

Pathways to a Diverse and Effective South African Higher Education System

Strategic Framework
2010 | 2020

THE VOICE OF HIGHER EDUCATION LEADERSHIP



1. INTRODUCTION

The purpose of this document is to set out HESA's views on the strategic directions required for higher education (HE) in South Africa during the next 10 years in order to establish clear pathways to a diverse and effective HE system. These views are based on submissions by Vice-Chancellors in which they outlined the major HE challenges from their institution's point of view as well as from a broader national perspective.

2. SOME HE ACHIEVEMENTS DURING THE PAST 10 YEARS

As a background to the positions put forward in this document a brief exposition of some achievements in HE during the past decade is given in this section. A more complete set of data from which these conclusions are drawn is given in Annexure A.

Major achievements in public HE between 2000 and 2007 include the following:

- Undergraduate enrolments in public HE have been growing by 4,9%.
- Enrolments for doctor's degree studies in public HE have been growing by 6,6%.
- Enrolments of African students in public HE have been growing by 6%.
- Enrolments of women students in public HE have been growing by 5,5 %.
- African students now make up 63% of the public HE student numbers- up from 58% in 2000.
- Women students in public HE now make up 56% of total student numbers- up from 52% in 2000.
- Despite the acknowledged difficulties in the school system concerning Mathematics and Physical Science, enrolments in public HE in Science, Engineering and Technology (SET) have been growing by 4,3%.
- For all undergraduate studies, the number of graduates has been increasing by 5,9%.
- Publication research outputs have been growing by 4,7%.

3. MAJOR CHALLENGES FACING HE

Despite the achievements set out above, very real challenges still need to be overcome.

- In spite of the sustained increase in student enrolments in SET, the proportion of students enrolled in SET has remained fairly constant at 28% or 29% during the period 2000 to 2007. This is largely due to a very high average annual increase in enrolments in Business/Management of 7,4% per annum during this period which resulted in the proportion of headcount enrolments in this field of study increasing from 25% in 2000 to 30% in 2007. The decline in the proportion of student enrolments in 'Other Humanities' from 50% in 1994 to 28% in 2007, together with the fact that student enrolments in Education remained fairly constant at 13% -14%, suggests that the majority of students who in the past would have studied in the 'Other Humanities' are increasingly moving towards study in Business/Management.

- Furthermore much work needs to be done in increasing the gross HE participation rate. In terms of UNESCO's accepted definition of the gross HE participation rate being the total headcount enrolments of all ages in HE/Total population in 20-24 age cohort, our participation rate increased by only 1 % from 15% in 2001 to 16% in 2007. This is still a far cry from the goal of 20% set in the *National Plan for Higher Education (2001)* to be reached between 2011-2016.
- The high drop-out rate of students in HE – particularly during the first year of their studies – is a well known fact. A cohort study performed by the Department of Education showed that only 38% of students enrolled at universities in 2000 had graduated by 2005 at which time 45% of these enrolled students had dropped out of HE. For technikons the corresponding figures were 23% and 66% respectively. These low graduation rates and high drop-out rates clearly show that something is seriously amiss in our HE system. This is further borne out by the fact that for all undergraduate study, the number of graduates per annum, as a proportion of total headcount enrolments per annum, varied between only 14% and 15% between 2000 and 2007.
- These figures mask another serious challenge for our HE institutions: while more African and Coloured students have gained access to HE during the past few years, relatively fewer of them successfully completed their undergraduate studies. This highlights the need for equity in student access to be matched by equity in student success.

4. HE POLICY CHANGES IN THE PAST 10 YEARS

As could be expected, the transition in Government in 1994 heralded a period of intense policy renewal in HE. Initial activity in the post 1994 period was aimed at establishing a new legislative and governance framework for HE. Upon submission of the National Commission on Higher Education's report in 1996, the *White Paper: A Framework for the Transformation of HE* was published in 1997 and was soon followed by the promulgation of *Higher Education Act* of 1997. Other legislation of importance for HE took the form of the South African Qualifications Authority Act of 1995 which was passed during this period as well.

The Council for Higher Education (CHE) was established in 1998 and after that the CHE's Higher Education Quality Committee started developing its quality assurance frameworks for HE. In 2001 the National Plan for Higher Education was published which set out the following goals for HE:

- Production of the graduates needed for social and economic development in SA;
- Achieving equity in the SA HE system;
- Achieving diversity in the SA HE system;
- Sustaining and promoting research; and
- Restructuring the institutional landscape of the HE system.

In addition the *National Plan for HE* developed a system of steering HE towards the desired goals, set out above, through the levers of planning, funding and quality assurance.

