

CHAPTER FOUR

MERGERS AND INCORPORATION OF HIGHER EDUCATIONAL INSTITUTIONS IN SOUTH AFRICA

4.1 INTRODUCTION

In this chapter, questions five, six and seven of the research questions are addressed, namely: what are the government's objectives for the mergers and incorporation of higher educational institutions, and how did the mergers and incorporation processes take place in selected higher educational institutions, namely University of Pretoria, Tshwane University of Technology and the University of Kwa-Zulu Natal; what are the implications of the mergers and incorporation for higher educational institutions; and what problems have or could result from government intervention in higher education? These questions were addressed by examining the national policy objectives for the mergers and incorporation, reaction of higher educational institutions to the process and an in depth look at how the processes were executed in selected higher educational institutions.

A merger is the creation of a new institution out of two or more separate institutions, with the development of new rules, regulations, institutional cultures and academic programmes for the new institution. In other words, the legal personalities of the original institutions disappear while a new institution with one legal entity is created. This is a much more complicated exercise than the process of incorporation. In this case, the legal personality of the incorporating institution remains intact, with the incorporated institution simply becoming part of it. The rules, regulations and academic programmes of the incorporating institution as existing legal entity may continue as usual, while the incorporated institution is aligned to integrate into the larger institution.

The reasons given by the government for the mergers and incorporation, supported by policies such as the *National Plan for Higher Education, 2001* and the *White Paper on Higher Education, 1997*, include the need firstly to overcome the imbalances in the former system of education; secondly to promote efficiency and effectiveness, in order to meet the needs of a developing economy; and thirdly to reduce overlap and duplications in academic programmes in order to ensure efficient and effective use of resources.

Higher educational institutions across the country reacted differently to the mergers and incorporation processes. While a number of higher institutions recognised the need for these processes, others did not support them and would have preferred to remain as they were. However, as soon as the government decided to implement the merger and incorporation processes, all higher educational institutions had to comply with these national directives and ensure their success. The reasons for the initial reluctance ranged from fear that mergers and incorporation would lead to lowered academic standards, and previously disadvantaged institutions being dominated by formerly advantaged institutions. To allay these fears, the Department of Education took steps to ensure that necessary mechanisms and processes were established to assist institutions in implementing these changes.

The Mamelodi Campus of Vista University was incorporated into the University of Pretoria on 2 January 2004. The incorporation process automatically makes the staff and students of the Mamelodi Campus part of the University of Pretoria, subject to the rules and regulations of the University of Pretoria. The incorporation process also meant that the assets, liabilities, rights and obligations of Vista Mamelodi Campus were transferred to the University of Pretoria in a manner agreed upon by the Councils of the two institutions, or as determined by the Education Minister if the two institutions were not able to reach a consensus. The incorporation process proceeded in several phases. The Councils and management structures of the two institutions entered into a Memorandum of

Understanding (MOU) aimed at ensuring adequate cooperation between these institutions during the incorporation process. As soon as the MOU had fulfilled its mandate, the two institutions entered into a Memorandum of Agreement, a guiding principle for the processes of incorporation. The incorporation process meant the reorganisation of the financial and administrative structures of Vista Mamelodi Campus and the reorganisation of its academic programmes, human resources and conditions of service, library and information systems.

Tshwane University of Technology (TUT) emerged on 1 January 2004 from the merger between Technikon Pretoria, Technikon Northern Gauteng (TNG) and Technikon North West (TNW). TUT is the largest university of technology in South Africa, with a student population of about 63 000, 5000 staff members and sites in Pretoria, Shoshanguve, Garankuwa, Mpumalanga Province and the Northern Province. Prior to the merger process, the Minister of Education requested the three institutions to motivate for the official seat of the new institution. Each of them wanted their institution to be the preferred seat. The motivations given by TNG and TNW hinged on the fact that locating the new seat in their institutions would ensure a speedy transformation from underdeveloped to developed campuses able to meet the developmental challenges of their areas and the country as a whole. Technikon Pretoria's motivation, however, hinged on the fact that it was already well placed in terms of its high level of development and adequate infrastructure, proximity to Pretoria's central business district, good road and transport networks, strong academic leadership, research and development potential and safety for visitors, staff and students. Technikon Pretoria was chosen as the seat of the new university.

The merger process was conducted in various stages. In the interim phase, an interim council and management structure were appointed. The interim management structure was responsible for ensuring that all the activities needed for the effective functioning of the new institution were optimally integrated. Merger teams were appointed to ensure a transparent merger process, effective

communication and the involvement of affected stakeholders, namely the Interim Council, Interim Transitional Council, Joint Merger Teams, Institutional Merger Teams, Joint specialised Teams and Subworking Groups.

The three institutions entered into a Memorandum of Agreement that provided a framework for the merger process, ensured cooperation between the merged institutions prior to the merger date and protected the organisational and operational integrity of the envisaged single university through the various operational decisions that the merging institutions took during that period.

The institutions merged to form the University of Kwa-Zulu Natal were the former University of Natal and the University of Durban Westville. The former University of Natal had a number of campuses, namely Howard College, Mandela Medical School Campus, Edgewood Campus and Pietermarisburg Campus. During the apartheid era, Howard College was a traditionally white higher institution; Edgewood campus focused mainly on education and teacher training; Durban Westville, with a strong Indian orientation, offered an array of programmes in the arts and sciences; and the Pietermaritzburg Campus, which offered programmes in the humanities, was famous for its programmes in environmental, physical and agricultural sciences (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April, 2005).

The Pietermarisburg Campus, an arm of the former University of Natal, 80 kilometres away from Durban, was almost a fully fledged university in its own right as it was larger than the Westville Campus. As a result of its size, management in the former University of Natal considered it difficult to manage. Prior to the merger process, the Pietermarisburg campus practically ran itself as an autonomous entity, since it had a sufficient number of students to justify this. Although the former University of Natal was larger than Pietermarisburg Campus, there was a lot of strong academic activity at the Pietermarisburg Campus.

A joint merger task team was set up, consisting of the executives of the two institutions. In line with the Department of Education's guidelines, a Memorandum of Agreement (MOA) was drafted by the Joint Merger Office. The MOA made provisions for the effective functioning of the new institution by the merger date, by ensuring firstly that adequate organisational and management structures were in place, secondly that clear lines of responsibilities existed during the transitional phase, thirdly that there was no leadership vacuum, and finally that all the campuses had stable and united outlook.

4.2 NATIONAL POLICY OBJECTIVES FOR THE MERGERS AND INCORPORATION

The merger and incorporation policy is underpinned by a number of reasons, found in various pieces of legislation such as the *National Plan for Higher Education, 2001*, the *White Paper on Higher Education, 1997*, and other relevant government policies. These reasons, some of which were alluded to in chapter three, include:

- overcoming the fragmentation created in the higher education system by apartheid policy makers; this means bridging the gap between institutions perceived as historically white and those perceived as historically black, and by so doing promoting equity in relation to staff and students;
- promoting efficiency and effectiveness in higher education management and administration;
- strengthening of the academic nature of institutions;
- making institutions more responsible in terms of regional imperatives and developmental needs;
- promoting the sharing of expertise among higher institutions and experts;

- reducing overlap and duplications in academic programmes and, as a result, ensuring efficient and effective use of resources;
- consolidating academic programmes so as to enable students to take a wider range of academic courses; and
- consolidating existing academic programmes so as to produce a variety of programmes that meet national and regional needs.

These reasons, in the final analysis, all stem from a quest to create higher institutions that are more resilient, stronger and “able to offer their students high quality academic programmes and enhanced opportunities for success in South Africa as a whole” (University of Pretoria, 2003b: 7).

