

esATI – KZN HR PRACTITIONER REGIONAL WORKSHOP REPORT

Friday, 22 September 2000
Blue Waters Hotel

1. Background and Objectives

At a general level, the workshop is part of the project *Enhancing the Management of Change* that is being run by Jane Kabaki of CHET. Currently in its third year, it was started in 1998 shortly after the passing of the Employment Equity Act and aims to track institutional responses through audit analyses and to contribute to the development of human resource practices. The last National Workshop focused on the challenge of transformation in response to the Act. This year's National Workshop hopes to go beyond the equity challenges to examine a broader set of human resource demands, and confront changes in the workforce of higher education institutions that dictate the activities in which HR Departments need to engage.

More specifically, the regional workshops are designed to tease out some of the major issues facing HR practitioners that can be taken up at the National Workshop of 5-7 November as part of its agenda.

2. Programme and Participants

See the attached programme.

11 delegates representing the Human Resource Departments of all six technikons and universities in the region (Mangosuthu Technikon, ML Sultan Technikon, Natal Technikon, University of Natal, University of Zululand and University of Durban-Westville) attended the workshop.

3. Welcome and Introduction – Jane Kabaki (CHET)

Jane Kabaki welcomed participants and especially the two guest speakers, Dr John Butler-Adam of esATI, the regional consortium of higher education institutions, and Mr Loyisa Mbabane, Managing Director of the Economic Development Agency. In contextualising the objectives of the workshop (see above) she remarked that Human Resource practitioners faced critical challenges in responding adequately to the multiple demands of a new global world order. As an organisation, CHET was actively exploring the multiple facets of how best higher education could integrate itself into the global order in ways that are proactive, constructive and enhancing of democratic practices. The seminar series conducted nation-wide by Manuel Castells during June and July 2000, and hosted by CHET were part of that exploration, and Ms Kabaki drew attention to the very heavy responsibility placed on higher education by Castells. For Castells, higher education can be regarded as one of the key 'power sources for the knowledge that will provide the electricity for the engine of development'. In the context of these complex demands, higher education institutions should meet their own and the broader society's human resource needs in less hierarchical, more flexible, and cost-effective ways that avoid the duplication of efforts. She exhorted participants to identify the key challenges, issues and successes of current HR practice.

4. Keynote Address: “View from the Region” (Dr John Butler-Adam, esATI)

The address was composed of three parts: an overview of the main esATI projects that have HR consequences, a broad view of the regional HR picture, and the challenge of (and to) change.

4.1 esATI Projects

Dr Butler-Adam stated that despite the fact that the regional consortia had little authority and depended on the goodwill of the participating institutions and their Vice-Chancellors, esATI had succeeded in delivering significant benefits to the institutions and to their students. In this regard he mentioned six key projects.

- **The Central Applications Office (CAO)**

The CAO enabled students to make applications for entry into the higher education institutions of the region using only one form and paying one fee. Institutions had access to a rich database of applications and student choices, and opportunities for follow-up. Initial software problems, that had created considerable difficulties last year, had been sorted out and the system was running smoothly. It also provided an invaluable pilot project for a national system.

- **Eastern Seaboard Association of Libraries (esAL)**

The esAL project had enabled the rationalisation of expensive resources amongst the institutions in the region such as the purchasing of journals, and with funding from the Mellon Foundation, was working towards the creation of a single virtual catalogue. It had also greatly enhanced the speed and convenience of inter-library loans.

- **Public Health Initiative (PHI)**

The Public Health Initiative had achieved a national first in putting together a joint academic qualification endorsed by all six participating institutions and approved by the DoE, SAQA and the CHE. Governed by common rules that would be published, in future, in the calendars of all the institutions, it also ran Summer and Winter Schools for students.

- **Energy Project**

This project required an inter-institutional effort at all levels and provided research and development opportunities for staff and students while effecting major savings for institutions through the efficient management of their energy usage.

- **Information Technology (IT)**

At a national level, esATI's participation in the Network of Executive Directors of Academic Consortia (NEDAC) has contributed to the setting up of the service provider TENET and to a huge reduction in the cost of band width to academic institutions. Within the region, a register is being built up that indicates the location of IT expertise across the institutions, and areas of deficit. The IT working group was addressing issues such as what functions could be outsourced, where there were specialisation gaps, and what could be dealt with across institutions.

- **International Linkages**

This project has run exchange programmes in the areas of nursing and criminal justice, short student visits to the University of Tubingen through a scholarship programme and other staff development projects with funders like AUS AID such as “Women in Frontline Management”.

The overall lessons learnt from these projects are that co-operation is possible, that there are nonetheless obstacles of resistance and territoriality, but that the shifting realities of the present require changes in mind-sets and paradigms. What this also suggests is that HR departments in institutions need to adopt more flexible practices and processes to accommodate the forms of co-operation that will, in all likelihood, be an increasingly prominent part of the future scene.