The planning lever initially only consisted of the so-called Programme Qualification Mix (PQM) approach which was introduced in 2002 and initially was coupled to three year rolling plans which had to be submitted annually by HE institutions. In 2005/06 HE institutions were each informed of their approved PQM profiles which outlined the knowledge areas, known as Classification of Educational Subject Matter (CESM) categories and the learning programme levels, at which they would be operating. Changes to PQM profiles require formal approval from the DoHET. The planning approach was augmented by the introduction of a system of student enrolment planning from 2007 onwards. In terms of this approach a multi-year enrolment plan was approved for each HE institution taking its PQM profile into account. These enrolment plans are updated annually on the basis of differential student growth figures for the various HE institutions.

The funding lever consisted of a new HE funding framework which was introduced in 2004 and distinguished between block grant and earmarked allocations. Block grant allocations are determined on the basis of student enrolment inputs, student completion outputs, research outputs, and two specific institutional factors: one advancing diversification of student profiles and the other providing for some form of compensation for smaller HE institutions in respect of economies of scale which larger HE institutions enjoy. Earmarked allocations include NSFAS allocations, grants for academic development programmes for students etc. In addition the period since 2006 has seen the approval of special grants for infrastructural renewal and improvement to HE institutions. In some cases these grants have been earmarked for infrastructural spending in specific study areas.

The third steering lever consists of quality assurance. This function is carried out by the CHE (HEQC) and consists of programme accreditation, national reviews of specific learning programmes across all HE institutions, and institutional audits. The HEQC's work commenced in earnest from approximately 2002/03. All new learning programmes submitted by public HE institutions must be approved by the DoHET in terms of the institutions' PQM profile, be accredited by the HEQC and the corresponding qualification registered by SAQA. Institutional audits are based on a HEQC audit framework and preceded by a comprehensive self-evaluation exercise by the HE institution and result in a formal audit report by the HEQC for the institution. By 2011 all public HE institutions will have undergone a formal institutional audit process.

One of the aims of the *National Plan on HE* was the restructuring of the institutional landscape. This process was set in motion by Government in 2002 when it announced a series of mergers and institutional incorporations aimed at reducing the then 21 universities and 15 technikons to 11 general universities, 6 so-called comprehensive universities, 6 universities of technology and 2 national institutes for HE. This particular restructuring programme had been preceded by a programme concluded in the early 2000s through which all teacher education conducted at colleges of education was incorporated into universities.

While HESA accepts that HE policies will always be subject to continuous review and renewal and is committed to play a constructive role in these policy revision processes, it nevertheless wishes to make the following points about the impact of these policies

and what lessons can be learnt for future policy development and implementation:

- The implementation of some of the policies (in distinction from the policies themselves), notably those concerned with the restructuring of the institutional landscape, has resulted in a significant measure of institutional destabilisation for some institutions while other institutions were left totally untouched. In many cases this uneven effect of policy implementation related to institutional restructuring and exacerbated existing institutional differences with some negative consequences for the HE system as a whole. If at all possible, such **potentially destabilising implementation of policy, having very different consequences for HE institutions, should be planned better.**
- While the implementation of the new funding framework was generally recognised as overdue by the HE system, a number of issues concerning the architecture of the funding framework remain unresolved, causing financial difficulties for some institutions. In addition the growing component of the HE budget set aside for earmarked funding, seemingly at the expense of maintaining inflation-related block grant allocations is a concern within HE. **The centrality of funding for HE institutions requires greater Government/ institutional collaboration and greater transparency and openness in this policy arena.**
- While the initial implementation of the PQM approach caused widespread unhappiness and fears of the undermining of institutional autonomy, this has gradually subsided although many institutions still experience the application of the PQM approach as too restrictive and hindering them in their efforts to be relevant and responsive to local, regional and national needs. **Government policies should support institutions in the realisation of their valid and realistic institutional aspirations - especially those related to achieving greater levels of institutional relevance and responsiveness.**
- The initially intended implementation of the system of enrolment planning gave rise to serious and sustained objections within the HE system. The subsequent amended approach based on bi-lateral consultations between Government and individual institutions did much to allay these objections. **Policies developed in a genuine Government/ HE collaborative mode, stand a significantly greater chance of being implemented successfully and being supported by HE institutions.**
- A large number of Government departments impact on HE in some way or other. It is important that **greater levels of co-ordination between role players involved in HE issues such as the Departments of HET, of Science and Technology, of Trade and Industry, of Health etc. are achieved.** Greater levels of co-ordination between these departments will undoubtedly result in greater cohesion of policy and its implementation and will sharpen the intended impact of such HE policies.
- To some degree HE policies during the past five years or more have focussed strongly on achieving greater levels of effectiveness and efficiency in HE institutions. While fully supporting this drive, **HESA feels that an important policy objective for HE, which should not be jeopardised by other policy objectives, is that of people development in its holistic sense.**

HESA wishes in particular to stress two further matters concerning policy development and implementation during the past 10-15 years:

- **This period was one of intense and continuous policy development and implementation and should preferably now be followed by a period of consolidation of implementation and a more measured approach to the development of new HE policies.** The implementation of the HEQF, in particular, while welcomed in general, is likely to absorb a considerable amount of institutional capacity for the next few years.
- Many of the truly excellent policy goals and aims for HE failed to realise their full potential due to the general levels of under-preparedness of school leavers for the challenges facing them in HE. **These levels of under-preparedness, have in many cases, resulted in HE institutions becoming inordinately involved in attempts to rectify that which the school system has failed to deliver. This is not likely to improve over the next few years and will make demands on HE institutions which they are not equipped to cope with – financially as well as in terms of HR capacity.**

5. NATIONAL POLICY GOALS FOR THE NEXT FIVE YEARS

In this section HESA's understanding of anticipated national policy goals for the next five years as well as a broad HE response to these goals is given in brief.

First, future policy goals will be pursued by Government in arguably the most severe worldwide financial downturn for the past 40 to 50 years which has not left South Africa untouched. Apart from the negative social effects occasioned by large numbers of job losses, major difficulties are expected in terms of creating new employment opportunities due to a significant contraction in foreign and local investment in our country.

This financial downturn will have a profound effect on HE as well. Apart from any additional funding not being available for HE for the next few years, many private sector agencies and companies are likely to cut back on their investment in human capital development – the area in which universities are active. In addition one can also expect some contraction in research and development spending by the private sector which will limit partnership opportunities available for universities.

Second, these national policy goals form part of a renewed emphasis by Government on socio-economic development in our country. The notion of a developmental state is likely to feature strongly in Government strategy and policy making. HESA supports such a developmental agenda and it is in this context that HESA assumes that Government's national priority areas will correspond to those set out by the governing party as:

- Creation of decent work and sustainable livelihoods;
- Education;
- Health;
- Rural development, food security and land reform; and
- The fight against crime and corruption

These goals cover a wide range of issues including economic policies that will include measures to address obstacles that limit the pace of employment creation and poverty eradication; developing programmes to stimulate mining, agriculture and tourism; improving a wide range of logistical issues in respect of food distribution and food production in rural areas; establishing stronger links between agrarian reform programmes and water resource allocation; introducing a sustainable Early Childhood Education system; improving the quality of schooling particularly in mathematics, science and technology; increasing graduate outputs in areas of skills shortages; re-opening some teacher education colleges; enhancing the role of FET colleges in skills provision for the economy; improving NSFAS in order to support students from the working class and poor communities in their studies; improving management and leadership skills at all levels in our health system etc.

What should HE expect from this strong emphasis on the developmental state and improving the quality of life for all South Africans especially the poor, disempowered and rural communities?

- There will be an increase in demand for graduates with the appropriate skills to advance the agenda of the developmental state.
- A need to enhance and strengthen the contributions of the sector's research and knowledge capabilities to the national innovation system.
- It stands to reason that Government would expect institutions which are funded from the public purse, to pursue a variety of ways in strengthening collaboration with Government in achieving these goals within their respective institutional mandates.
- Furthermore Government will wish to see such institutions incorporating these aims and goals in a manner appropriate to their various roles and identities in their own prioritisation exercises and delivery programmes.
- It must be expected that the National Master Scarce Skills List drawn up periodically by the Department of Labour in conjunction with other Government departments, will reflect the broad range of skills required to give effect to Government's above-mentioned priorities and aims. Lists of shortages in scarce skills areas such as those of Department of Science and Technology (National Research Foundation) will also be influenced by the broad emphasis of Government's socio-economic development agenda.
- The national budget and derived budgets of Government departments are set to reflect these developmental priorities to a greater extent than has been the case in the past. Government would thus also want to see some evidence of changed priorities in the internal budget allocations of institutions funded via the national budget.
- Rural development forms an important part of Government's development agenda and rural universities could be instrumental in achieving these goals. All universities, but rural universities in particular, must therefore be ready to demonstrate practically how they foresee themselves participating in such rural development initiatives.

HESA does not believe that this means that universities should become 'organs of state' in the carrying out of Government's socio-economic development agenda. It does, however, believe that efforts by universities to demonstrate their relevance and levels of responsiveness will have to show how these efforts are linked to some of the broad developmental priorities of Government. Nevertheless two important caveats must be stressed:

First, universities will always be characterised as institutions having a multiplicity of goals as set out in the *White Paper on HE: A Framework for the Transformation of Higher Education* (1997):

- To meet the learning needs and aspirations of individuals through the development of their intellectual abilities and aptitudes throughout their lives.
- To address the development needs of society and provide the labour market, in a knowledge-driven and knowledge-dependent society, with the ever changing high-level competencies and expertise necessary for the growth and prosperity of a modern economy.
- To contribute to the socialisation of enlightened, responsible and constructively critical citizens.
- To contribute to the creation, sharing and evaluation of knowledge.