4.3 REACTIONS OF HIGHER INSTITUTIONS TO THE MERGER AND INCORPORATION PROCESSES

The reaction of institutions to the mergers and incorporation varies across the higher education sector. Some institutions recognise that the mergers and incorporation have to take place in order to develop a sustainable higher education system. Others, however, did not support the mergers and incorporation and would have preferred not to be merged or incorporated. However, as soon as the government took the decision implement the mergers and incorporation, the attitude of higher institutions became a determination to make the process work.

Some previously advantaged institutions feared being merged with previously disadvantaged institutions, and considered the process problematic. Some of the historically black institutions were also opposed to the mergers for the following reasons:

- fear of being dominated by formerly white institutions;

- fear of retrenchment;
- concern that the process would be costly and institutions would have to bear the financial burden; and
- concern as to whether the institutions themselves had the capacity to implement the mergers or incorporation as they did not have prior experience in such change management processes (Interview, Chief Director: Merger Unit, Department of Education, 12 April 2005).

To allay these fears, the Department of Education ensured that the necessary mechanisms and processes were in place to assist institutions in implementing these changes. The government committed itself to providing financial support for the mergers and incorporation. An amount of R3 billion was set aside by the National Treasury for the restructuring process. Half of this was intended to recapitalise institutions that were undercapitalized, to allay fears about merging institutions of unequal financial standing leaving stronger institutions bearing the debt burden of institutions that were not financially sound. The government therefore committed itself to avoiding such financial complications. This resulted in the establishment of a merger unit in the Department of Education. The unit consists of people with expertise in a range of areas, including human resources, finance, ICT, governance and management, academic training, student support and legal matters. The role of the merger unit is basically to provide support and assistance and to monitor institutions that are implementing the merger and incorporation processes (Interview, Chief Director: Merger Unit, Department of Education, 12 April 2005).

4.4 UNIVERSITY OF PRETORIA

4.4.1 Introductory Paragraph

The Mamelodi Campus of Vista University was incorporated into the University of Pretoria on 2 January 2004. The incorporation process automatically makes the staff and students of the Mamelodi Campus part of the University of Pretoria and subject to the rules and regulations of that university. The incorporation process also meant that the assets, liabilities, rights and obligations of Vista Mamelodi Campus are transferred to the University of Pretoria in a manner agreed upon by the Councils of the two institutions, or as determined by the Education Minister if the two institutions are not able to reach a consensus. The incorporation process proceeded in various phases. The Councils and management structures of the two institutions entered into a Memorandum of Understanding to ensure adequate cooperation between these institutions during the incorporation process. As soon as the MOU had fulfilled its mandate, the two institutions entered into a Memorandum of Agreement, the guiding principle for the process of incorporation. The incorporation process meant the reorganisation of the financial and administrative structures of Vista Mamelodi Campus, and of its academic programmes, human resources and conditions of service and library and information systems.

4.4.2 Incorporation of the Mamelodi Campus of Vista University into the University of Pretoria

The changes the University of Pretoria has experienced in the last few years with regard to its student profile have resulted in the transformation of the university from a predominantly white Afrikaans institution to a national university that provides access to qualified students of all races.

The Vista Mamelodi Campus, which was one of several campuses of Vista University, was incorporated into the University of Pretoria on 2 January 2004, and as a result, now falls under the governance structure of the latter. As a result of the incorporation, all Vista Mamelodi Campus students automatically become University of Pretoria students, subject to the general regulations and rules of the University of Pretoria. Apart from the national reasons given for the incorporation and merger processes, a reason given for this specific incorporation of the Mamelodi Campus into the University of Pretoria is geographical. The Mamelodi Campus is in close proximity to the University of Pretoria.

The incorporation process happened in various phases. The Department of Education's Guidelines for Mergers and Incorporation served as the basis for the two institution's management, planning and monitoring of the process of incorporation (University of Pretoria, 2003(f): 3). The incorporation of Vista into the University of Pretoria did not affect the legal personality of the University of Pretoria. The aim of the incorporation of a subdivision of another higher institution, according to the *Higher Education Act, 1997* (Act 101 of 1997: section 1) is "...to make an identified subdivision, faculty, school, department, section or component of a public institution for higher education or education institution part of another public higher education institution while the latter institution's legal personality is not affected by the incorporation" (University of Pretoria, 2003(e): 2).

4.4.3 How do Higher Education Institutions feel about the Incorporation?

There were mixed reactions from institutions concerned with the incorporation process. For instance, Vista was afraid that it would be swallowed up by the University of Pretoria, which felt that the incorporation was a directive from the national government which had to be carried out. It had to be done and the focus from the start was to do it as properly as possible to make it a well managed and

successful process. Once it was clear that the incorporation had to take place, apart from the fact that it was an extra burden that required extra work from staff members, there was no real negativity on the part of the University of Pretoria personnel (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria: 14 April 2005).

The incorporation of Vista Mamelodi Campus into the University of Pretoria brings with it a number of positive effects for the staff and students of Vista Mamelodi Campus. This is because the target market of Vista Mamelodi Campus and even Vista University as a whole was black students from all over the country and as far away as Botswana, Namibia and Malawi, especially indigent students, unable to pay the costs of higher education at some of the previously advantaged universities. The fact that most Vista Mamelodi Campus students are poor is evident in the following ways:

- Vista Mamelodi students do not pay their registrations fees in full until much later in the year when they have been able to save;
- these students sometimes take breaks of a year or two from their studies in order to earn sufficient money to complete of their studies;
- students often protest any fee increase;
- students rent accommodation from members of the Mamelodi community since Vista had no student residences; and
- members of the Student Representative Council receive rebate on tuition fees, as an incentive for students to seek election to the student governance structure (University of Pretoria, 2003(e): 16).

4.4.4 The Incorporation Process

A number of Vista Mamelodi Campus role players were represented on the governance structures of the University of Pretoria to smooth the material

incorporation of the Mamelodi Campus of Vista University into the University of Pretoria. This management structure was aligned with and integrated with the University of Pretoria's Management structure (University of Pretoria, 2003 (e): 2).

As a result of the incorporation process, a number of issues had to be addressed. Working groups from the two institutions were established around core themes and they met on numerous occasions to work out the details of the incorporation process, in line with the guidelines and regulations provided by the Department of Education and its Minister. The information they gathered was also the basis for the *Memorandum of Understanding* (MOU) that was drawn up to guide the incorporation process. A Central Incorporation Committee, made up of three representatives from each institution, was established to lead the process and monitor the activities of the working groups (University of Pretoria, 2003(a): 6). The Committee was also responsible for institutional coordination, integration, facilitation of the incorporation process, as well as for making recommendations to the Councils and top management of both institutions. This committee, on the basis of the reports it received from task teams, advised the Councils of the two institutions as to how to comply with the provisions of the *Higher Education Act, 1997* (Act 101 of 1997: Section 24), on issues relating to the assets, liabilities, rights and obligations of the subdivision concerned (University of Pretoria, 2003 (f): 6).

4.4.5 Memorandum of Understanding (MOU)

The Memorandum of Understanding (MOU) is a joint understanding between the Councils of the two institutions, including their management structures (University of Pretoria, 2003 (f): 1). Its aim is to ensure adequate cooperation between the two institutions during the incorporation process and that decisions do not adversely impact on the operational and organisational integrity of the two

institutions. The MOU dealt with issues such as effective communication, transparency, appointment of personnel, full disclosure of information, renewal of service contracts, participation and inclusion of all stakeholders (University of Pretoria, 2003(a): 3).

