuing, especially infrastructure development, stakeholder engagement and curriculum development. Construction work transforming laboratories, lecture facilities and offices for Phase 1 of the project is progressing according to plan. The **repurposing of teaching venues and laboratories** for Basic Sciences should be concluded in April 2019. Capital equipment including Anatomage Tables have been procured and are being shipped to South Africa.

The Faculty is progressing with the **development of Basic Sciences modules** for the first three years of the MBChB curriculum. This work should be ready for HPCSA accreditation, which will hopefully take place in the second semester. A final endorsement from the National Department of Health is, however, still required before the University can invite the Health Professions Council of South Africa (HPCSA) to accredit our training platform. We can only officially open the application processes for the medical programme after we have received accreditation.

We are still awaiting reviewers' comments and recommendations from the **Council on Higher Education**, which are expected by the end of March. We will then review these and revert to CHE with corrections if required. We hope for final approval and submission to **SAQA** for registration in the second semester of 2019. In the interim, a website has been established to which all interested parties can be referred. A range of frequently asked questions and other information that may assist stakeholders with queries relating to the medical programme is at https://health.mandela.ac.za/medical-school.

Following fruitful engagements with Walter Sisulu University and the Provincial government, a Memorandum of Agreement has been prepared. It is being reviewed by our Legal Services department before it is sent to WSU and Eastern Cape Department of Health for their signature.

3. DISTINCTIVE EDUCATIONAL PURPOSE AND PHILOSOPHY THAT CONTRIBUTES TO STUDENT ACCESS FOR SUCCESS

3.1 Teaching, Learning and Curriculum

We started the 2019 academic year with a renewed commitment to give practical effect to **our mission** and **core learning and teaching purpose**, i.e. to offer a diverse range of life-changing educational experiences for a better world. We have set ourselves the following goals to guide the key learning and teaching aspects that we are focusing on this year:

- Get to know our students and how best to create a learning environment that is conducive to success.
- Enhance the well-being and actualise the potential of academic staff across their career trajectory.
- Revisit and revise our Graduate Attributes (GAs).
- Reflect on what we teach (our curricula) – especially in terms of our progress in decolonising/Africanising our curricula, the 4th Industrial Revolution and promoting inter-disciplinarity.
- Focus on how we deliver programmes using technology to enhance learning and teaching and also the language(s) used in learning, teaching and assessment.

Furthermore, our learning and teaching sub-goals this year include undertaking scenario planning aligning our infrastructure resources, enrolment planning, strategic priorities, learning and teaching approach and budgeting.

3.2 First year experience and orientation programme

Our 2019 **First Year Orientation Programme** was a success, with 4 420 students having participated in the programme. The main goal of the First Year Orientation Programme is to on-board and integrate first year students into the University environment, both academically and socially. The secondary goal is to develop peer leaders who go through rigorous training to equip them to work with a diverse range of students. Through facilitated interaction led by 244 senior students (How2Buddies), the programme provided first students with opportunities to connect with peers as mentors during their first six months of transition at the university. Prior to first year students arriving, the **Pre-Uni Connect Programme**, which was introduced last year, enables interaction with accepted students via WhatsApp before arriving on campus. How2Buddies share course requirements and other information relevant to their groups through this platform. First year students are provided with a list of peers and a Buddy to contact upon arrival on campus. The WhatsApp interaction continues through the first term and often remains throughout the year.

In a spirit of continuous learning, the **Orientation Team (O-Team)** will be reviewing the programme to extend it beyond the normal two-week period at the start of the year into the rest of the year, providing digital platforms with interactive gaming, developing an orientation app, and developing material that will be made available on Moodle. Another focus area for 2019 is having a structured Late Orientation Programme and sessions to target students who were unable to attend Orientation due to late registration, funding and accommodation issues.

