

REPORT OF THE VICE-CHANCELLOR

ANNUAL GENERAL MEETING OF THE CONVOCATION HELD ON 7 DECEMBER 2019

1. WELCOME

Sanibonani, Good morning ladies and Gentlemen. It is a great pleasure for me to deliver my second report to the annual general meeting of the Convocation.

To start, I thank you all for your ongoing commitment to MUT.

To the internal members of the Convocation, I thank you for the continuing service you are giving to advance the academic mission of MUT.

To the external members of the Convocation, thank you for the time you take now and then to visit our campus to interact with the students and staff; for attending our events and then tell your friends, colleagues, fellow alumni, and prospective students about the exciting things taking place at MUT; for volunteering your time and your talent; and for placing MUT as a priority in your charitable giving. You demonstrate to our students what is possible through earning an MUT degree. We are what we are because many of you have partnered with MUT to “make it happen”.

I welcome this opportunity to speak to you about our University that we all love so much and to share with you the state of the University and where it is going in the next five years.

2. EXTERNAL ENVIRONMENT

The University continues to operate in rapidly evolving and increasingly competitive higher education environment with on-going changes in national policy, including reform of the regulatory environment.

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- A stagnant national economy

The continuing anemic growth in the economy is accompanied by growing levels of inequality and violent poverty, escalation of political and crime-based violence, and increasing unemployment, especially among the youth.

- Austerity for government departments

We are seeing the introduction of a government austerity program as debt and the size of the public salary bill is beginning to reach unsustainable levels.

- Continuing underfunding of higher education

Higher education funding by the government continues to be inadequate and institutions have to seriously consider third stream income to meet their operational needs.

- Investment in Historically Disadvantaged Institutions

The Minister of Higher Education, Science, and Technology is currently consulting the universities on the Historically Disadvantaged Institutions Development Programme (HDI-DP) Framework which presents the strategy and process for a focused investment for the development of the eight universities which were reserved for black South Africans under the apartheid regime. These universities, referred to as Historically Disadvantaged Institutions (HDIs), were systematically underdeveloped over much of their existence and are generally located in remote areas bereft of mainstream economic development opportunities, leaving a complex and debilitating legacy, with infrastructure and facilities that are in most cases not competitive even in the national context, let alone an international one.

MUT will be submitting a Plan by 31 March 2020 to be supported through the HDI-DP Framework. According to the Framework, the MUT Plan will be developed collaboratively by the Department (DHET) and MUT and will be informed by the Department's engagements and work with universities over several years, direct interactions with universities individually and collectively in constructing the Framework, and on experience of having implemented the pilot phase of the Historically Disadvantaged Institutions Development Grant during 2015/16 to 2018/19.

3. THE STATE OF THE ACADEMIC PROGRAMME

The University continues to see increasing demand for places of study. The headcount student enrolment now exceeds the target for 2019 with a variance of 5%, well within the range allowed by the DHET. However, we failed to meet the target for first-time entering students. We are concerned about this and the continuing lack of diversity in the incoming class which is 99.9% African.

Except for a minor hitch at the beginning of the year, the academic year has progressed well. We needed to make up for five weeks of academic time lost in the first quarter. This has been achieved through the revised academic program approved by Senate which postponed academic events in the annual calendar by at least two weeks, expunged designated test weeks allowing for lectures and tests to be conducted simultaneously, and scheduled the mid-year supplementary examinations for the period after the winter recess. The Easter and Winter recesses have not been unaffected.

The University graduated a record number of students during the April 2019 graduation ceremony, with 2618 graduates, an increase of 11% in graduates when compared to 2018. from 2360 to 2618. Females made up 53% of graduates.

The University is significantly increasing the investment in strengthening the institutional research and innovation capability through strategic investment and linking with national capacity development initiatives in this area. The 2019 budget provided for the appointment of retired professors and additional postdoctoral research fellows in the Faculties.

We acknowledge and thank one member of the Council for her generous donation of all her emoluments as a member of the Council towards the creation of a bursary fund to support needy students.

4. THE UNIVERSITY'S FINANCIAL POSITION

- Our third stream income continues to be miniscule. It stands at around 3% of the total University income, which is far below the average of the public higher education sector in South Africa.

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- There is a great improvement on expenditure on infrastructure projects. This is a result of the improved systems and processes in the Operations Department and the Procurement Unit.
 - Dark clouds still remain on the horizon. These are:
 - Limited working capital and dependence on restricted funds to meet the University's operational needs.
 - Total staff salary compensations to total Council controlled income (66%) is in excess DHET prescribed 62%.
 - Zero reserves.
 - No financial ability to enrich and diversify the student body.

5. OUR STRATEGY: MUT 2025

We have finalized the Strategy: MUT 2025 after an 18-month consultation and development process involving staff, students, alumni, community leaders, and other stakeholders committed to helping MUT become a quality public higher education institution. We intended to develop an ambitious agenda to take us through the next five years as we work to provide access to excellence in higher education in an increasingly competitive and global knowledge-based economy. We feel the Strategic Plan has achieved that goal.

- Our 2025 Vision is: To be a transforming, equitable, sustainable and academically excellent University of Technology anchored in its communities
- This Strategic Plan entails **new** financial investment in the following areas:
 - Infrastructure for academic excellence in the areas of teaching and learning and research
 - Growing financial reserves
 - Investing in the anchor strategy
 - Developing sport at MUT

We are simultaneously launching a new logo, the Transformer, to capture succinctly MUT's business model as a University of Technology and our aspiration for the future. I hope this logo will resonate with you and the brand you associate with your alma mater.

6. CONCLUSION

In conclusion, 18 months after my appointment as Vice-Chancellor, my overwhelming impression of our reality is that:

- Our institution has succeeded to handle its transition from one Council beset with a litany of governance problems to one that is committed to good governance;
- We have an Executive Management Committee that is broad-based and diverse in terms of composition, perspectives and skills;
- There is more engagement between Management, students, staff and organised labour;
- Our academic program is under control and all programs and courses are on course; and
- Our major success is that we have laid the foundation to forge an enduring institutional consensus on the strategic direction.

I appeal to you to join hands with us with faith and confidence in the great adventure of building our University. With your help, we will continue to innovate at MUT, to assure that our future alumni, like you, receive a good education so that they can make a difference in their world.

Ngiyabonga kakhulu.

Thank you for your attention!



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Dr E. Duma Malaza
Vice-Chancellor & Principal
5 December 2019