Second, in respect of the above-mentioned priority areas, universities obviously are not providers of services as such, except for those related to the performance of their three core functions which involve their staff and students. They are knowledge providers and provide learning/teaching and research outputs and become involved in community service where such learning/teaching and research outputs can be put to use in the socio-economic development of communities. In addition, by their very nature as institutions of higher education, universities concentrate on the production of graduates who possess high skills in distinction to middle and lower skills levels.

Against this background some opportunities and challenges facing universities in respect of Government's development agenda and these five priority areas are listed next:

- Most universities have long since ceased from trying to excel in every knowledge field and have adopted practices aimed at determining some academic or research foci in accordance with their academic strengths. The first challenge, which simultaneously presents itself as an opportunity, is for universities to assess how their academic priority areas relate to at least some of the five priority areas.
- In addition, universities should assess their existing menu of learning programmes and in accordance with their academic strengths ensure that they have, at least, some academic programmes that would yield highly skilled graduates who

could play a leading role in the design and planning of policy and of implementation mechanisms required by Government's developmental objectives.

- Universities increasingly direct their research agendas in terms of the fields in which they can demonstrate leading research strengths. If their research strengths do not correlate in any way at all with any of the above-mentioned priority fields of Government, it may require some internal re-orientation from those universities and the building up of academic strength in the chosen priority areas.
- Universities will have to adopt a far more strategic approach towards their community service activities based on their interpretation of, and response, to at least some of these national priorities.
- Universities will have to assess in which way the planning and execution of their core functions of learning/teaching, research and community service can support Government in its stated intention of, in particular, developing rural areas and communities.

In conclusion, universities in South Africa are ready to play a constructive role in supporting the achievement of the various development goals set by Government for the next five years. In addition, universities are also equipped to support the people of South Africa in coping with the many effects – socially, economically and politically – of the present worldwide financial downturn.

6. HESA'S VISION FOR THE HE SYSTEM AND RELATED SYSTEM AND POLICY CONSIDERATIONS FOR THE NEXT 10 YEARS

In this section HESA's vision for our HE system for the next 10 years is presented. This section outlines HESA's system and policy considerations for the next 10 to 15 years in supporting its vision of a HE system functioning within the realm of the two enabling conditions mentioned earlier and being characterised by the four basic features listed in the previous section.

While HESA fully supports the agenda for strengthening the higher education system in SA as outlined in the *White Paper on HE: A Framework for the Transformation of HE* (1997) and later in the *National Plan on Higher Education* (2001), HESA is committed to strengthening the whole education spectrum including basic, general and further education streams.

In particular such a HE system should be characterised by some factors enabling our universities to function optimally as knowledge-based institutions in supporting Government's developmental agenda. These enabling conditions would be:

i) Achieving an appropriate balance between institutional autonomy, academic freedom and public accountability.

Consensus on such a balance will create the framework within which universities can position themselves to play a decisive role in strengthening our democracy, in advancing socio-economic growth, and in making South Africa internationally a truly competitive country.

Policy and system consideration

Not only in South Africa but worldwide, it has been shown that universities achieve their optimum potential in terms of fulfilling HE goals where there is an appropriate balance between the principles and practices associated with institutional autonomy, academic freedom and public accountability.

HESA is in full support of reasonable measures aimed at achieving greater levels of public accountability by universities and agrees that universities, through engagement with the public, need to account for themselves far more effectively than has often been the case thus far. Such public accountability should, however, be circumscribed by a policy framework which ensures satisfactory levels of institutional autonomy and academic freedom.

- In this regard HESA wishes to commit itself anew to a wide ranging approach of self-regulation in order to improve levels of public accountability, while at the same time appealing to Government to honour present levels of institutional autonomy and academic freedom. In so doing HESA intends developing appropriate measures to advance self regulation within the HE system based, among other things, on the CHE's report *Academic Freedom, Institutional Autonomy and Public Accountability in South African Higher Education* (2008).
- In addition HESA is of the view that some pressing governance issues facing universities brought about by matters such as the following require Government's and the HE sector's concerted attention:
 - The tendency of some of the University Councils to become operationally involved in the day-to-day running of institutions.
 - Delays in obtaining Council approvals for university crises which require quick governance responses – this seems to be a particularly serious problem for rurally situated universities.
 - Council members not being able (or willing) to function in their personal capacities in the overall interest of the institution but rather in terms of 'mandated' positions from their related constituencies.

ii) Achieving adequate funding levels for institutions and financial support for students

An adequately funded HE system should enable universities to develop along their different institutional trajectories on the basis of long-term strategic planning.

Adequate funding is essential in establishing a proper balance between 1st stream income (Government subsidy), 2nd stream income (tuition fee income) and 3rd stream income (contract research, endowments, commercialisation of intellectual property etc.). Of particular importance are adequate levels of Government funding which would enable universities to levy realistic levels of tuition fees and pursue mission-related 3rd stream income opportunities.