3.3 Student headcount enrolments

Comparative enrolments by faculty as at 15/3/2019 versus the same day last year

GRADUATE LEVEL	FACULTY	2017	2018	2019	% Growth 2018- 2019	% Growth 2017 vs 2019
PG	ARTS	424	417	468	12.2%	10.4%
	BUSINESS AND ECONOMIC SCIENCES	1374	1317	1313	-0.3%	-4.4%
	DVC RESEARCH AND ENGAGEMENT	0	5	0	-100.0%	0.0%
	EDUCATION	247	250	249	-0.4%	0.8%
	ENGINEERING BUILT ENVIRON & IT	264	303	383	26.4%	45.1%
	HEALTH SCIENCES	410	402	383	-4.7%	-6.6%
	LAW	167	176	209	18.8%	25.1%
	SCIENCE	442	450	478	6.2%	8.1%
	Total	**3328**	**3320**	**3483**	**4.9%**	**4.7%**
UG	ARTS	2850	3406	4304	26.4%	51.0%
	BUSINESS AND ECONOMIC SCIENCES	7104	6988	7529	7.7%	6.0%
	DVC RESEARCH AND ENGAGEMENT	118	99	97	-2.0%	-17.8%
	EDUCATION	1473	1630	1818	11.5%	23.4%
	ENGINEERING BUILT ENVIRON & IT	3927	4267	4718	10.6%	20.1%
	HEALTH SCIENCES	3001	3108	3062	-1.5%	2.0%
	LAW	976	987	1062	7.6%	8.8%
	SCIENCE	2119	2165	2274	5.0%	7.3%
	Total	**21568**	**22650**	**24864**	**9.8%**	**15.3%**
Total		**24896**	**25970**	**28347**	**9.2%**	**13.9%**

3.3.1 First-time entering enrolments

Of the 55 890 first-time entering undergraduate applications received, 20% (11 449) were offered places in various qualifications, of which 53% (6 109) are already registered at Mandela University.

A total of **28 347** students had enrolled as at 15 March 2019 compared to 25 970 on the same date in 2018 - an average annual growth rate of 9.2%. Most of our students (70%) come from Nelson Mandela Metro and the rest of the Eastern Cape Province. Nearly early half (49%) are from quintile 4 and 5 schools.

We experienced a slight decline in the number of first-time entering (FTEN) enrolments at undergraduate level in 2019. The primary reason for this is that **1 158 students** were enrolled in **Higher Certificate** (HCs) qualifications last year and registered as first-year students in cognate diplomas and degrees in 2019. According to DHET norms, HC graduates who articulate into diploma and degree studies are not defined as first-time entering enrolments even though they are in their first year of study and this has skewed our FTEN enrolment data somewhat.

3.3.2 Advanced Diploma enrolments

Our BTech degrees are being phased out and replaced by Advanced Diplomas. 739 students are enrolled for Advanced Diploma studies in 2019 compared to 354 enrolments in 2018. While our current Advanced Diplomas have largely been designed to **replace the BTech qualifications**, we need to create articulation pathways for graduates from generally formative degree studies to career-oriented advanced diplomas to enhance their employability by providing them with s**pecialised vocational knowledge and skills**.

As part of this mix, the **Advanced Diploma Technical and Vocational Teaching** (TVET) is a new programme offered by our Faculty of Education across six sites nationally. This qualification is the first of its kind in South Africa with the purpose of upskilling TVET college lecturers. Funding for the programme has been secured from multiple sources, namely, ETDP SETA, MerSETA, DHET and the European Union.

3.3.3 Postgraduate enrolments

As of 15 March, postgraduate student enrolments were up by 4.9%, with **3 483** enrolled compared to 3 320 at the same date in 2018. The figures reflect the numbers of students registered for PG diplomas, Honours, Masters and Doctoral programmes. Above average increases were experienced in the Faculties of Arts, Law, Science and EBEIT.

It may be noted that our new Honours student numbers have increased by 1.6% compared with 2018. New Doctoral numbers have increased by 27%, while new Masters numbers have decreased by 8%. These trends will need to be further investigated. It is noted that new Masters and Doctoral students have until mid-April to register, so these figures may still change.

It has become clear that **financial constraints** are affecting our postgraduate numbers this year. NSFAS support for financially needy students only extends as far as the first degree. Consequently, we have an increasing number of previously-funded NSFAS students who are now entering postgraduate studies. The generous financial support from the University through the **Council-approved bursary funding** of more than R60 million for 2019 is very welcome, but simply not enough to cater for the number of eligible students. Efforts are being made to grow the external funding for postgraduate students, such as fellowships offered by the NRF, but these opportunities are very competitive.