The discussion groups that were constituted prior to the incorporation process enabled the two institutions to deal with problems that could have made the process complicated. For instance, as a result of these initial discussions, the University of Pretoria agreed to let some of the programmes at the Mamelodi Campus to run their course, since the pipeline students follow the Vista programme. The University of Pretoria decided to discontinue some other programmes that were seen as not economically viable. Also, new programmes to commence in 2005 were designed for the new institution. Any student that wished to study a programme outside those offered at Vista Mamelodi Campus were advised to apply to the main campus in Pretoria which has a larger student body and, as a result, is more economically sustainable (Interview, Vice Principal, University of Pretoria, 29 April 2005).

4.4.6 Memorandum of Agreement

In 2003, top management at the two institutions decided that the Memorandum of Understanding (MOU), as the guiding document for the incorporation, had fulfilled its mandate and that a Memorandum of Agreement (MOA) was now needed to guide the process. The two institutions agreed to establish suitable management structures at the Mamelodi Campus to carry out daily operation and management. They also agreed to follow the ordinary human resource processes of the University of Pretoria to appoint suitable candidates (University of Pretoria, 2003 (c): 6). Students who were registered at the Mamelodi Campus at the time of the incorporation (pipeline students) were allowed to complete their studies

within a specified period, under the Vista University regulations (University of Pretoria, 2003(e): 19-20).

One of the consequences of the incorporation of Vista Mamelodi Campus into the University of Pretoria is that the assets, liabilities, rights and obligations of Vista Mamelodi Campus are transferred to the University of Pretoria as agreed upon by the Councils of the two institutions or in a manner determined by the Minister of Education, should the two institutions fail to reach an agreement (South Africa, 1997(b): section 24 (2)) The parties agreed that all agreements lawfully entered into by Vista Mamelodi Campus would be accepted as having been entered into by the University of Pretoria. However, should any agreement not have been made fully known to the University of Pretoria, “such debts will be for the account of Vista University, its legal successor in title or the Department of Education if there is no legal successor” (University of Pretoria, 2003 (c): 7).

4.4.7 Financial and Administrative Reorganisation

The financial administration of the Mamelodi Campus was incorporated into the University of Pretoria's financial system and procedures from 1 January 2004. These systems and procedures, as a matter of necessity, had to ensure that the staff, student and finances' administrative systems were fully operational at the Mamelodi Campus by the merger date. The process involved some expenses at the Mamelodi Campus. For instance, funds were needed to upgrade the computer infrastructure, for “linkage with the University of Pretoria's mainframe computer and provision of several computer workstations to facilitate decentralised financial operations” (University of Pretoria, 2003(d): 13).

4.4.8 Transfer of Vista Funds to the University of Pretoria

On the date of incorporation, the following Vista funds were paid over to the University of Pretoria:

- current employees pension and provident funds;
- current employees accumulated medical benefits;
- funds related to conditions of service, namely personal loans and group life;
- accumulated funds relating to current employees accumulated leave; and
- all agency funds associated with National Student Financial Aid, research contracts and National Research Foundation (University of Pretoria, 2003(c): Annexure B).

4.4.9 Academic Programmes

In 2003, the Mamelodi Campus of Vista University had 16 postgraduate programmes with 147 enrolments. Less than five students were enrolled in nine of the postgraduate programmes. As a result, some of these programmes were phased out and students registered for these programmes had to re-register as University of Pretoria students. The University of Pretoria's student database, however, reflects these students as following the programme and curriculum of the Mamelodi Campus of Vista University, and in this way they can be identified until they either complete their studies or withdraw from the programme. If they successfully complete their studies, they will receive certificates from the University of Pretoria with an inscription to the effect that the students followed the Mamelodi programme and curriculum. New postgraduate students, however, have to register with the University of Pretoria where they have to meet its admission requirements. In 2004, an exception was made for B Psych and MA

CW post-graduate programmes for which the Vista admission requirements and regulations applied (University of Pretoria, 2003(c), Annexure D: 10 & 13).

4.4.10 Human Resources and Conditions of Service

The incorporation process is not meant to deprive employees of their jobs. The *Higher Education Act, 1997* (Act 101 of 1997: Section 23) prescribes transitional arrangements for staff members, which provide for the transfer of Vista Mamelodi Campus staff members to the University of Pretoria staff with their existing conditions of service. Contracts of employment, according to the Act, "...are automatically transferred to the merged single public higher education institution as from the date of the merger". The Act, however, further provides that, since the salary structures of higher institutions are not necessarily the same, after the incorporation, any changes in remuneration packages of Mamelodi Campus staff members would be resolved in line with the provisions of the *Labour Relations Act, 1995* (Act 66 of 1995).

4.4.11 Library and Information Systems

The importance of the Academic Information Service (AIS) Library at the University of Pretoria to the university community in terms of the support it provides to the core business of higher education in teaching, research and learning is considerable, and its range of services is vast. The information technology systems of the AIS are complex, and use a different classification systems than do the Mamelodi systems. The system at Vista Mamelodi Campus had to be changed to the University of Pretoria's classification system. The incorporation of the AIS of Vista Mamelodi with that of the University of Pretoria was achieved by a specially designed Task Team as "...not just simply the absorption of one library by another, but ... as an opportunity for implementing

new services and initiatives in line with the needs of all clients of the AIS” (University of Pretoria, 2003(c): 63).

4.4.12 Dispute Resolution

The parties agreed to resolve all disputes that result from the incorporation process. They agreed to refer all unresolved disputes to the Central Incorporation Committee (CIC) for resolution, and, should the CIC be unable to resolve the same dispute, to the Joint Management Committee (JMC). If these two bodies both failed to reach an agreement, the disputes were referred to the Vice-Chancellors of the respective institution for resolution. If the Vice Chancellor were unable to resolve a dispute, it was “referred to the Councils of the respective institutions for their consideration with a view to resolve the dispute” (University of Pretoria, 2003 (f): 7-8).

4.4.13 Concluding Paragraph

The incorporation process led to the transfer of the assets, liabilities, rights and obligations of Vista Mamelodi Campus to the University of Pretoria, and the disappearance of Vista Mamelodi Campus as an entity. Vista funds were paid over to the University of Pretoria on the incorporation date. The two institutions agreed to work closely together and to refer unresolved disputes to the Central Incorporation Committee (CIC), to the Joint Management Committee (JMC) should the CIC fail to resolve the dispute, or to the Vice Chancellors of these institutions if the CIC and JMC were not able to resolve it. And if the Vice Chancellors failed to resolve a dispute, it would pass to the Councils of the two institutions for resolution.

4.5 TSHWANE UNIVERSITY OF TECHNOLOGY

4.5.1 Introductory Paragraph

Tshwane University of Technology (TUT) emerged on 1 January 2004 from the merger between Technikon Pretoria, Technikon Northern Gauteng (TNG) and Technikon North West (TNW). TUT is the largest university of technology in South Africa, with a student population of 63 000, 5000 staff members and sites in Pretoria, Shoshanguve, Garankuwa, Mpumalanga Province and the Northern Province. Prior to the merger process, the Minister of Education requested the three institutions to motivate for the official seat of the new institution, and each of them wanted their institutions to be the preferred seat. TNG and TNW claimed that locating the new seat at their institutions would ensure their speedy transformation from underdeveloped to developed campuses able to meet the developmental challenges of their areas and the country as a whole. Technikon Pretoria's motivation, however, stressed that it was already well placed in terms of its high level of development, adequate infrastructure, proximity to Pretoria's central business district, good road and transport networks, strong academic leadership, excellent research and development potential and safety for visitors, staff and students. Technikon Pretoria was chosen as the new seat for Tshwane University of Technology.

The merger process was conducted in various stages. In the interim phase, an interim council and an interim management structure were appointed. The interim management structure integrated all the activities needed for the effective functioning of the new institution. Merger teams were appointed to ensure a transparent process, effective communication and the involvement of affected stakeholders, namely the interim council, interim transitional council, joint merger teams, institutional merger teams, joint specialised teams and subworking groups.

