



**UNIVERSITIES  
SOUTH AFRICA**

**COMMISSION OF INQUIRY INTO HIGHER EDUCATION  
AND TRAINING: FEES COMMISSION**

**Thursday, 20 October 2016  
Tshwane Council Chambers, Centurion**

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- 1. Staffing needs in Universities**
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- 3. Transformation and development**

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**'It is no secret that the higher education sector currently finds itself in somewhat of a crisis in relation to the size, composition and capacity of its academic staff.'**

**Minister Blade Nzimande,  
Staffing SA Universities Framework, 2014**

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# Background and Context

## ▪ Key challenges impacting on staffing

1. Transformation, regeneration and change
2. Increased access and system expansion
3. Equity considerations
4. Remuneration and working conditions
5. Qualifications of academic staff
6. Under-preparedness of students entering the system
7. Global and local demands for higher levels of expertise and competition
8. Inadequate pipeline (as local pool) for academic staff
9. Insourcing of service staff from contractors



# Instructional and Research Staff: 2014



- **18233** permanent staff, **48%** were black (Africans, Coloured and Indians).
- Overall academic work force in 2014 remained **predominantly white, 52%** of the total.
- Women constituted **46%** of the staff in universities, considerably less than their proportion (51%) in the population.
- Underrepresentation of women in the senior academic ranks, constitute less than a third at **29.5%** - (Staffing SA Universities Framework, 2014).
- Appointments on nGAP in 2015 were **125** and in 2016, an estimated **130** positions were provided for funded by the DHET.

**Sectoral need for development and recruitment focus on African and Coloured staff with particular priority given to women in the academe**

**Note: HEMIS has a 2 year lag time**



# Administrative Staff: 2014

- **27142** permanent staff, inclusive of executive and professional staff.
- Overall administrative work force in 2014 remained **predominantly black, 69%** of the total.
- Women constitute **60%** of the administrative staff in universities.



# Service Staff

- **4456** permanent staff, inclusive cleaners, gardeners, security guards and messengers on University payroll (2014).
- Service work force remained **overwhelmingly black, 98%** of the total.
- Women constitute **43%** of the service staff in universities.
- An estimated **18756** additional staff in the above services to be insourced as follows:
  - 8100 cleaning
  - 7300 security
  - 1790 gardening
  - 1566 catering

# Insourcing Staffing Cost Estimates

## Estimated Costs

1. The expected cost in using R5k minimum wage over the sector is estimated at around **R400-450m pa**
2. A R10k minimum wage would be an exposure of **R1.6bn pa**
3. Full insourcing is estimated as an exposure of **R2.0bn pa**
4. There is a financial upside which notes inefficiency, profiteering and VAT as having a significant impact

**Cost of salary supplement and “full insourcing” ranges from R0.5bn to R2bn**

## Implications

- International trend is toward higher wages, greater productivity and integrated services: outsourcing for labour arbitrage was a SA phenomenon
- Salary supplement and/or insourcing of labour intensive activity could cost the sector between 1-4%
- The USAf FEF and HRD forums acknowledge that this could be offset by upside potential
  - Efficiency: outsourcing benefit was mainly labour arbitrage not the promised efficiency
  - Profiteering: noted even at “better universities”
  - VAT: Universities unable to pass on full VAT costs
- Some Universities are looking to implement insourcing at 0% net increase.



# Staff: Student Ratios

- Average staff: student ratio 1:55 for permanent academic staff and 1:18 for permanent and contract staff combined (CHE: 2016)
- Ratio of administrative and service to academic staff in 2009 was 1.06:1 increased to 1.14:1 in 2014, will also rise due to insourcing of former service contractors employees (CHE: 2016)
- Staff: student ratios vary, best ratios at more established and endowed universities, and the least adequate, at those serving larger numbers of students from the most educationally disadvantaged backgrounds
- Variations mainly due to Programme Qualifications Mix (PQM) e.g. universities offering professional progs better staff ratios, institutional prioritisation and historical inequalities



# Planned FTE Student Staff Ratio: 2015-2019



## Targets

	2014	2015	2016	2017	2018	2019
<b>Students</b>	665313	679871	694263	709833	724722	737343
<b>Staff</b>	23794	24547	25282	26056	26800	27477
<b>Staff: Student ratio</b>	<b>1:28</b>	<b>1:27.7</b>	<b>1:27.5</b>	<b>1:27.2</b>	<b>1:27.0</b>	<b>1:26.8</b>

- Accommodating new growth, and an improved staff: student ratio, will require recruitment of **3683** additional academics into newly created posts by 2019, average of **737** per year.
- University system has been employing about **233 (fulltime equivalent)** academics into newly-established posts each year between 2000 and 2012.