A project is underway to determine what other limitations are constraining Faculties from accepting more postgraduate students. Evidence shows that postgraduate students are increasingly mobile and will often make the choice of where to study, based on the research focus area and the reputation of a research professor. To address this, we intend to increasingly market our

postgraduate degrees around our defined institutional research themes, our research "champions" (such as the SARChI Chairs), and our research entities.

3.4 Timetabling and venue challenges

The 2019 lecture timetable for the first semester experienced a number of challenges due to increased student presence on Summerstrand campuses because of the relocation of 18 programmes from Missionvale campus to accommodate the Medical School infrastructural developments. This increases the risk of **overcrowding**, which is further compounded by growth in certain high-demand programmes and modules due to the widening of access.

We have experienced a 9.2% growth in total enrolments which has placed some strain on student: staff ratios and venues. This growth can largely be attributed to:

- The Faculty of Business and Economic Sciences has grown the most in terms of Higher Certificate graduates enrolling for **diploma studies**. What will probably be needed going forward is to decide on the optimal number of HC students articulating into diplomas to balance this with the number of first-time entering students to ensure that the first-year diploma numbers do not exceed enrolment caps.

- Numerically, the Faculty of Arts has grown the most in terms of enrolments in bachelor's degrees, with the highest growth occurring in the **BA programme**. This may in part be due to the admission requirements for the new B Ed programmes being higher. Where students interested in teaching did not meet the revised minimum criteria of the B Ed programme, they opt to register for BA studies and then do the Postgraduate Certificate in Education after completing their degree. It may be necessary to place a cap on the BA going forward. In addition, the Faculty intends to streamline the BA qualification and create a Bachelor of Social Science degree to increase the viability of the qualification and the employability of graduates.

On the staff capacity front, additional funding has been sourced for tutors and for some additional academic contract appointments. One of the learning and teaching sub-goals for the year, in collaboration with the research and engagement portfolio, is to undertake scenario planning related to what is needed over the next three to five years to bring our **student: staff ratios** more in line with national norms. In the interim, unfavourable student: staff ratios in some modules have been offset by appointing additional How2 Buddies, tutors, Supplemental Instruction leaders and academic advisors, with funding from the University Capacity Development Grant (UCDG) to provide students attending lectures in large classes with **small group learning opportunities**.

In addition, we are also exploring initiatives to change mindsets in relation to our **space utilisation and optimisation philosophy** to move away from dedicated venues "owned" by departments towards general purpose, shared venues that are available for others to use. We are furthermore rethinking our space usage, exploring greater use of live streaming and **blended learning**, as well as looking into venues on and off campus that could provide new learning, teaching and assessment possibilities. A plan in this regard will be submitted to Council later this year.

3.5 Expansion of blended learning

As part of a project to modernise teaching and learning venues, an additional 40 classrooms across our campuses were upgraded with the University's base classroom technology installation. Fourteen of these **technology-enabled classrooms** are on the George Campus. This upgrading enables online teaching tools in the classroom, visual and audio presentations, video conferencing, and wireless connectivity to projectors.

The University continues to make strides in embedding technology in learning and teaching. Statistics on the use of the University's **Learning Management System** (Moodle) indicate that the use of online platforms by lecturers across all faculties is steadily gaining momentum.

4. ENGAGED, INNOVATIVE SCHOLARSHIP CULTURE THAT GENERATES KNOWLEDGE RECOGNISED FOR ITS CONTRIBUTION TO SUSTAINABILITY

4.1 DHET Research Output Subsidy

The 2017 accredited research outputs amounted to 312.33 units for journals, 22.52 units for books and 54.23 units for conference proceedings, with a total of **389.08 research output units** generated. DHET funding per research output unit amounts to R121 500, R32 805 per publication unit for researchers and R12 150 per publication unit for faculties. These 2017 outputs are a decrease of 45.25 units from the 434.33 accredited units in 2016.

The **research output funding** amount of R18.1 million was distributed as follows:
- 27% paid to individual researchers (R12.3 million);
- 10% paid to faculty R&E committees (R4.5 million); and
- 3% paid to Research Capacity Development Office to support postgraduate students completing their qualification (R1.3 million).

4.2 Profile of National Research Foundation (NRF)-rated researchers

The total number of NRF-rated researchers at Nelson Mandela University have progressively increased over the past several years, with new applications and re-evaluation submissions expected in 2019.