The three institutions entered into a Memorandum of Agreement that provided a framework for the merger process, that ensured cooperation between the merged institutions prior to the merger date and that ensured that the organisational and operational integrity of envisaged single university were not affected by the operational decisions that the merging institutions took during that period.

4.5.2 The Merger between Technikon Pretoria, Technikon Northern Gauteng and Technikon North West

A university of technology plays a vital role in the economic success of a country by producing technologically literate and skilled people. The aim of Tshwane University of Technology (TUT) is to be a leader in technological innovation and transfer of technology, and in effect, contribute to job creation, economic development and enhancing institutional resources. Tshwane University of Technology (TUT) came into existence as a result of the merging of the following institutions: Technikon Pretoria, Technikon Northern Gauteng (TNG) and Technikon Northwest (TNW). The seat of management is located at the Pretoria Campus. TUT is currently the largest university of technology in South Africa, with 63 000 students, about 5000 permanent and temporary staff members, and sites in Pretoria, Garankuwa, Shoshanguve, Mpumalanga and Northern Province (Tshwane University of Technology, 2004(a): 3&9).

4.5.3 Determining the Official Address (Seat) of the New Institution

The three institutions were asked by the Education Minister to motivate for the new institution's preferred location. They were also required, by the end of June 2003, to suggest to the Education Minister a new name for the institution, a date of establishment, and nominations for appointment to the Interim Council. These suggestions were submitted after a lengthy process of consultation.

The Minister of Education gave criteria for the location of the seat; the new institution was to be located close to a central business district so that staff and students could have easy access to the city centre. Furthermore, the Minister said that the choice should be informed by the five policy goals and strategic objectives set out by the *National Plan for Higher Education, 2001* as necessary for achieving the overall goal of transforming the higher education landscape (Tshwane University of Technology, 2004(b): Annexure B: 1).

The three institutions initially resisted the merger for various reasons. Technikon Pretoria argued that it was much bigger than Technikon Northern Gauteng (TNG) and Technikon North West (TNW), and had a better infrastructural endowment; it had about 30 000 students, while TNG only had about 12 000 students and TNW about 4 000 students. Technikon Pretoria's resistance to the merger also hinged on the fact that it had already moved towards the concept of a university of technology. It was already offering a variety of Masters and Doctoral degrees, and its research and development programmes were more developed than the processes within TNW and TNG. Technikon Pretoria claimed to exceed the research output of TNW and TNG by more than 90% and that it had transformed in line with many of the objectives of government. Technikon Pretoria further saw itself as ahead in the development of academic programmes, as the leader of the Technikon fraternity (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The Councils of the three institutions were, however, informed in the Minister of Education's letter on 9 December 2003, that the merger would continue. The institutions eventually agreed to take part in the merger process, in order to comply with the national objective of transforming and restructuring the system of higher education in the country so as to meet the research and human resource needs of the country. The institutions signed a Memorandum of Agreement in June 2003 (Tshwane University of Technology, Undated (a): 1).

Each of the three institutions wanted to be the seat of management. They motivated their claims as follows:

4.5.3.1 Motivation by Technikon North West (TNW) and Technikon Northern Gauteng (TNG)

The arguments that Technikon North West and Technikon Northern Gauteng submitted stressed that locating the headquarters in their institutions would bring development to them and speed up the process of redressing the imbalances of the past. TNG and TNW however, eventually agreed among themselves that it did not matter if the new seat was located in either of their institutions. All they wanted was that the seat of management be located in a disadvantaged institution, to ensure equalisation of structures and facilities and also that the surrounding townships were uplifted faster (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

4.5.3.2 Motivation by Technikon Pretoria

Technikon Pretoria proposed that the seat of the new institution be located at its Rand Campus for the following reasons:

a) Size and Shape of the New Institution

Technikon Rand Campus was the main Campus of Technikon Pretoria. It was the largest of the three institutions in terms of student enrolment, with 74% black students and 45% female. The campus also offered more than 125 Bachelor of Technology (BTech) programmes, 71 Master of Technology (Mtech) programmes and 51 Doctor of Technology (DTech) programmes. The Campus considers itself a leader in higher education, especially as it had a number of faculties and programmes not offered by the two other institutions, including a Faculty of Information and Communications Technology, a Faculty of Health

Sciences and a Faculty of Agriculture, Horticulture and Nature Conservation. The French-South African Technical Institute in Electronics (F'SATIE), a joint initiative between France and South Africa, is located at the Rand Campus. The Rand Campus, out of all the technikons in South Africa, was chosen as the preferred location after a high-level visit, investigation and survey by an international panel. The campus also houses all the support structures necessary for the proper functioning of a seat of higher institution (Tshwane University of Technology, 2004(b): 9-10).

b) Economic Growth and Regional Development Patterns

The high level of expansion and development within the metropolitan area of Tshwane, as well as in Gauteng Province, was also a major advantage. The location of the seat of a new institution needs to consider not only present realities but also prospects for future economic growth and development. The Technikon Pretoria, in particular its Rand Campus, is located within Pretoria's central district, with a good road network and transport connections which enable visitors, staff and students easy access to the Campus (Tshwane University of Technology, 2004(b): 4).

c) Academic Leadership

Technikon Pretoria has an established history of good academic leadership, in terms of curriculum development and application of telematic education, which emphasises the use of technology to enhance learning and teaching. In terms of curriculum development, "Technikon Pretoria's involvement in convenorships is a definite strength. The Technikon is the convenor for 75 of the 237 programmes that are offered by Technikons" (Tshwane University of Technology, 2004(b): 10 & 12).

Technikon Pretoria has academic strengths necessary for the production of graduates with the right competencies and skills to meet South Africa's human resource needs. This is evident in the high number of qualified academics in the institution. The technikon had the highest number of qualified graduates in any South African technikon. At the time of the merger it had more than 55 Professors; about 40% of its staff members had Masters degrees and about 16% had Doctorate Degrees (Tshwane University of Technology, 2004(b): 13).

d) Research and Development (R&D)

Technikon Pretoria developed and promoted several research and development focus areas around themes of particular relevance to the needs and priorities of the country and the region of Southern Africa. These could arguably be said to be the most advanced at any of the country's technikons (Tshwane University of Technology, 2004(b): 14).

e) Access to Students

Since the Campus already caters for students from the Gauteng, Limpopo and Mpumalanga provinces, it was an ideal site for a seat located centrally within Gauteng for easy access to all its stakeholders (staff and students). The campus at the time of the merger had the largest number of students of the three possible sites, and the largest concentration of residences (Tshwane University of Technology, 2004(b): 7-8).

f) Proximity to Position of (State) Power

Geographic considerations are very important in selecting a new seat. The new institution must be positioned as close as possible to the heart of the capital's seat of power, the political power that has an impact on it, and close to businesses and institutions of government, to enhance rapid and adequate

service delivery. Being close to the seat of power also enhances the image of the institution. Technikon Pretoria satisfied this requirement, being situated close to the Union Buildings and other important institutions of government (Tshwane University of Technology, 2004(b): 15-16).

g) Safety of Staff and Students

The safety of staff and students was another consideration put forward. The proximity of staff residences to the seat of the new institution had to be considered. Since Technikon Pretoria was situated around Pretoria's city centre, it could offer "the greatest variety and spectrum of housing options in a radius around it than any alternative site" (Tshwane University of Technology, 2004(b): 16).