HESA supports a HE system in which access for poor students is supported through the National Student Financial Aid Scheme (NSFAS). A strengthened NSFAS would do much to allow universities to move from short-term survival plans to longer term institutional development strategies.

Policy and System Consideration:

Public HE institutions across the world, but especially in developing countries, are facing severe financial pressures as Governments struggle to balance the provision of increasingly competing social functions and services. South Africa is no exception and although the past few years have seen very welcome grants for infrastructural renewal, block grant allocations aimed at contributing to the running costs of universities have not been keeping pace with inflation related increases; a situation that will be exacerbated if the Government wishes to increase participation rates.

The net effect of the financial strictures encountered by universities during the past decade or more, has been that universities have had to embark on concerted efforts to increase 3rd stream income (contract research, commercialisation activities, endowments etc.) often with negative effects on its primary mission of education. In addition, tuition fees have been increasing consistently over the past decade and despite Government's laudable efforts in strengthening NSFAS, many deserving students can no longer afford HE study.

Unfortunately, if the present funding trends continue – specifically those concerning funding for the running costs of universities – the HE system will not be able to achieve many of the goals and objectives already set out in this memorandum.

While HESA fully comprehends the effects of the worldwide financial downturn on Government spending, it will be very difficult for HE to play its intended supportive role in Government's development agenda if the target of spending on HE of 1% of GDP is not reached soon and even increased to, say, 1,5% of GDP over the next 10 to 15 years.

HESA is pleased to learn that the Minister of DoHET has launched a review of NSFAS in order to find ways of better assisting deserving students with the rising costs of HE. HESA feels that such a review should, at the very least, analyse the present proportion between the loan and bursary components of NSFAS grants as well as the present mean family income threshold for qualifying for a NSFAS grant.

Through its Funding Strategy Group, HESA intends undertaking a review of the present funding framework in respect of its suitability for supporting a differentiated HE system. The outcomes of this review will hopefully form the basis for discussions between HESA and the DoHET.

Earmarked allocations have been playing an increasingly important role within the HE funding system. HESA would welcome a more strategically directed management approach to such forms of funding in which short to medium term priority themes for such funding, are made known in advance on an annual basis to the HE system.

Particularly important to the HE sector, have been the grants for infrastructural renewal over the past four to five years. If at all possible, such grants should become an embedded feature in the system of earmarked funding. Of particular importance in this respect is funding for student residences for non-urban universities where alternative forms of student accommodation are usually not available.

BASED ON THESE ENABLING CONDITIONS, HESA COMMITS TO PURSUING THE FOLLOWING FOUR CHARACTERISTICS:

i) High levels of quality comparable to the best in the world

HESA supports excellence throughout the system in that every university in South Africa should have areas of excellence in terms of its vision and mission in at least some of the three core functional areas of universities viz learning/teaching, research and community service. In addition, such a HE system should achieve a higher ratio of student access: student success.

Policy and System Consideration

Achieving desired levels of quality in HE institutions is influenced by a number of factors such as the academic quality of school leavers wishing to pursue HE studies; qualification and other academic policies for HE; quality of academic staff in HE institutions; level and extent of support services for students; effectiveness of overall quality assurance systems; degrees of internationalisation of universities; funding levels of HE institutions; appropriateness of infrastructure (including residential accommodation for students), etc.

• Academic quality of school leavers

HESA wishes to again register its concern with the overall levels of preparedness of our school leavers for HE study. While universities remain committed to widening access it is clear that strategies aimed at widening access have to be accompanied by strategies aimed at ensuring success. The latter usually take the form of a variety of student support services and interventions aimed at trying to make up for lost ground in the school system such as student counselling in respect of issues related to their studies, general life matters and their future work challenges, aptitude assessment, mentorship programmes, reading and writing centres, computer literacy programmes etc. Universities are, however, finding that despite all these efforts they are not succeeding in closing the gap that exists between initial access and eventual success. In fact, many universities feel that they are now in danger of permanently entrenching school related learning activities as a formal component of their university related activities. In this regard HESA supports and is committed to assisting, wherever possible, the CHE's investigation into the introduction of a four-year first degree.

This problem which universities face and are willing to tackle to the best of their abilities can, however, in the longer run only be solved by tackling it where it originates - in the school system. Universities in South Africa wish to commit themselves to assisting in any way compatible with the goals and objectives of HE institutions, to finding solutions to this problem. Amongst others, HESA believes that the re-introduction of career and study guidance in our schools, could assist in improving levels of preparedness of school leavers for HE study.

• Qualification and other academic policies for HE

A new HE Qualifications Framework (HEQF) is in the process of being implemented in HE. While HESA feels that it contains many positive aspects, it also contains elements that need urgent attention if it is to support a differentiated HE system that displays the requisite levels of academic quality.

