



STATE OF THE UNIVERSITY ADDRESS: 13 NOVEMBER 2021

Good morning to all members of Convocation and warm greetings to members of Convexco.

Sanibonani nonke.

I address you on this day, the 13th of November 2021, with a sense of renewed optimism. As the University starts winding down its efforts to conclude the core business i.e. Teaching and Learning for this academic year, it is an appropriate time to take stock of the successes achieved and the lessons learned during the course of this journey. MUT like other institutions of Higher Learning continue to operate in unprecedented times following the ravaging effects of the COVID Pandemic and the prevailing uncertainty of fluctuating lockdown levels in an attempt to arrest the spread of infections. As Management of the University, we remain committed to the health & safety of our staff and students and as such, our efforts, both in Teaching and Learning and Administration is underpinned by an operational culture that complies with regulations that are necessary under the different lockdown levels. This is no different to the approach that was adopted in 2020. The 'Platoon System' that was approved by Senate in 2020 will remain in place for Teaching & Learning as long as we operate under these conditions, pivoting between methodologies as required.

Allow me to first acknowledge various stakeholders whose contribution was invaluable to reach this point. I will thereafter outline particular highlights of the year so far and more importantly speak to some

implications for the University as the country reels from the economic effects of the Pandemic.

I would like to acknowledge the role that the MUT Covid-Task Team has played in raising awareness about Covid-19, and for their introduction of measures that contributed to the protection of us all.

On Tuesday, 15 September 2021, we launched our own vaccination site on campus. We hope more students and staff will get vaccinated as scientific data has revealed that people vaccinated against Covid-19 are more protected than those that have not been vaccinated against the virus.

I also wish to acknowledge the role that Council has played in bringing stability to the university. Our labour unions - NEHAWU and TENUA – have also played their part. The outgoing Student Representative Council must also be acknowledged for their leadership during the course of the year.

2021 in focus will be mentioned under the following sub-headings:

- Governance & Leadership
- The Academic Enterprise
- Operations and the Support Environment
- Turnaround Initiatives to ensure Financial Stability

Governance & Leadership

Following the gazette, publishing the Terms of Reference of an Independent Assessment at MUT, Professor Anthony Staak was appointed as the IA. Interviews commenced for this exercise early in October. A report with the Assessment findings is expected to be submitted to the Minister of Higher

Education & Training for his consideration before the end of November 2021. Council wholeheartedly supported this assessment and Management was thanked by the IA for their unwavering participation in the process.

The University Council will have its second of two Lekotla's in December 2021. The primary purpose of these engagements involving Management and Council is to strengthen governance protocols to further ensure the efficient interaction between the two arms of leadership.

Following the approval of guidelines for the appointment of Executive Leadership positions by the University Council and the pending approval of the Final Structure, the University is expected to fill critical leadership positions with the aim of addressing capacity constraints and facilitating stability in particular portfolios.

To this end, a new Senior Director Human Resources & Development was appointed and commenced with his duties at the University on the 01 November 2021.

The Academic Enterprise

Annual Final Examinations are expected to be concluded by the 18 December with the completion of Assessments for Semester students to be completed early in 2022.

On behalf of Management, I wish to my express my gratitude to all Staff who made this possible, under arduous conditions impacted by the Pandemic.

On 4 August 2020, the Department of Higher Education and Training (DHET) approved MUT's Remote Multimodal Teaching and Learning Plan,

as well as the budget for the COVID-19 Responsiveness Grant (CRG), which was meant to support the implementation of the plan. As at 30 June 2021 just over 19 Million Rand was spent to procure Staff & Student data, laptops amongst other projects. Upgrades to IT Infrastructure and other initiatives to ensure that blended learning was rolled out effectively were also implemented.

The University is scheduled to undergo an Institutional Quality Audit in 2022 by the Council on Higher Education.