4.5.4 Decision on the Seat of the new Institution

Since the three institutions could not agree among themselves on which should become the new seat, the Minister of Education had no choice but to decide on the location of the new headquarters. Technikon Pretoria's Rand Campus was announced as the seat of the new institution from 1 January 2004. The whole of the top management (that is, all the strategic positions – the Vice Chancellor, Deputy Vice Chancellors, administration and finance and strategic planning offices) is currently centralised at the new seat of governance.

4.5.5 The Merger Process

The merger process was executed in a very participative and consultative manner. About 800 people from the three institutions, including students and labour unions, were involved in the pre-merger process. Tshwane University of Technology developed its merger plan in line with the merger guidelines of the

national government (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

Pre-merger activities commenced long before the institutions were actually merged on 1 January 2004. These activities were aimed at determining the state of the three institutions, including the academic programmes on offer, financial processes and procedures, infrastructure and number of staff and students. Groundwork, which led to recommendations for inter-institutional arrangements being made, included audits of various faculty profiles, the identification of duplicate academic programmes, delineation of the functions of student support and of cultural differences within staff and student bodies. A merger plan and schedule of integration were developed as guidelines for the merging institutions to follow. Committees and forums made up of managers, representatives from the Unions and students from the three campuses were also established to assist with the processes of integration. The Committees included the Administrative Integration Committee (AIC), and the Academic Integration and Planning Committee (Tshwane University of Technology, 2005(b): 1).

The interim merger phase witnessed the appointment of the interim council and an interim management structure from 1 January 2004. The interim management structure's main responsibility was to ensure that all the activities necessary for effective functioning of the new institution were effectively integrated (Tshwane University of Technology, 2005(a): 1). The Interim Vice Chancellor was appointed from the staff of Technikon Pretoria, the institution named as the seat of the newly merged higher educational institution.

4.5.6 Structure and Composition of Merger Teams

In order to realise the rationale and philosophy of the merger, the following teams, each with their own unique brief, were established to ensure that the merger process was transparent, that communication was effective and that all

stakeholders were involved: Interim Council, Interim Transitional Council (ITC), Joint Merger Team (JMT), Institutional Merger Team (IMTs), Joint Specialised Teams (JMTs) and subworking groups as each JST identified (Tshwane University of Technology, undated (a): 3).

4.5.6.1 Interim Transitional Committee (ITC)

The Interim Transitional Committee (ITC), which is a joint coordinating/steering committee, was appointed by the Councils of the merging institutions to oversee the merger process and the implementation of the Memorandum of Agreement. It was accountable to its individual Councils and its role was also to establish the Joint Merger Team (TNG, TNW & TP, 2003: 11).

The Interim Transitional Committee was made up of the three chairpersons of the then Councils and the three Vice Chancellors of those institutions, and they acted as the overall drivers of the merger process. The meeting venues as well as the chairpersons were rotated, and meetings were called if a need arose for decision-making or approval of decisions (Tshwane University of Technology, undated (a): 5). The ITC's responsibility was to guide the merger process and be responsible for the strategic direction of the new institution; approve the new institution's policy framework; establish the Joint Merger Team; prepare and submit the transition period's budget to the Minister of Education; appoint an independent facilitator, with government approval; and determine the Joint Merger Team's terms of reference (Tshwane University of Technology, undated (a): 5).

4.5.6.2 Joint Merger Team (JMT)

The Joint Merger Team was made up of equal number of representatives from the merger partners, was responsible for developing and managing the necessary processes for a successful merger (TNG, TNW & TP, 2003: 11).

The JMT reported directly to the Interim Transitional Committee on merger matters. Its responsibility included: to manage the whole merger process and give strategic direction to the new institution; to develop the new institution's policy frameworks; to make decisions or approve the Joint Macro Task Teams' proposals; to prepare progress reports on the activities; establish and manage the merger timeframes; to resolve disputes around the merger process and refer issues that could not be resolved to the independent facilitator; to establish the possible management structure, profile and model of the new institution for recommendation to the new Council; and to take decisions or approve recommendations of Joint Macro Task Teams (Tshwane University of Technology, undated (a): 6).

4.5.6.3 Institutional Merger Teams (IMT)

The Joint Merger Team, which had representation from each institutional merger team, had joint responsibility for the merger process, while the various institutional merger teams were the merger process' internal drivers. The functions of the IMTs included internal management of the merger process to ensure its success (Tshwane University of Technology, undated (a): 6).

4.5.7 Key Performance Areas

The following key performance areas were identified within the academic planning environment to steer the process of integration in 2004:

- development of policies, strategies, procedures, processes and other academic-related policies on new teaching and learning, cooperative education, research and development, technology transfer and innovation;
- development and approval of a new policy on admission, registration process and procedures;

- development and approval of new regulations and rules on examination;
- development of a new academic plan and programme qualification mix;
- development of process towards an institutional audit and strategies for a Total Quality Promotion (TQP) policy;
- development of a new language policy for teaching;
- implementation of a planning process and strategy for student enrolment; and
- integration and consolidation / harmonisation of academic programmes relating to learning materials, admission requirements, selection procedures, assessment methods and uniform curricula for first year programmes (Tshwane University of Technology, 2005 (b): 1).

4.5.8 Memorandum of Agreement

The three institutions entered into a memorandum of agreement to provide a framework for the merger process, to ensure cooperation between the merged institutions during the period preceding the merger date, and to ensure that operational decisions made by the merger institutions during that period did not impact negatively on the envisaged single higher education institution's operational and organisational integrity (TNG, TNW & TP, 2003: 5). The agreement elapsed on 1 January 2004.

4.5.8.1 Memorandum of Agreement Principles

The three institutions who were party to this memorandum agreed to carry out their activities in a transparent manner; to fully and timeously disclose all relevant information for facilitating the merger; to make joint decisions on matters of organisational and operational importance for the envisaged new institution (TNG, TNW & TP, 2003: 6). They also agreed that the following matters would be

handled through joint decision-making and cooperation: operational functionality, filling of posts, promotion of employees, employee remuneration, renewal of contracts, capital expenditure, academic and community-related agreements, settling of disputes and arbitration and communication (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

a) Operational Functionality and Communication

The three institutions agreed on transitional arrangements, timeframes and processes that would ensure speedy movement towards integrated operations. A commitment was made by the parties to ensure that all relevant stakeholders were fully briefed on the merger processes through open, transparent and effective channels of communication (TNG, TNW & TP, 2003: 8 & 14).

b) Severance Packages

The new institution offered voluntary severance packages for excess or redundant staff and all those who would like to leave the services of the University. Two weeks pay was provided for every year of service. Affected staff who did not want to leave the institution were redeployed. The institution had to offer an employee an available position with which he/she felt comfortable, subject to the availability of such a position. Such an employee was liable, however, to retrenchment if he/she refused to accept the offer (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

All Vice Chancellors and Deputy Vice Chancellors were subjected to this process. The Vice Chancellors of the three institutions were invited for an interview with the Council members of the three institutions. The Vice Chancellor of former Technikon Pretoria was appointed as the interim Vice Chancellor, while

the former Vice Chancellors of the two other institutions became the Senior Deputy Vice Chancellors (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April, 2005).

c) Filling of Posts

No vacant posts were to be filled prior to the merger date, except the three Vice Chancellors agreeing to fill such posts temporarily (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

d) Promotion of Employees

Promotion of employees to senior positions (levels 1 to 5) prior to the merger date was forbidden unless the three Vice Chancellors mutually agreed on the need or importance of such promotions for operational purposes (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

e) Employee Remuneration

A moratorium was placed on all out-of-cycle salary increases and/or adjustments. However, the Vice Chancellors of the three institutions had to reach mutual agreement on the normal annual salary increases and/or adjustment (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

f) Renewal of Contracts

The three Vice Chancellors had to mutually agree before the renewal of any existing service rendering or purchasing contracts. A new service or purchasing contracts could not be entered into without the agreement between the three