2013	2014	2015	2016	2017	2018*
72	73	77	81	88	92

Includes 3 new applications, 9 re-evaluations

In our efforts to increase our postgraduate enrolments and research outputs, the following strategies will serve before Council during the course of 2019, namely: research and innovation strategy; internationalisation strategy; postgraduate growth strategy; proposal to establish a post-service institute; and a review and refinement of the current research ethics approval processes.

5. ENHANCING STUDENT LIVING AND LEARNING EXPERIENCES

5.1 Universal accessibility and disability services

For 2019, there are **464 students** enrolled at our University who have disclosed that they are differently-abled: 278 African (60%), and 186 White (40%). The Universal Accessibility and Disability Services Unit facilitates workshops for lecturers on teaching strategies for differently-abled students.

5.2 Student wellness

Our **nutritional programme** spearheaded by Campus Health Services includes distributing fresh produce to indigent students. Another vegetable garden has been established at Sanlam Student Village, which brings the number of vegetable gardens at Mandela University to three.

A team of Campus Health and student counselling services employees are undergoing training on dealing with **mental health,** an increasingly prevalent national challenge. Vacancies in student counselling services are being addressed to assist with the rising demand for psycho-social support.

5.3 Student financial support

Last year, we constituted a technical task team to deal with student-related issues during the admissions and registration process. The task team has been meeting frequently and has proven to be an important platform to resolve a number of challenges faced by new and returning students. Working with our students, we have successfully implemented the **new NSFAS distribution model** to ensure that those students who qualify for NSFAS are registered and that allowances are paid on time. As a way of dealing with the resultant challenges from the new model, we will implement awareness and **financial literacy programmes** in collaboration with various partners.

A summary of the proportion of undergraduate students benefiting from the different sources of financial aid is outlined below.

CATEGORIES (% STUDENTS BENEFITING)	2017	2018
% UG Students Benefiting from Financial Aid	*69%*	*83%*
• NSFAS	39%	55%
• Council	3%	4%
• Other	27%	24%

5.4 Student accommodation

Student accommodation remains a major challenge nationally, but demand versus supply has stabilised. The University has significantly increased **accredited off-campus accommodation** with a total of **12 220 beds** are available in 2019 compared to 9 925 in 2018, which constitutes a 23% increase.

5.5 Student transport

The student transportation system is under increased pressure due to increased student demand and the shift of students from Missionvale to Summerstrand campuses. As a result, transport provision has been expanded and currently **30% (3 348) more students** are being transported per day.

5.6 Student access and enrolment value chain innovations

We have implemented several interventions aimed at improving the quality of the undergraduate student access and enrolment value chain, in particular for first-time entering students. To this end, the **use of digital technologies** remains key and some of the solutions that have been introduced include improved and integrated communication with applicants. Furthermore, a **mobile app** was designed and the pilot version placed on the App store for all Android devices during March 2019. Various functionalities have been added to the app for use by applicants and parents, including online applications, change of mind, confirmation of offer, and the ability to check your admission status.

5.7 Student laptop initiative

In 2018, the University analysed the use of ICT infrastructure by students on campus and it emerged that 27% of registered students did not make use of the general computer labs. This pointed to the need for a student laptop initiative as a means to increase the number of students who **own their own device**.

The first phase of this initiative aimed to provide first-time entering, NSFAS-funded students with a laptop upon registration. The device will be paid off over two years, with R2 400 deducted from the **NSFAS book or technology allowance** of students who opted to participate in the scheme. At the time of this report, a total of **2 285 students** had opted to participate in the initiative and it is envisaged that the numbers will continue to increase. Students will be supported from the ICT CopyTech shop at South Campus and SITS centres across all campuses.

6. TRANSFORMATIVE INSTITUTIONAL CULTURE THAT PROMOTES DIVERSITY AND SOCIAL COHESION

6.1 Naming and renaming project

The naming and renaming of University buildings and spaces offers an opportunity for all stakeholders to actively create a shared and inclusive institutional culture. A roll out schedule for the naming and renaming of buildings, campuses, streets and sites has been approved by Management. Given the magnitude of this project, a **phased approach** has been adopted. Buildings are grouped according to their location or usage, such as lecture facilities on each campus, student residences or sporting infrastructure. A **communication and consultative process** is under way to ensure smooth implementation across all campuses and precincts (i.e. areas identified for renaming). While the process for the **student residences in Port Elizabeth** has been completed, work will now begin in the other precincts, inclusive of George Campus.