The fact that the former degree of bachelor of technology no longer forms part of the new HEQF poses particular challenges to the Universities of Technology. These challenges mainly involve the lack of clarity on articulation pathways between 360 credit diploma programmes on NQF Level 6, and qualifications on NQF Levels 7 and 8 as well as design and curriculum challenges concerning 360 credit bachelor degrees with a technological orientation on NQF Level 7.

Although the new HEQF document, in theory at least, allows any university to offer any of the qualifications included in the HEQF, it is not clear to what extent the PQM approach of the DoHET will make this possible. The description and nature of some of the qualifications such as the higher certificate, for example, suggests that it may not be appropriate for all universities in South Africa to offer such a qualification in terms of their vision and mission. Doing so may also not support a differentiated HE system in our country.

Quality of academic staff in HE institutions

HE institutions are facing a real crisis in respect of their abilities to retain and attract academic staff of a suitable calibre. It is a known fact that universities are experiencing alarming levels of ageing of their academic staff made worse by the fact that the major component of this ageing corps consists of white males who are not easily replaced by academics who contribute to changed staff profiles which display a greater race and gender equity.

While there are a number of factors contributing to the difficulties universities face in retaining and attracting suitable academic staff, the generally low levels of salary for academics compared to positions in other professionally oriented careers is without a doubt the major contributory factor to this dilemma. This was borne out by the findings in the Report of the Ministerial Committee on *Transformation and Social Cohesion and the Elimination of Discrimination in Public Higher Education Institutions* (2007). The situation is likely to be aggravated by the range of 58%-62% for the total cost of all staff salaries as a percentage of council controlled recurring income proposed by the DoHET in the envisaged Policy Framework for the Remuneration of Senior Managers in Public Higher Education Institutions (2009).

Given the tight financial strictures under which universities are operating in South Africa, the problem of attracting and retaining suitably qualified academic staff can probably only be solved by a significant increase in the block grant component of the funding framework for HE institutions. This is so as a reduction in academic staff numbers is impossible given the already high student:staff ratios our universities have to contend with. Public accountability in respect of the application of such increased block grant allocations for improving staff salaries could be strengthened by re-introducing the notion of block grant funding restricted for certain expenditures such as this.

In addition, HESA is presently engaged with its own efforts to build a new generation of academics and is exploring a range of interventions like incentivising academics to obtain Masters and PhDs in a shorter period of time and at younger ages, upgrading existing staff qualifications where necessary, increasing research productivity and providing young academics with conducive research environments.

• Internationalisation

South African higher education institutions, through the academic boycotts of the apartheid era, have much ground to make up regarding the issue of internationalisation compared to many of their counterpart institutions in other parts of the world.

The challenges facing South Africa in this respect are mainly the following:

- Many of the present corps of academic staff member are products of the era of academic boycotts and lack of exposure to, and an understanding of, the vital role of internationalisation in setting quality standards
- Internationalisation of the curriculum and of staff and student bodies comes with a financial cost which is particularly susceptible to exchange rate fluctuations.

- Internationalisation of staff and student bodies requires flexible policies and highly effective management of applications for study visas, work permits etc. by the Department of Home Affairs.

Regarding this last issue in particular, HESA would appreciate the mediation of the DoHET in reaching acceptable arrangements with the Department of Home Affairs which would expedite applications for study visas and work permits from students and academic staff members.

The inclusion of HE in bi- or multi-lateral agreements with other countries set up through the Department of International Relations & Cooperation would also be of assistance to HE institutions in their internationalisation efforts.

ii) High levels of institutional diversity based on institutional self differentiation

A differentiated HE system would be most suited to accommodate the variety of institutional visions and missions in our system as well as being best suited for a varied but comprehensive response to the different emphases contained in Government's national developmental priorities. Such differentiation should, however, evolve dynamically from the varying institutional visions and missions and should not be fixed in advance in a structurally deterministic fashion.

Policy and System consideration

Through Government's restructuring of the HE institutional landscape by means of institutional mergers and incorporations, three main types of HE institutions were established: traditional universities (11), comprehensive universities (6) and universities of technology (6). In addition, two national institutes for HE were established in Mpumalanga and Northern Cape. The possibility of re-opening some colleges of education would add a fourth type of HE institution to this mix.

HESA fully supports the principle of a differentiated HE system as such a system, in theory at least, makes different development trajectories for HE institutions possible. It must, however, be stressed that other less clearly delineated groupings of HE institutions either already exist or are beginning to emerge. In most cases the 'admission criteria' to these groupings are largely unknown.

For many years **historically disadvantaged institutions** have held that their developmental needs required that they be treated differently from historically advantaged institutions. This different treatment was largely described in terms of the need for targeted redress funding for these institutions. Although progress in this regard has been made, some of these institutions still feel quite strongly that sufficient redress has not yet occurred in order to have dealt with past discriminatory practices.

Similarly the former technikons, **now universities of technology**, have long argued that due to past policies and practices, they have not enjoyed sufficient Government support to make significant progress on a development trajectory which differs from that of traditional universities.