Vice Chancellors. In cases, however, where there was agreement on the need to renew a service or purchasing contract in order that service provision not be disrupted, the three Vice Chancellors jointly determined the length of the contract (TNG, TNW & TP, 2003: 9-10).

g) The Status of Pipeline Students

The new institution decided that pipeline students would continue their academic programmes in the way they enrolled. 'Pipeline student' status was retained by students previously registered but with uncompleted qualifications (programmes) if their studies had not been interrupted; they had not failed to reregister for any previous year or semester since their first registration, including 2005; they qualified for future reregistration for that particular programme in terms of the Exclusion Policy of the University; and they had not failed a year or semester of study. In a case where a student failed a year or semester of study, a discretionary allowance could be granted by the university for the student to repeat the modules or subjects. Should the student, however, fail a second time, he/she could be granted access only to the integrated subjects. In the case of postgraduate students, they would be able to complete their programmes under the old regulations "in cases where the maximum duration of studies change (Tshwane University of Technology, 2005 (b): 2, 8 &12).

h) Capital Expenditure

Unless the three Vice Chancellors mutually agreed or had the Minister of Education's support, a moratorium was placed on all new capital expenditure projects (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

i) Academic and Community related agreements

The parties agreed to uninterrupted academic and community-related agreements during the merger process in order to enhance learning and teaching, research, development and community participation (TNG, TNW & TP, 2003: 10).

j) Settling of Disputes and Arbitration

The parties further agreed to refer disputes which they could not resolve to arbitration. They also had the prerogative to obtain interim relief from a court of competent jurisdiction pending a decision by the arbitrator (TNG, TNW & TP, 2003: 10).

4.5.9 Concluding Paragraph

Tshwane University of Technology was created on 1 January 2004. Pretoria Technikon was chosen by the Education Minister as the official seat of the new University, as the three merging institutions failed to reach an agreement among themselves on where the seat of the new university should be located. The merger process was carried out in a consultative and participatory manner, with the involvement of relevant stakeholders and in line with the national government's merger guidelines. The three institutions embarked on pre-merger activities before the 1 January 2004 merger date. The activities aimed to determine the state of these technikons, including available infrastructure, the programmes offered, financial procedures and processes, the number of staff and students, duplicated academic programmes, student support programmes and cultural differences among staff and students.

The Memorandum of Agreement into which the three merging institutions entered covered the following areas: operational functionality and communication;

severance packages; filling of posts; promotion of employees; employee remuneration; renewal of contracts; the status of pipeline students; capital expenditure; academic and community-related agreements; and dispute resolution and arbitration. They agreed to refer unresolved disputes to arbitration, and if necessary, to obtain interim relief from a court of competent jurisdiction while they waited for the arbitrator's decision. In the MOA, the three institutions agreed to carry out their functions in a transparent manner; to disclose all relevant information necessary for an uncomplicated merger timeously; and to make joint decisions on matters with organisational and operational impact for the envisaged new institution.

4.6 UNIVERSITY OF KWA-ZULU NATAL

4.6.1 Introductory Paragraph

The institutions that were merged to form the University of Kwa-Zulu Natal were the former University of Natal and the University of Durban Westville. The former University of Natal had a number of campuses, namely Howard College, Mandela Medical School Campus, Edgewood Campus and Pietermaritzburg Campus. Prior to 1994, Howard College was a traditionally white higher institution; Edgewood campus focused mainly on education and teacher training; Durban Westville, with a strong Indian orientation, offered various programmes in the arts and sciences; and the Pietermaritzburg Campus which offers programmes in the humanities was famous for its programmes in environmental, physical and agricultural sciences.

The Pietermaritzburg Campus, an arm of the former University of Natal, 80 kilometres away from Durban, was almost a fully fledged university in its own right. It was very large, larger than the Westville Campus. As a result of its size, management in the former University of Natal considered the Pietermaritzburg campus difficult to manage. It was almost an autonomous entity, its independence justified by its large student number. Although the former

University of Natal was larger than the Pietermaritzburg Campus, there was strong academic activity at the Pietermaritzburg Campus.

A joint merger task team, which was serviced by a small planning office, was set up and consisted of the executives of the two institutions. In line with the Department of Education's guidelines, a Memorandum of Agreement was drafted by the Joint Merger Office. The MOA made provision for the effective functioning of the new institution by the merger date, by ensuring that adequate organisational and management structures were in place, that clear lines of responsibility existed during the transitional phase, that there was no leadership vacuum, and that all the campuses had a stable and united outlook.

4.6.2 Merger Fears

The merger process generated assumptions, fears and insecurities among various stakeholders in the merging institutions. The concerns related to the consequences of the process both for the institutions and the employees. Such concerns included potential job losses and possible falling standards. On the part of students, there were concerns around lack of representation, insufficient accommodation and increase in fees (Makgoba, 2004: 10-11).

4.6.3 Power Struggle

The need to choose a Vice Chancellor for the new University of KwaZulu Natal resulted in a power struggle between the Vice Chancellor of the University of Durban Westville (UDW) and the Vice Chancellor of the University of Natal. The contract of the Vice Chancellor of the UDW expired prior to the merger, while the contract of the Vice Chancellor of the University of Natal expired in the same period that a new Interim Vice Chancellor was to be appointed for the new University. As a result, the power struggle hinged on who was to become the Interim Vice Chancellor of the new University. The two Vice Chancellors were

aware that if they failed to secure the position of the Interim Vice Chancellor of the new institution, they were going to be out of the race for the Vice Chancellor's position when their contracts expired. The Vice Chancellor of the University of Natal, however, was appointed as the Interim Vice Chancellor for the new University (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

4.6.4 The Merger Process

A joint merger task team (JMTT) which consisted of the executives of the two institutions was set up. This team was serviced by a planning office. The *Memorandum of Agreement* was drafted by the Joint Merger Office in line with the guidelines provided by the Department of Education. This was sent to the JMTT, which made some necessary adjustments, and sent it to the Councils of the merging institutions, which were still intact. Negotiations took place at the joint executive level. The Memorandum of Agreement which the two institutions signed in 2004 paid attention to the need to ensure that, by the merger date, the new institution functioned adequately at the level of administration, management, academic affairs and leadership. This meant that new institution had to make sure that proper organisational and management structures, according to Makgoba (2004: 4), "...were in place and that there was no leadership vacuum, that clear lines of responsibility existed during the transitional phase and that an atmosphere of stability and unity prevailed on all Campuses".

The new University of Kwa-Zulu Natal has five campuses. Since the University of Natal was larger than the University of Durban Westville, a strategic decision was taken early on in the merger that the Durban Westville Campus would be the corporate headquarters. Westville Campus was chosen as the corporate headquarters to emphasise to the University of Durban Westville that the merger process was not a takeover but an attempt to build a new institution and that the Westville Campus was important enough to be the corporate headquarters

(Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

In line with national imperatives, the overlap and duplication of both academic and non-academic programmes, which meant a waste of resources, were a strong motivation for the merger of these institutions. The Westville Campus was a fully-fledged institution doing everything in terms of academic programme that the University of Natal did, though located only nine kilometres away. Most of these programmes were expensive to run separately. According to the government this made no sense financially. Merging the historically white and historically black institutions therefore was intended to result in equity, effectiveness, efficiency in the use of resources, consolidation of existing academic programmes, development and efficient use of academic personnel and elimination of unnecessary competition (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

4.6.5 The Interim Council

The Interim Council was the first structure to be finalised. The Council was appointed for a period of six months to perform governance functions, excluding the establishment of institutional statutes. The governance functions were:

- to appoint an interim body to manage the daily functions of the institution;
- to ensure the establishment of a Council in terms of the standard institutional statute; and
- to ensure the establishment of other relevant structures that the standard institutional statute provided for (South Africa, 2003 (b): 2-3).