6.2 Gender transformation and gender-based Violence (GBV)

Since the last Council report, promoting gender equality and transformation through **student-led gender activism, advocacy and awareness campaigns** continues, but GBV is still a cause for concern. In the first two months of 2019, **13 new cases** of GBV were reported. At the beginning of 2019, 9 out 41 cases reported during 2018 were still pending due to challenges with the **tracking and investigation of reported GBV cases**. We are now attempting to improve the "nerve centre" of security operations and tracking of cases reported.

In our efforts to eradicate GBV, the **MEMEZA campaign** has been conducting GBV awareness sessions during the first year and postgraduate orientation programmes with the assistance of student volunteers. A further innovation this year was the *Singamadoda* **Positive Masculinity dialogue series,** facilitated by DOXA, a local NGO. This series encourages male students to engage in dialogue on their understanding of masculinity, taking into account the constitutional values of human dignity, equality and fairness. Going forward, MEMEZA will also promote GBV awareness through **artistic expression**, such as poetry and performance, using different media modalities and University digital communication and social media platforms.

As a further endeavour to advance gender equality, the office of the Dean of Students finalised a partnership with **18twenty8**, a women-led NGO that empowers young women from disadvantaged backgrounds. The partnership will focus on the **Women in Leadership Development programme** as part of our comprehensive student leadership development interventions. In addition, a partnership

with **Peace and Value Education** was concluded to promote peaceful co-existence, social justice, respect for diversity and all forms of life, and gender equality among students.

6.3 BBBEE

At sectoral level, the USAf Finance Executive Forum has been engaging with the DTI to renegotiate the requisite spend associated with **supplier and enterprise development**. For 2019, spend will equate to 0.2% and 0.1% respectively of the Council-controlled turnover, i.e. **0.3% of R2 billion.**

The University, using the adjusted generic **BBBEE scorecard** for specialised enterprises, has received a level 6 recognition level, discounted to **level 7** due to the sub-minimum target of 40% associated with the supplier development sub-element not being met (as depicted in the table below).

Level 7 Contributor to B-BBEE				
Element	**Element Weighting**	**Score**	**Analysis**	**Result**
Management Control	20	13.21	BEE Procurement Recognition Level	50%
Skills Development	25	16.81	Black Ownership	N/A
Enterprise & Supplier Development	50	35.88	Black Women Ownership	N/A
Socio-Economic Development	5	5.00	Empowering Supplier (Yes/No)	Yes
			Date of Issue	08/03/2019
Overall Score	100	70.90	Expiry Date	07/03/2020
Designated Group Suppliers	No		Period of validity	12 Months
Modified Flow Through used in ownership	No		Certificate Number – B-BBEE: 01/B-BBEE/NMU/GEN/08/03/2019	

To ensure the interventions are directed towards achieving a better recognition level, a five-year revised BBBEE strategy will be presented to Council for approval. To this end, the **Supply Chain Management Policy** is currently under review, to align with new preferential procurement legislation and to incorporate the **enterprise development strategy** the University is undertaking.

A budget of **R4.8 million** for 2019 has been allocated for implementation of the University's BBBEE strategy. The focus will be on improving our BBBEE recognition level in 2019 with high-impact, short- to medium-term interventions to advance our overarching transformation agenda.

6.4 Employment equity

As at 31 January 2019, under-represented groups (A, C, I) constituted **69.4%** of the total number (2 453) of permanent and long-term contract employees. Overall, under-represented groups constitute 40.5% and 79% of academic and PASS employees respectively.

The representivity of under-represented groups remains a challenge at **occupational levels three and four**, which includes professionally qualified, skilled middle management and supervisory employees. Among academics, the under-representation is particularly acute at the **professor/associate professor levels** with under-represented groups only constituting 22.5% of all employees at these levels; while 45.9% of all senior lecturers, lecturers and associate lecturers are from the under-represented groups.