More recently **rurally based universities** (which in most cases would include some of the historically disadvantaged institutions) have argued that they face unique developmental obstacles and hindrances compared to urban based institutions. They feel that coping effectively with these obstacles requires specific and designated policy approaches from Government which take these challenges into account.

Over the past few years an informal grouping of five or six universities, sometimes referred to as **research intensive universities**, seems to have arisen in HE. These universities tend to feel strongly that for South Africa's HE system to become truly internationally competitive, Government will have to make some hard choices and do what some countries in East Asia and others such as Germany have done, i.e. choose a few universities and support them in particular in their research efforts to become 'world class'.

While some may argue whether these distinctions are helpful, they are very real and in some cases have already resulted in more formalised structures being established for some of the above groupings. Others in HE have argued for a more nuanced view of differentiation which involves specialisation in knowledge fields, rather than a system related to institutional types emanating from specific institutional histories.

In virtually all the above cases, views within HESA concerning support for different development trajectories, mainly translate into differentiated funding approaches. The argument being that the very slight differentiation already existing in the present funding framework is insufficient to move institutions onto truly different developmental paths. Rather than supporting differentiation, the present funding framework supports a gradual institutional convergence to sameness. HESA thus supports a system of progressive self differentiation based on varying institutional visions and missions accompanied by policies and processes that enable institutions to make meaningful progress in their distinctive developmental trajectories. Specifically, differentiation should not occur at the cost of some institutions in order to advance others.

In order to move towards the development of a framework within which self differentiation by universities can progress, HESA intends establishing a Task Team to draw up a set of principles and criteria governing self differentiation. Once this has been done HESA would welcome interaction with the DoHET on these principles and criteria.

As the most contentious policy area in this regard is likely to be that of funding, HESA's Funding Strategy Group will be asked to develop a broad approach for a suitably differentiated funding approach to be included in the above framework of principles on which to base a differentiated HE system, for discussion with the DoHET.

iii) Significant transformation, social cohesion, non-discrimination, and freedom of speech and of association

A transformed HE system in which the student and staff bodies of institutions reflect diversity as well as social cohesion, in which all forms of discrimination barred in terms of South Africa's Constitution

and our Bill of Rights have been eliminated, and in which freedom of speech is treasured and protected, as is freedom of association, is a necessary condition for our HE institutions to develop to their full potential. In particular such transformation should be embedded in significant changes in respect of the core functions of learning/teaching, research, and community service of HE institutions. In this respect there is a need for significant investment in the development of the academic capabilities of African languages and the strengthening and advancement of indigenous knowledge systems.

Policy and System Consideration

HESA acknowledges that in this particular area much work still needs to be done. Insufficient progress has been made on a conceptual understanding of what transformation in a knowledge based institution entails, what policies and processes would support an institutionally inclusive -approach to realise such a view of transformation; and what is needed for such policies and processes to find their practical efficacy in the hearts and minds of staff and students.

Despite this acknowledgement, HESA is firmly of the view that approaches to transformation in HE must be embedded within the three core functions of universities. Any approach to transformation which leaves these core functions untouched cannot be viewed as fundamental HE transformation. In this regard HESA welcomes the recent release of the report by the Ministerial Committee on *Transformation and Social Cohesion and the Elimination of Discrimination in Public Higher Education Institutions* (2008). HESA is also pleased to learn that a Higher Education Summit has been proposed by the Minister of HET which would, at least in part, focus on the issues raised in the Report. HESA pledges its full support both to the Summit itself as well as to any policies and processes regarding the transformation of HE and its institutions which may emanate from this Summit.

iv) High levels of responsiveness and relevance

HESA supports a HE system which, in terms of the varying visions and missions of universities, is responsive to, and relevant for, the developmental aspirations of individual students as well as those of Government, business/industry and civil society. Achieving such a responsive and relevant system would include: The development of appropriate and applicable learning programmes, research agendas and community service initiatives; establishing various forms of collaboration with appropriate structures and agencies in Government, business/industry and civil society; ensuring that the sector is accessible for those who require additional professional development and to promote lifelong learning within institutions, and developing a transformed HE system which reflects the dynamics of our society.

Policy and System Consideration

HESA actively supports the vision of a HE system that is more relevant and responsive to the needs of the country. In this respect HESA wishes to emphasise once again that institutional relevance and responsiveness must always be gauged in terms of the vision and mission of the institution concerned. In addition it must be assessed

against the multiple goals for HE as set out in the *White Paper on HE* (1997). Institutional relevance and responsiveness cannot be measured against the yardstick – as important as it may be – of only one grouping in society such as, for example, the business sector. Furthermore, increased levels of responsiveness and relevance in HE institutions must be inextricably linked to their core functions: learning/teaching, research and community service.