Once the Interim Council was appointed, a selection process was conducted for the position of the Interim Vice Chancellor. Another selection process followed

shortly for the post of the permanent Vice Chancellor (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The Student Representative Councils (SRC) of the two institutions continued to exist separately until a new SRC was constituted by the Interim Council. In the interim period, however, the functions of the two SRCs were determined by the Interim Council (South Africa, 2003 (b): 3).

At the beginning of 2004, the University of Kwa-Zulu Natal appointed an Interim Executive Management structure to lead it through the first six months of its existence. In designing the new management structure, the University was required to consider the needs of a multi-campus institution, the cultures, expertise and diverse experiences of the citizens, and the core research, academic and service functions of the institution. The University was also required to take the merger guidelines of the Department of Education into account, which, according to Makgoba (2004: 5), "...advised that existing Executive Managers with terms of office extending beyond the merger date should continue in their positions until institutional structures had been finalised and substantive appointments made to these positions".

The new Interim Executive Committee did not have an Academic Deputy Vice Chancellor, unlike the two former institutions. In place of a single academic portfolio, four interim Executive Deans were appointed, each responsible for a cluster of faculties. As a result of the complexity and size of the new institution, a single person could not have been expected to manage and take responsibility for all of its academic affairs. Administrative and management functions such as finance and human resources were also devolved to the faculty clusters under the Executive Deans' control and authority in order to promote efficiency. In terms of the standard institutional statute, a new 273-member Senate, which is the highest governing body in the University, was constituted to ensure uninterrupted academic functioning of the University. The Senate is responsible

for every aspect of the institution's academic, teaching, learning and research activities (Makgoba, 2004: 5&7).

4.6.6 Concluding Paragraph

The University of Kwa-Zulu Natal was established as a result of the merger between the University of Natal and the University of Durban Westville. The first structure to be finalised during the merger process was the Interim Council, which was appointed for six months to perform governance functions, excluding the establishment of institutional statutes. An interim management structure was appointed at the beginning of 2004 to manage the new institution during the first six months of its existence. In designing the new management structure, the institution considered the following factors: the needs of a multi-campus institution; the cultures, expertise and diverse experiences of the citizens; and the core research, academic and service functions of the institution. The University was also required to ensure that existing Executive Managers with terms of office extending beyond the merger date performed their functions until the finalisation of institutional structures and substantive appointments made to these positions.

4.7 IMPLICATIONS OF MERGERS AND INCORPORATION FOR HIGHER EDUCATIONAL INSTITUTIONS

4.7.1 INTRODUCTION

This section considers, within the context of the main theme, the implications of the mergers and incorporation for higher educational institutions and what problems have or could result from government intervention in higher education? In other words, this section assesses the impact of government intervention on the system of higher education in South Africa through mergers and

incorporation, with specific reference to the University of Pretoria, the Tshwane University of Technology and the University of Kwa-Zulu Natal.

The reasons for the mergers and incorporation, listed in the *National Plan for Higher Education of 2001* and the *Education White Paper 3 of 1997*, among other government policies, include firstly, the need: to overcome the fragmentation that existed in the former system of higher education; secondly, to strengthen the academic nature of institutions; thirdly, to promote efficiency and effectiveness in higher education management and administration; and lastly, reduce overlap and duplication in academic programmes.

The mergers and incorporation created a number of difficulties, whose effects varied across the higher education sector. Some institutions had the mechanisms and capacities to deal with these problems, while other institutions struggled, especially with regards to how best to align differing systems and processes from the merged or incorporated institutions. The need to develop a new institutional culture and ethos out of clearly disparate communities and identities remains a key challenge for higher educational institutions.

Job security was a major worry for staff at the new institutions. One of the problems in any merger or incorporation is that an institution cannot have two people occupying the same position. Difficult decisions have to be made about who occupies a position and what happens to the other official. It is, however, noteworthy that, since the announcement of the mergers and incorporation, no one has been retrenched in any of the affected institutions, although severance packages were offered to interested members of staff.

In terms of management, the merger created a new type of institution, which requires a new approach to management. In other words, a management approach able to deal with the complexities and challenges brought about by

organisational change and development. Also, on the date of the merger, the new institutions must be ready to operate fully with systems and processes that do not collapse. Although affected institutions might still be operating with different systems, controls and mechanisms must be in place to ensure that all processes are executed in ways that are supported by the new institution.

The policy challenges that face higher educational institutions as a result of the mergers and incorporation include developing new policies and procedures for the new institutions; making sure that the policies of the historically advantaged institutions are not automatically assumed as the policies of the new institution; and ensuring that the policies developed for the new institution are in the interest of the new institution.

At the University of Pretoria, the incorporation did not have significant administrative and managerial implications, because the administrative and managerial systems of Vista Mamelodi Campus were simply aligned with existing structures at the University of Pretoria. The institutional cultures of the University of Pretoria and Vista Mamelodi Campus, however, have not yet been aligned. This is a challenge that has to be addressed before real integration is achieved, because inadequate integration of the two cultures reflects negatively on the identity of the University of Pretoria as an institution.

Differences in entry requirements and fee structures created the need to consolidate the two institutions' academic programmes and ensure that the incorporation process did not result in diminished quality of academic programmes and research. The Conditions of Service of the two institutions were aligned.

The incorporation of the financial administration of the Vista Mamelodi Campus into the financial system and procedures of the University of Pretoria meant that extra funds had to be spent on upgrading the information technology systems of

Vista Mamelodi campus and providing the computer workstations needed for providing decentralised financial operations and linking up with the University of Pretoria's mainframe computer. This did not have negative impact on the finances of the University of Pretoria, however, because government provided extra funds for the incorporation. However, the fees of pipeline students were adjusted to reflect the current fee of all modules offered by the Mamelodi Campus, since it was not possible to charge the Mamelodi students similar fees as University of Pretoria students.

The incorporation process resulted in the upgrading of facilities at the Mamelodi Campus. It also resulted in the challenge of transferring necessary data from Vista University's Integrated Tertiary System (ITS) in a form compatible with the requirements of the University of Pretoria's systems. The incorporation process also narrowed the gap in academic standard by improving the study materials available at the Mamelodi Campus, ensuring better academic support for students, improving the Mamelodi Campus library, and establishing an open computer laboratory, and a 24 hour study area.

A major implication of the incorporation is the announcement by the management of the University of Pretoria in 2006 that all degree programmes offered at the campus will be phased out from 2008. The Vice Chancellor of the University of Pretoria also announced that the Mamelodi campus would be used as an academic service-learning centre, for community-based activities, and as a development centre for mathematics, science and accounting teachers (Daily Sun, 2006: 11).

Tshwane University of Technology (TUT) resulted from the merger between Technikon Pretoria, Technikon North West (TNW) and Technikon Northern Gauteng (TNG)). The merger process involved consolidating the accounts of the three institutions into a single account. The funds which TNG and TNW received from the government for the purposes of redressing past imbalances were

abolished in the new process. The new University may however apply to the government for its funding needs.

The merger process resulted in excess staff which the new University did not need, because as a result of the abolition of duplicated departments and faculties, fewer staff members are needed to perform the functions of the University. Employees' salaries were harmonised, with staff members on the same grade earning similar salaries. This led to an increase of about 12% in the salaries of staff members, resulting in about 71% of the University's income being spent on salaries.

The elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend some lectures only offered there. The teaching methods of the three technikons were also different, and a single teaching methodology had to be negotiated for the newly merged institution.