4.2 Staff in the KZN region

In this part of his address, Dr Butler-Adam offered a few ‘snapshots’ of the human resource situation in the HE institutions of the region. The three technikons and three universities have an enrolment of just under 60 000 students (about 20% of all SA HE students), while another 30 000 students in the region were registered at TSA and UNISA. The institutions had total operating budgets last year of just over R13 billion with salary budgets of R7 billion. This meant a mean package value per staff member of about R105 000 pa. In relation to the general levels of income and education for the region as a whole, staff in this sector are both highly educated and well paid.

Further statistics revealed that race and gender discrepancies amongst HE staff are still marked, with gender discrepancies even more intense when tabulated across race and rank. The age structure of staff was not known but should be investigated. There is also a high level of mobility across institutions and it appeared that recruitment of staff was becoming increasingly difficult.

General observations were that staff in this sector constituted a privileged group with no room for complacency in relation to race and gender.

4.3 The challenge of (and to) change

In this section of the address, Human Resource managers were seen as occupying a critical position right now. They needed to provide leadership in the context of three key areas that demanded responsive HR functioning. These were identified as:

- a) The context of new legislation – the Basic Conditions of Employment Act, the Employment Equity Act, the Skills Act and the development imperatives that these imply.
- b) The context of new policy and its implementation – the White Paper, the recommendations of the CHE size and shape task team, and the responses to it of the institutions (at least partly captured in the SAUVCA consensual position). In this context HR managers needed to prepare their staff for the coming changes that would almost certainly include some forms of combination and the demand that HE institutions look beyond narrow institutional interests to meet the broad human resource needs of the region and the nation. Some of the demands would be to engage in joint efforts to develop common principles, share resources and recruit quality staff. Providing better staff and better graduates would be two of the goals of developing better HR skills.
- c) The implications for HE institutions of scarce resources, privatisation and globalisation that include increased competition with other sectors (government, commerce and industry) as well as with the growing private HE sector. In global conditions, retaining and recruiting staff becomes increasingly difficult – private providers will not only compete for students but will steal staff.

What this demanded was that HR Departments, in addition to their traditional roles, had to take on developmental and change management roles. Change was always complex,

involving a combination of political pressure, policy initiation and planning practice. Poor management of change would produce the negative consequences of discontent, fear and low morale. What was needed was to know where we are going and to work steadily and collectively towards it.

In discussion, questions were raised as to whether the DoE gave financial support to regional initiatives. The response was that they received no financial and little moral support because the DoE was reluctant to be seen taking institutional sides. What was desirable was that the capacity of the consortia to deliver should be recognised and effect should be given to the HE Act that allowed the Minister to give funding to regional consortia and to reward institutions for co-operating.

5. Workplace Issues and Challenges - small group discussions

At this point in the workshop, facilitator Donovan Nadison of CHET organised the delegates into two groups to focus on **the benchmarking of HR principles and practices within the HE sector**, an issue that had been raised for the agenda by individual institutions.

The response of the first group was to argue, in the first instance, for the difference between the tertiary sector and corporate SA. Unlike the business sector, the higher education sector was not profit-generating, and therefore required different approaches to the implementation of equity planning and the monitoring of processes. The forms generated by the Department of Labour and the work required were inappropriate to this sector, as aside from anything else, they do not take into account that the student base (on which equity programmes depend for their funding) is not increasing. A vibrant HR development programme is essential, but it requires an adequate funding base.

The second point raised was the need to incorporate diversity issues (including race) in Human Resource planning and practice. Looking beyond the immediate horizons of the institutions, it was important to respond to the human resource development needs of the nation through the shaping of academic offerings.

Finally, questions were raised as to the best policies to adopt in a situation of institutional mergers that could call for the retrenchment of staff. "Last in, first out" (LIFO) was an inadequate policy, particularly as it prejudiced newly appointed black African members of staff and could be seen to contradict the promotion of equity.

The second group argued for greater co-operation in the development of best practices in the region. Countering the position adopted by the first group, this group argued that too great an emphasis on the *difference* of HE institutions, on being unique, could in fact compromise best practice and lead to different (and possibly prejudicial) practices for different employment sectors within the HE institutions.

The practice of self-evaluation was seen as a cornerstone of quality and should be encouraged, perhaps even taught, at both individual and institutional levels.

6. An Outsider View of Procurement, Institutional Culture and the Management of Diversity – Loyisa Mbabane, Economic Justice Agency

In a provocative attack on the general practice of human resource management in South Africa, Mr Mbabane claimed that the kind of legislative intervention represented by the Employment Equity Act and other regulatory laws was an indictment of past human resource practice. Such

intervention would have been unnecessary if HR managers had operated effectively to create the broad skills-base required for the development of the South African economy.

Mr Mbabane briefly traced the history of the present legislative framework from the setting up of appropriate institutions and organisations in the early nineties, to the generation of policies directed at human resource transformation and development, to their embodiment in law. The focus of the present was on the implementation of those policies to achieve broad economic empowerment through mechanisms such as share-ownership, tendering and sub-contracting.