The number of **employees with declared disabilities** currently constitutes 1.5% (38) of the total staff profile whereas the national benchmark is 2%. Increased awareness amongst employees is required to ensure that they declare any form of disability so that the University can effectively support them.

7.   EMPLOYER OF FIRST CHOICE BY INVESTING IN TALENTED, HIGH-PERFORMING EMPLOYEES

7.1 Talent acquisition

To mitigate the risk of vacancy backlogs, a deliberate talent acquisition intervention was implemented to accelerate the filling of vacancies, particularly critical academic vacancies that may result in programmes losing professional accreditation if they are not timeously filled. In total, a **baseline of 251 funded vacancies** have been identified and more than 70 of these vacancies have been advertised with the aim of filling these posts in the first quarter. Inadequate capacity in the HR department has been mitigated by appointing contract employees for a period of six months to enable the successful implementation of the Talent Acquisition Programme.

To address the unfavourable student: staff ratios in some faculties, HR in collaboration with the line managers has focused on reducing the **turnaround time** of filling vacancies. This has resulted in **44 appointments** from 1 October 2018 to 31 January 2019.

Furthermore, additional funding was made available in the 2019 budget to fill vacant academic posts, but this has had an **uneven impact** across the Faculties. The Faculties of Education and EBEIT do not have sufficient HR funding to cover both their fixed commitments and the permanent vacant posts that need to be filled. To work within financial constraints, contract appointments have therefore been made to address operational requirements. In the Faculties of Arts, Law and Science, however, the recruitment process is underway to fill vacant posts. By the end of 2019, there will be a total of 56 new academic appointments in the Faculty of Arts, a process of human resource revitalisation that began in 2016.

7.2 Deputy Dean appointments

The position of **Deputy Dean** was approved in 2018 as a three-year secondary contract position. In conjunction with the Executive Dean and the Faculty, the Deputy Dean is responsible for providing strategic, academic and intellectual management and leadership, particularly in the area of Teaching and Learning, while also assisting the Executive Dean with managing Faculty operations, staffing and other administrative processes.

To date, the Faculties of Education, Law and Health Sciences concluded Deputy Dean appointments in the first quarter of 2019. The other Faculties are in the process of filling this new position.

7.3 Terminations

Terminations for the period ending 31 January 2019, indicate that **49 academics** left the employ of the University of which 24 were from the under-represented group. **Twelve PASS employees** left the employ of the University in this period, of which eight were from the under-represented groups.

7.4 Employee development

The University provided **152** employees with the benefit of **studying further at the University**. It is encouraging that 73.7% of those pursuing higher qualifications at the University are from the under-represented groups. Furthermore, 32.9% (of which 60% are from the under-represented groups) are studying towards a doctorate.

The University also provides financial support to **31** employees to pursue **further studies at other universities** to promote their work performance and career in fields where the University does not

offer the required qualifications. Of those studying at other universities, 93.5% are from the under-represented groups.

7.5 Harmonisation of remuneration and benefits

Phase 1 of the harmonisation of remuneration and benefits was concluded late in 2018 with the launch of the benefits perception survey, the remuneration research/benchmarking and payroll analysis. The **three reports** were finalised in February 2019 and presented to the task team and executive management by the consultants.

A total of **2 453 employees** responded to the **benefit perception survey,** which constitutes a response rate of 48% whereas response rates of 60% to 75% are usually achieved in similar surveys. The low participation rate may have been due to the time of year, with year-end pressures impacting on most employees.

The survey findings identified the following four key issues as needing attention:

- **Wellness**

There seemed to be a significant demand from respondents to improve holistic wellness support within the University with legal aid, personal financial advice and a healthy meal allowance ranked as the top three options.

- **Retirement and research leave**

A large number of respondents (74%) supported the increase of the normal retirement age from 60 to 65; while the early retirement age would increase from 55 to 60. Results also suggested that the structure around how research leave and sabbaticals are offered needs to be investigated and modified to better suit those employees who make use of these benefits.

- **Age analysis**

The survey indicated that millennials (i.e. younger employees) seem to have a lower awareness of the benefits that are available to them. This suggests the need for educational sessions to improve awareness among employees of the benefits available to them. It is also evident that younger employees seem to value benefits relating to their families more (e.g. family responsibility and parental leave), while older generations of employees attach higher value to financial benefits (e.g. cash and retirement).