The purpose of the IQA is to evaluate the robustness and credibility of the university's Quality Assurance systems at all levels and to ascertain to what extent the university's QA processes lead to institutional improvement. The outcomes of this audit will feed into other information that the CHE has about universities. The Quality Management Directorate, under the guidance of the Acting DVC Teaching and Learning, has developed a project plan to implement the Institutional Quality Audit (IQA). This plan has been approved by the Executive Management Committee. As part of the plan, a Steering Committee and working groups have been established to ensure the project begins. To capacitate the institution to effectively participate in the IQA, two workshops were held. One was internally facilitated by the Acting DVC Teaching and Learning, (19th August 2021), and the other was facilitated the CHE (23rd August 2021).

Even though the Covid Pandemic has resulted in limited Work Integrated Placement opportunities for a multitude of reasons including adherence to Social Distancing and the forced closure of many businesses, the Directorate of Cooperative Education was still able to achieve marked success against all odds;

To date (2021 academic year), the directorate has established nine new partnerships as follows:

Seta funding grants: Total of R8 840 million, resulting in the creation of approximately 370 new WIL placement opportunities.

Host employer partnerships: Two (2) new partnerships, resulting in the creation of 65 new WIL placement opportunities.

Overall WIL placements to date (2020/21 academic year) are **2563** across the three faculties. Of this number, **1010** students are in placements in 2021.

While, MUT is a research informed university and, as such, the emphasis and resource allocation are not in the areas of research and development. The research output target for 2021 is 43.6 DHET Units. The current number of units in 2021 for journal articles is 18.895. The external research income generated for the first half of 2021 amounted to **R7, 193, 799.91.**

It is my singular pleasure to announce at this AGM that, only last week MUT received the “Excellerated (play on the words “Acceleration & Excellence”) Research Award” from the National Research Foundation.

We as Management are extremely proud of this recognition of our improved Research output. I will be hosting an event soon to acknowledge and appreciate all the Researchers within the University that made this accolade possible.

Lastly within the Academic Enterprise it is must be noted with pleasure that this year was a women dominated Graduation Ceremony with 1631 females receiving their qualifications at the Institution, compared to 1181 males.

Mr Mr Nhlanhla Tembe from Umlazi graduated for the Diploma Construction management & Quantity Surveying at the age of 54 showing that it is never too late to study for a qualification.

Operations and the Support Environment

As a result of the continuing pandemic, the 2020 academic year was extended and completed in the first quarter of 2021. The implication of the extension has had a ripple effect. The 2021 academic year started in April (Q2). This late start influenced the timing of NSFAS disbursements to universities, which in turn impacted the liquidity of MUT in Q1 and required stringent management of cash-flow. Subsequently, a level 4 lockdown was declared in the second quarter, with restrictions on mobility, which also had an impact on the University's ability to deliver on some key infrastructure development projects. Despite these ongoing challenges, the University was in a satisfactory financial position by 30 June 2021 and progress on infrastructure development is speeding up.

The financial performance of MUT for the first half of the year is satisfactory. The University registration process was concluded successfully in March 2021 with tuition and accommodation revenue for the first half of the year at 6.7% below budget, excluding the carryover of deferred revenue from 2020 because of the extended academic year. Total expenditure is 18% below budget; the net result is a surplus of R200m for the half year ended 30 June 2021 before any provision for doubtful debt which is normally raised at year end.

The efforts to collect long outstanding and overdue debt continue through external collection companies. The collection process is lengthy and tedious

due to the large volume of accounts but it is yielding results with average collection results of 5% as the majority of this debt is very old.

The business model of the University positions MUT as significantly reliant on DHET for the funding of its operations, moveable assets, and infrastructure. It is also unlikely that the funding model will change significantly, however MUT will need to work towards financial sustainability using a phased approach to lessen its reliance on DHET.

Turnaround Strategy

The University will be developing and implementing a “turn-around” strategy which will also contribute to the long-term financial sustainability of the institution.