Mr Mbabane challenged the participants to stop hiding behind ideas of the 'uniqueness' of the HE sector. Instead they should be providing leadership to the private sector through their innovative and transformative practices that should lead to both the development of skills and the economic empowerment of people. Skills-development was not just a matter of increasing intellectual capital – it had a knock-on effect of creating wealth through economic empowerment. HR managers should create the conditions for both the development of employees and the opportunities for their empowerment. One possibility was to allow certain sectors of the institutions, sectors that were not at the core of their function, to run as independent businesses owned by the employees.

One of the key mechanisms for achieving equity was to develop good policies around purchasing and procurement, guided by the Equity Act and the Preferential Procurement Framework Act (5 of 2000). The entire process of tendering and procurement and the boards and councils that awarded tenders needed to be democratised. Public money must be spent in accountable ways, and in the evaluation of tenders it should not only be cost or price that determined the award of contracts. The 14-point plan devised by the Department of Public Works provided a good guide to the interrogation of tenders, asking questions such as: who owns the business? Who manages it and makes the real decisions? How many people will be employed? and so on. Tender boards may well be replaced soon by a National Procurement Council that will monitor who is giving work to whom.

In discussion, the point was made that national purchasing consortia were largely driven by financial considerations and efficiency and not by a concern for equity. In response Mr Mbabane there should be no trade off of equity and efficiency – equity should be the allocating of efficiency to a wider base. The equation of equity with outsourcing was challenged by another participant who drew attention to the complex dimensions of sourcing – including re-sourcing and in-sourcing.

Another participant questioned whether the recruitment function of HR departments should be outsourced as institutions seemed to be losing as many people as they gained. Perhaps esATI could play a role in this regard? The observation was made that staff often left because after their appointment, they were left to their own devices in what was often an alienating institutional culture, and that HR departments had a responsibility to follow up appointments. The response to this was that greater retention of staff should be the outcome of HR interventions to create better environments, better conditions and better prospects for employees. This would work to counter what has become known as 'affirmative auction' where staff simply respond to the highest bidder.

Further points were made that codes of practice around HIV and disability should be implemented at all levels.

7. Key Areas – small group discussions

Donovan Nadison summed up progress so far and identified four key areas for small group discussion. These were 1) regional good practice, 2) mergers, 3) diversity and 4) procurement. The following ideas were advanced:

7.1 Regional good practice

The major challenges identified were the need to build on institutional and regional resources, and by so doing, avoid duplication of effort, such as attempts to draw up measures to comply with legislation. Best practice should reinforce collaboration across institutions and build trust.

To raise human resource practices to a higher level, it was necessary to draw all administrative and academic staff concerned with development issues (HR, student recruitment, academic development, equity committees) into collaborative strategies within institutions and then across the region.

Issues to take to the National Workshop:

- **The need to break down institutional territoriality**
- **The need to develop codes of practice around staff recruitment** (Institutions were often competing for staff from the same pool.)

7.2 Mergers

In the situation of the merging of institutions such as the current merging of the KZN technikons, major challenges were:

- The possibilities of retrenchment
- Equity issues
- Possible loss of skills
- The integration of different institutional cultures

Best practice in these circumstances would be to engage in a major exercise of multi-skilling and re-skilling of staff. A core Resourcing Committee that combined HR, Finance and Planning staff should be established to assess the needs of the merged institutions. Next steps should include reviving the regional HR network, identifying and prioritising regional problems and drawing up action plans.

Issues to take to the National Workshop:

- **The KZN experience of merging the technikons should be explored at the workshop and used as a case study to inform the national size and shape debate.**

7.3 Procurement

The main challenges identified here were to understand the demands of current and forthcoming legislation, and combine the efforts of HR, Finance Departments and Equity Committees to develop appropriate policies and practice.

Institutions should examine their current policies and aim to develop uniform policies driven by a regional network. One possible strategy would be to create a regional purchasing consortium as a way of developing best practice for the region.

Issues to take to the National Workshop:

- **How best to develop uniform purchasing and procurement policies and practices across the region.**

7.4 Diversity

The major challenge here was how to overcome resistance to change. HR practitioners should work collaboratively to find solutions by sharing information, resources, activities and successful strategies. The objective was to acknowledge, respect and celebrate diversity. Strategies needed to be devised to drive the accommodation of diversity from above.

Issues to take to the National Workshop:

- **How best to manage diversity.**

8. Conclusion

Donovan Nadison thanked speakers and participants for their time and efforts, and reminded them that the National Workshop would take place in Gauteng from 5-7 November. While planning was still underway, it was hoped to have keynote addresses from two international and two national speakers.

Aside from the issues raised at the regional workshops, the agenda would include looking at institutional equity plans, regional HR strategies and HR best practice.