- **Salaries and studies**

There were numerous suggestions around salaries, bonuses and the standardising of salaries within all University departments and compared to other universities in South Africa. A number of respondents suggested that the University provides support for studies outside Nelson Mandela University, for both themselves and their family. Many respondents requested study support for their Matric education and there also seemed to be a high demand for online and short courses.

A **benchmarking study** was conducted across tertiary, private and public sector organisations, where information was available in the public domain. The research highlighted that universities enjoy a **greater variety of additional benefits** such as increased flexibility around working hours, leave benefits and improved work-life balance. It also confirmed that remuneration at Nelson Mandela University is **in line with the market**. However, the majority of organisations are operating on a **total cost to company** basis where they apply multiple pay scales. An in-depth **cost-benefit analysis and modelling** will be carried out towards implementing a CTC approach as a platform to allow employees to tailor the benefits to their specific needs and life cycle.

Research also found that private sector has greater **performance-based incentives** in place. Pay for performance is the norm rather than 13th cheques. In addition, it was recommended that pay progression principles should be linked to performance and a methodology should be developed to

identify scarce and critical skills and to examine talent management strategies and their role in remuneration.

7.6 Employee relations

The main focus area for employee relations is to promote **constructive engagement** between management and organised labour. To this end, a number of interventions were put in place, including the initiation of section 150 of the Labour Relations Act to review the relationship policies outlined below:

- **Renegotiating the Conditions of Service Agreement (CoS).** The collective agreement regulating the conditions of service for University employment has been concluded. The agreement is applicable to all permanent employees between the grades 5-17 and employees on fixed term contracts of more than one year. The new agreement will come into effect once approved by the University Council.
- **Reviewing the Recognition Agreements for both unions**. Recognition Agreements regulating the relationship between the University, NTEU and NEHAWU respectively were reviewed in the first quarter to align the collective agreement with the Labour Relations Act and industry practice. These were recently signed by all parties.
- **Building Workplace Relations (BWR)**. In an effort to rebuild a constructive relationship between management and the trade unions, a BWR workshop took place on 26 and 27 of March 2019.
- **Reviewing of the Employee Disciplinary and Grievance Procedures and Codes.** The review of the two key ER policies regulating discipline and grievance processes has been partially achieved. This process is ongoing and will be concluded in the 2nd quarter.

In the last quarter of 2018, we reported a decline in NTEU membership and the union has not been able to increase their membership to 50% plus 1. As a result, the **agency fee agreement** shall terminate at the end March 2019.   This implies that all employees falling within the scope of the bargaining unit and who are not union members may not have agency fees deducted from their salaries. However, should the two unions acting jointly make an application in terms of the LRA to have an Agency Fee reinstated, such process will be handled in terms of the Act to ensure compliance.

The ER section continues to provide support to Faculties and Directorates to manage processes that may lead to **formal disciplinary processes** in line with institutional policies, legislation and various cases decided by the courts. In total, during quarter 1 of 2019, eight cases of disciplinary action, nine grievances, and two cases of incapacity due to ill health or injury have formally been concluded.

8. LONG-TERM FINANCIAL SUSTAINABILITY THROUGH EFFECTIVE RESOURCE MOBILISATION AND RESPONSIBLE RESOURCE STEWARDSHIP

Intensive consultation processes have been underway with various internal stakeholders during the first quarter of 2019 to finalise the **resource mobilisation strategy** for approval by Council at this meeting.   The purpose of this strategy is to set out a series of integrated, multi-pronged and coordinated strategic interventions over five years to raise the resources required to implement the priorities that are central to Nelson Mandela University's strategic development trajectory and contribute to the sustainability of the University.

The future of the higher education funding framework in South Africa has an impact on forward-looking financial planning within the sector. The phased roll-out of expanded financial assistance to students from poor and working class backgrounds has alleviated some pressure on universities, but has not removed the necessity to raise funding for **bursaries and scholarships** to widen access for academically deserving, financially needy students who do not benefit from NSFAS.

As Council is aware, the University has also been implementing various **financial sustainability interventions** to ensure that, in the medium- to long-term, the recurrent cost structures are financed from recurrent revenue streams excluding finance income, and that earmarked reserves for funding five year capital maintenance, replacement of teaching and research equipment and IT infrastructure are maintained.