# Staff Doctoral Qualifications

- NDP target for staff with Doctoral qualifications by 2030 is 75%.
- In 2015, 43% of academics had Doctoral qualifications in all universities, represents a 9% increase from 2012 (DHET Briefing Report 2015)
- 43% of academics with PhDs is insufficient for the required number of postgraduate supervisors:
  - In 2014, 17943 doctoral students registered and 2258 (13%) graduated.
- Impacts on the PG graduate pool and creates the urgency for nGAP and requisite adequate funding.

**Sector to recruit about 1200 new academics per annum in the 5 year period 2015-2019, growth and terminations (SSAUF 2014)**



# Staffing Costs: Key Considerations

- ACU salaries survey incl. Australia, Canada, Hong Kong, Malaysia, New Zealand, Singapore, South Africa, and the UK (2012-13), key findings
  - Using Purchasing Power Parity (PPP) indices to convert the salaries into USD, Singapore and Hong Kong rank highest – 53% and 42% higher, respectively, than third-placed country, South Africa
  - SA salaries perform well against those in comparator countries when valued by their purchasing power
  - SA is marked by institutional differentiation in pay, considerable disparities in wealth distribution, and high levels of inflation, which make comparative salary values more volatile than for other countries
- Academic salaries a key component of the HE Price Index which has a major impact on institutional budgets (needs to be competitive locally and internationally)
- Percentage of personnel costs in operations budgets at universities varies from 58%-62% (set to increase due to insourcing)
- Post-retirement liabilities i.t.o of leave payouts, medical aid provision etc. estimated at around a total of R6.7billion for the sector
- nGAP should include costs of: new staff, retention of existing staff until retirement, PhD completion and transfer of skills
- nGAP needs a longer term plan, higher levels of funding and collaborative efforts in order to address academic capacity requirements in a more effective way.

# USAf Staff Recommendations: HE Summit

1. Rapid expansion of the **Next Generation Academic Programme (nGAP)**, with **double the amount of annual funding** required (National Treasury, Skills Fund and Unis);
2. Strong, explicitly rendered **institution-based policies and programmes, supported by resources and staff**, to translate national imperatives into institutional advances in support of equity staff;
3. Establishment of a **Higher Education Academy** that provides dedicated and comprehensive development support for academic leadership and equity staff development; and
4. Developing **structured mentorship and coaching programmes** at institutional levels to support aspirant academic leaders.



# Staff Development Initiatives

## ■ Department of HE and Training

- 1. Nurturing Emerging Scholars Programme (NESP)** identifies students who demonstrate academic ability at relatively junior levels (senior undergraduate or Honours) for the academe;
- 2. New Generation of Academics Programme (nGAP)** recruits new academics against carefully designed and balanced equity considerations and in light of the disciplinary areas of greatest need;
- 3. Existing Academics Capacity Enhancement Programme (EACEP)** supports the development of existing academics, e.g. to complete their doctoral studies; and
- 4. Supplementary Staff Employment Programme (SSEP)** enables universities to recruit specific skills on a needs basis, in a temporary capacity, to address specific gaps and support the SSAUF programmes

# Staff Development Initiatives cont...

- **Universities SA – HELM Programme**
  - Sector-wide initiative for all Unis, **non-competitive, collaborative programme**, under the auspices of USAf
  - Review and build on current programmatic content that has been developed at Unis and other organisations
  - Adopt a **decentralized delivery methodology** and use technology in its design and delivery
  - Explore and establish **strategic partnerships at national, regional and global levels** in its programme design and delivery.
  - Develop specialist interventions e.g. **HRD Programme** for current and emerging HR managers and practitioners
  - Funding **partnership with the DHET**, support pilot phase 2016-2017, incorporated into the University Capacity Development Grant in 2018

# Staff Development Initiatives cont...

## ▪ Universities SA – HELM Programme

- Addresses sectoral **leadership/management complexities, challenges & LD needs**
- Focus: **research on governance, leadership and management** policy and practice
- Programme **curriculum design, architecture and pedagogy**
  - Induction, postgraduate HE Mgt, executive development, workshops, seminars, coaching & mentoring etc.
- **Professional advisory services** to assist Unis with strategic/operational challenges using current and retired sectoral experts
- Design and delivery partnerships/collaborations, using existing content/expertise e.g. Institutional HE mgt/skills progs







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**THANK YOU**