An indication from Government – mediated by the DoHET and assisted by others such as the Departments of Science and Technology and Trade and Industry (dti) – that would give clear indications of the priority areas for HE for the next decade would be of great assistance to HE. Such HE oriented priorities would enable HE institutions to develop their own priority areas in accordance with their distinctive visions and missions. In this way HE institutions could play a constructive role in supporting our country's broader development agenda – one that includes not only Government, but business and civil society as well.

HESA is furthermore of the view that greater synergy within HE would be promoted if the DoHET, through earmarked funding, dti (through support for THRIP), and DST (through NRF funding) could achieve better levels of co-ordination of their funding of such priority areas.

HESA wishes to emphasise that our country's dire need for increased HR skills at the middle and lower middle levels cannot be resolved by only looking to universities. In fact universities concentrate on producing graduates with higher skills levels. Many school leavers seek entry into public universities simply due to the

limited opportunities available for other post secondary studies. HESA believes that a strengthened and expanded FET college sector could play a decisive role in taking in many students who now unsuccessfully seek entry to university study. If this were possible it would enable the FET college sector to play its rightful role in alleviating the need for middle and lower middle level skills in our country. A number of possibilities exist in arriving at such a strengthened and expanded FET college system amongst which would be closer HE-FET college collaboration.

HESA pledges its support for any initiatives aimed at providing a greater set of study opportunities for school leavers and is of the view that the number of school leavers that cannot be accommodated within the present public sector HE system, point to the urgent need for the development of a co-ordinated, flexible and differentiated post secondary education system consisting of institutions such as universities, teacher education colleges, FET colleges, nursing colleges, agricultural colleges, etc.

7. CONCLUSION

In conclusion, HESA wishes to commit itself to working together with Government in its various structures in establishing a HE system which fulfils the goals and aims set in the *White Paper on HE* (1997), the *National Plan on HE* (2001) and subsequent relevant HE policy documents, as well as those set out in this memorandum.

June 2009

ANNEXURE A

Widening of access to HE

During the past 15 years access to HE has been expanded considerably. The figures below are all for the period 2000 to 2007 and represent an analysis of access to HE in terms of overall enrolments and in terms of race and gender for public universities.

1. Average annual increase in overall head count student enrolments for 2000 to 2007

First time entering undergraduate headcount student enrolments: 4,9% p a

Total undergraduate headcount student enrolments: 4,6% p a

Total post graduate headcount student enrolments: 3,2% p a

Headcount student enrolments for doctoral degree studies: 6,6% p a

During the past 15 years the student profiles of universities changed significantly.

2. Average annual increase in head count student enrolments in respect of race for 2000 to 2007

African: 6,0% p a

Coloured: 7,2% p a

Indian: 4,2% p a

White: 1,5% p a

3. Average annual increase in head count student enrolments in respect of gender for 2000 to 2007

Male: 3,5% p a

Female: 5,5% p a

4. Proportion of headcount student enrolments in respect of race group for the years 2000 and 2007

	2000	2007
African	58%	63%
Coloured	5%	6%
Indian	7%	7%
White	30%	24%

The above figures show the growing predominance of Africans in student enrolments in HE during the past years.

5. Proportion of head count student enrolments in each gender group for the years 2000 and 2007

	2000	2007
Female	52%	56%
Male	48%	44%

The above figures show the growing predominance of women student enrolments in our HE system during the past few years.

Enrolments by field of study

In this section enrolments by field of study are analysed for the period 2000 to 2007.

6. Average annual increase in head count student enrolments for four major fields of study for 2000 to 2007

Science, Engineering and Technology 4,3% p a

Business and Management 7,4% p a

Education 5,8% p a

Other Humanities 1,9% p a

7. Proportion of head count student enrolments in each of four major study fields for the years 2000 and 2007

	2000	2007
Science, Engineering and Technology	29%	28%
Business and Management	25%	30%
Education	13%	14%
Other Humanities	33%	28%

Graduates

In this part of the document an analysis is presented for the years 2000 to 2007 of the kinds of graduates which the HE system produced.

8. Average annual increase in graduates according to qualification type for the period 2000 to 2007

Undergraduate diplomas 8,0%

Undergraduate degrees 4,3%

Total undergraduate 5,9%

Postgraduate to masters level 3,9%

Masters level 3,0%

Doctors level 4,0%

Of particular significance is the fact that while undergraduate head count enrolments showed an average annual increase of 4,6% p a during the period 2000 to 2007, undergraduate graduates increased by nearly 6% p a during the same period. This is indicative of greater levels of institutional efficiency and effectiveness in our HE system.

9. Average annual increase in research outputs during the period 2000-2007

Publication units 4,7% p a

Research masters graduates 3,4% p a

Doctoral graduates 4,0% p a

The increase of nearly 5% p a in publication units during the period 2000-2007 shows that despite the many challenges which HE faced in this period, universities still managed to increase their production of new knowledge significantly.



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