I thought I should share with you that the Covid-19 pandemic has impacted negatively on the finances of the University. We had to readjust our budget at the beginning of the year and had to forgo certain things. In the country people have lost jobs because of a stagnant economy. The unemployment rate is currently at 34, 4%. This gives me so much sadness and sleepless nights. On the one hand, we have our employees who expect to get an annual salary increase and to be given a conducive working environment, while on the other hand we have students who expect the University to register them while owing thousands of rands. Our total student debt runs into millions. Our needs are greater than the financial resources of the University. So many needs, yet so few resources. To make matters worse, our Directorate of Institutional Planning and Research has advised us that we are likely to see a 12% drop in our 2022 subsidy on account of a substantial decrease in our Full-Time Equivalent calculation. 2022 is going to be a tough year and we must be prepared to walk the difficult path together. This is a path that requires

adaptive leadership which will not only be aimed at addressing the area of long term financial sustainability but also in certain areas it will require a mindset or paradigm shift in our thinking to adapt to a changing world where resources are less, however expectations are still high.

Adaptive leadership helps individuals and organisations to adapt and thrive in the face of challenges and unpredictable change. These are some of the principles of adaptive leadership that we must adopt as we prepare to confront the future:

- a. Emotional Intelligence, which is the ability to understand and manage other people's feelings as well as your own. During this time, we are dealing with people who may be living with long-term COVID-19 effects. We need to have empathy; we must put ourselves in their shoes and be able to reach out and positively inspire them to be part of the MUT family.
- b. Organizational justice, which ensures honesty and justice in the positions we hold. Organisational justice must be aligned to our values. Whatever we do, whatever we say, we must always ask ourselves if we are upholding our values: Accountability, Integrity, Respect, and Excellence.
- c. Development, which ensures learning and continuous growth. Let us all strive to employ new creative solutions and the leverage of innovation.
- d. A win-win mindset: Let us avoid a zero-sum game and the 'us-and-them' mentality. We need to work together and solve problems, knowing fully well that MUT is bigger than all of us.
- e. Let us strive to have character! Be what the world expects a good person to be, and be the change you want to see in the world.

In conclusion, I am pleased to inform you that our students are doing extremely well in the area of Entrepreneurship. One of our students, Wandile Sihipe, has qualified for the Entrepreneurship Development in Higher Education National Competition. His winning project is an innovative model of washing roofs using drones. This is what we want to be known for. We look forward to more innovations by our students.

We are confident that Wandile will soon become a Thought Leader in his own right and join other alumni like;

- Dr Thandeka Ellenson who was appointed Chief Executive Officer of the Moses Kotane Institute in November 2020 and was previously acting in the position. Her previous permanent position was Chief Financial Officer at the same institute
- In June 2021 Dr Ellenson graduated with a Doctor of Business Administration at the Columbia Southern University, USA
- Mr Oscar Mthimkhulu who was appointed in May 2020 as the first black Chief Executive Officer of Sabi Sands Wildtuin.
- Mrs Rosalind Mdubeki who is the second black woman Surveyor General, in the Department of Land Affairs and Rural Development looking after Free State and Northern Cape – breaking gender stereotypes

These torch bearers of MUT continue to fly our flag high. We are so proud of your achievements.

Seed funding for the Convocation Fund-raising initiatives and last month's launch of the SRC Foundation a just two of the projects that are highlighted as avenues to 'get the ball rolling' in the afore-mentioned turnaround strategy.

Our message to students remains the same: there may be no jobs out there, but there is plenty of work if you think of work as an opportunity to solve problems. Our country is faced with many problems. If you come up with solutions to some of these problems, then you will create work for yourself. This is what entrepreneurs do. They come up with innovative solutions for problems faced by society and, by so doing; they create work for themselves and jobs for those they employ. A society that promotes entrepreneurship brings countless blessings to itself.

Let us also be grateful for the protection that the Almighty gave to more than 13,000 of our students and over 600 of our staff. Thank you to you too for observing Covid-19 protocols. Thank you all for adapting to the new normal.

I wish you well for today's AGM and I remain confident that as Convocation you will commit together with the rest of us at the University to take MUT to new heights.

Prof. M.M. Ramogale
Acting Vice-Chancellor & Principal

13 November 2021