Through the **annual and three-year rolling budget directives**, the University strives to optimally resource the academic project, operations, infrastructure and support services at optimal levels while driving strategic initiatives and growth areas in a sustainable manner. The latest financial report reflects positively as the higher education sector starts to stabilise with the roll out of the NSFAS fee-free bursary for poor and working-class students and the commitment from national government to increase per capita operational subsidy over the medium term.

9. ENABLING SYSTEMS AND INFRASTRUCTURE THAT PROMOTE AN EXCEPTIONAL EXPERIENCE FOR STUDENTS, EMPLOYEES AND KEY STAKEHOLDERS

9.1 Reintegration and implementation of new business models

The implementation of several key interventions relating to reintegration and the implementation of the new business models, commenced in 2018 and continue into 2019. There has been a shift from 'project' to 'operations', i.e. implementation and the incorporation of the new business models into University structures. This will be concluded with the implementation of recommendations emanating from the **organisational redesign** process which is currently underway.

As part of the new safety and security business model, accredited skills development and **on-the-job training** related to specific technologies needs to be provided as and when these are introduced. Support to employees, currently provided by ICT Services, is available on an ongoing basis.

The new catering business model focuses on **improving the quality of production and delivery of food** and simultaneously **increasing revenue** and **decreasing expenditure**. This includes exploring further efficiencies such as cost saving, procurement options related to catering inputs, optimisation of the functions and events catering services, the identification of new suppliers, and the development of a supplier empowerment proposition that may result in reduced costs due to increased competition in the supply of food and beverages. The long-term strategy related to the catering function is the development of **agricultural co-operatives** to supply agricultural produce to University catering operations and University commercial outlets. It is envisaged that this will be implemented over a three-year period, commencing with a feasibility study and the identification of potential partners.

The establishment of a **shared services** function is a key component of optimising value extraction and driving down costs and delivering savings for reinvestment. The current key focus areas of shared services are:
- A comprehensive **employee engagement and communication plan** is currently being developed, covering issues raised during the Vice Chancellor's listening campaign. This will result in proactive communication and engagement with employees and will track issues and recommended interventions.
- Identification of gaps in terms of integrated **innovation technology solutions** that may be deployed across multiple services to increase the efficiency and effectiveness of service delivery.

In terms of measuring the driving down of costs and delivering savings for reinvestment associated with shared services, a **financial management dashboard** has been developed to support management in monitoring key financial indicators that have been identified as significant cost drivers. The most notable cost driver is **absenteeism**, estimated at a cost of R46 million per annum. To this end, an absenteeism framework has been developed and is to be implemented together with a time and attendance system, as part of the introduction of technology solutions to optimise business processes and empower management to actively manage and monitor absenteeism.

9.2 Infrastructure development

Various infrastructural projects are ongoing in support of our strategic and academic priorities, including the following:

- Phase 2 developments on our **Ocean Science Campus** are in process to provide facilities for transdisciplinary, postgraduate clusters and research chairs;
- Additions to the Embizweni Building to accommodate **growth in the Faculty of Law**;
- The tender for new **student residences** in George (200 beds) has been awarded and the negotiation process is underway for Port Elizabeth (1 800 beds);
- Phase 1 of the **medical school programme** refurbishments on the Missionvale Campus will be completed by the end of March 2019;
- The estimated completion of the photovoltaic (PV) solar farm on South Campus, part of our ongoing drive to promote **environmental sustainability**, is the end of March 2019; and
- The reclaimed water project on South/North Campuses is likely to be completed by the end of June 2019.

10. CONCLUSION

In conclusion, 2018 was a year for gearing up and engaging with University stakeholders to glean their valuable insights regarding what needs to be conceptualised and planned to deliver on our commitments. This year, our focus has shifted to implementation - particularly in respect of organisational redesign, transformation and implementing key strategic interventions that have been identified as game changers in catalysing our efforts to achieve the strategic aspirations set out in our revised Vision 2020 strategy and in the Vice-Chancellor's inaugural address.

As a Management team, and the University at large, we thank our Council for sterling leadership of the University, and we hope that in the current year Council will continue its judicious stewardship and oversight of the institution, as we build for the future.