Prior to the merger process, the three institutions had different registration processes and systems, and different information technology systems. As a result, the organisational, academic and fee structures of all three institutions could not be loaded onto the new IT system. The process of integrating these systems and servers and merging their databases and statistical information was costly, although the government made provisions for many of the costs resulting from the merger process.

The new University re-examined the policies of its three parent institutions, and developed new policies. The cultures of the three institutions were also different and could not simply be harmonised or integrated. A new mission, vision and values were developed, in which process similarities were highlighted and developed into a new statement of purpose.

Student residences are being upgraded to ensure that all the buildings are habitable, comply with acceptable health and safety regulations and provide adequate facilities for the disabled.

The merger process at the University of Kwa-Zulu Natal (UKZN) did not impact negatively on the University's financial position. However, students of the two institutions that constitute UKZN paid different fees prior to the merger process. Students are currently charged the higher of the two fees. Pipeline students are, however, charged the old fees until they graduate or leave the institution. Prior to the merger, residences also had different fee structures, and it was not possible to apply similar fees to them because firstly the residences in the Westville Campus were in a state of disrepair, and secondly the students' financial backgrounds made this difficult. The University of Kwa-Zulu Natal agreed to upgrade these residences and to provide transport facilities for students. These constituted another huge merger cost, for which the government, however, made provisions.

The merger process created uncertainty among staff members who feared that they might lose their jobs. The differences in salaries and conditions of service at the two institutions were harmonised. The University of Kwa-Zulu Natal did not experience the kinds of problems that the other institutions experienced in having to accommodate existing executives. Many of the management positions were vacant. Therefore, it was easy to advertise and fill them.

The new University confronted the challenge of eradicating programme duplication in its five campuses. This meant the consolidation of certain programmes at specific campuses. Duplicated faculties and divisions such as finance were restructured into single divisions. The academic programmes of the merged institutions were restructured in order to offer similar courses and modules across the campuses.

The merger process led to the creation of a college model at the University of Kwa-Zulu Natal, in which similar faculties were grouped into structures known as colleges, headed by Deputy Vice Chancellors. Academic coordination activities were also moved from the Registrar's office to the planning office.

4.7.2 UNIVERSITY OF PRETORIA

4.7.2.1 Introductory Paragraph

As a result of the incorporation process, Vista Mamelodi Campus ceased to exist as a subdivision of Vista University, and all the assets and liabilities of Vista Mamelodi campus were transferred to the University of Pretoria. Since the administrative and managerial systems of Vista Mamelodi Campus were simply aligned with the existing structures at the University of Pretoria the incorporation did not have significant administrative and managerial effects on the University of Pretoria.

4.7.2.2 Implications of the Incorporation of Mamelodi Campus of Vista University into the University of Pretoria

Vista Mamelodi Campus ceased to exist as a subdivision of Vista University on the date of its incorporation into the University of Pretoria. Vista Mamelodi campus falls under the University of Pretoria's governance structures as provided for by the *Higher Education Act*, 1997 (Act 101 of 1997), section 24(1). Although incorporation may seem simpler than a merger, its difficulties, though less disruptive and intensive are yet similar to those of a merger. The two processes "...have to accommodate certain transitional arrangements to ensure a smooth and undisruptive change for students, staff and all the associated support

functions” (University of Pretoria, 2003(e): 20). These will be examined in the following section.

As a result of the incorporation, in which a larger institution took over a smaller institution, the University of Pretoria retained its Council, management structure and name. The Vista Council was not taken over by the University of Pretoria because only one campus of the Vista University was incorporated into the University of Pretoria. Most of the Mamelodi Campus staff were redeployed into the existing structure at the University of Pretoria (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

a. Administrative and Managerial Implications

The University of Pretoria and Vista University had different systems. For instance, the administrative, faculty-management and asset-management systems were different, and different contractors were hired for the maintenance of university property (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

The University of Pretoria integrated and aligned the management systems, policies and administrative procedures of Vista Mamelodi Campus by sharing the existing systems, security and asset management of the main campus with the Mamelodi Campus, including its cleaning and gardening contractors. The facility and service staff at Mamelodi Campus were slotted into the University of Pretoria's line management (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

The incorporation of the Mamelodi Campus did not have substantial administrative and organisational effects for the University of Pretoria since the incorporation simply aligned the existing systems and managerial models. Most

campus services, including maintenance at the Mamelodi Campus, had been privatised prior to the date of incorporation. It was therefore easy to extend the existing University of Pretoria contracts for such services to the Mamelodi Campus whose contracts had already expired and were managed on a monthly basis. The Mamelodi Campus of Vista University is "...simply treated as another campus of the University of Pretoria, similar to the Groenkloof campus" (University of Pretoria, 2003(e): 57). The same management models operational at the Prinshoff and Onderstepoort campuses were applied to the Mamelodi Campus. Standard administrative processes and organisational arrangements of the decentralised Pretoria University system already in place were applied to the Mamelodi Campus (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

b. Institutional Culture

The two institutions had different institutional cultures, which made the process of incorporation difficult. The University of Pretoria is an extremely well managed institution with a highly managerial approach, while Vista was more relaxed. At Vista there was a strong bottom-up culture in which students had a large say in the institution, while the executive has always been in control at the University of Pretoria. Furthermore, taking historical influences into account, the University of Pretoria is a historically white institution with Afrikaans as a prominent language, while Vista was a typically black institution without any white student, and with English as the mode of communication (Interview, Vice Principal, University of Pretoria, 29 April, 2005).

The Vice Principal of the University of Pretoria (Interview, 29 April 2005) concedes that a substantial amount of work needs to be done in terms of effecting real integration, which is one of the objectives set by the government. The institution has not aligned its institutional cultures or developed programmes to address differences. This became obvious in 2005 when much student unrest

originated from the Mamelodi Campus. That was a warning that there are certain aspects which the University of Pretoria has not been able to address or integrate. It is pertinent to analyse the differences in the cultures of the two institutions, which includes getting to know the attitudes of the staff and students.

The administrative and managerial systems at the University of Pretoria function well, and good managerial structures are in place, because a substantial amount of work has been done in this area within the short period of the incorporation (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

c. Academic Planning, Research and Quality Assurance

One of the challenges of the incorporation process is consolidating the academic programmes that the two institutions offered. Difficulties include different entry requirements, differences in fee structures, the different emphases that the two institutions placed on similar qualifications through composition of curricula, and different rules and regulations. It was, therefore, necessary to manage these differences and effect transition to a unified qualification system in order to ensure stability during the transition process. It was also necessary to ensure that the incorporation process did not diminish the quality of programmes and research. To this end, the University of Pretoria has ensured that "...the processes and mechanisms it has in place to ensure all round quality is extended to the academic planning processes of the Mamelodi programmes that are presently being offered and those that will be continued in 2004" and in the years ahead (University of Pretoria, 2003(e): 21).

Vista Mamelodi Campus was obliged by the government to phase out its existing programmes. This presented difficulties related to logistical and quality issues. The academic programmes at Mamelodi Campus were rationalised as they

contained a large number of permutations. For instance, the BCom degree had about ten different options, which were not all economically sustainable. Academic and course materials were changed and upgraded as their standards were low. The University of Pretoria enforced its academic standards on the Mamelodi Campus. The Deans agreed on 22 April 2004 that resources at the Mamelodi Campus should be channelled towards "...a limited number of programmes consisting of core subjects and limited electives. The following programmes were decided upon and detailed plans drawn by each faculty involved: BA (general), BAdmin, BCom (general), BSc" (De Beer, 2004: 6).

In the five faculties for which students were enrolled in 2003, there were 32 active undergraduate programmes and 15 active postgraduate programmes. It was decided that students would not be enrolled for the following seven of the 32 undergraduate programmes: BA (Ed), BCom (International economics), BCom (Public Administration and Economics), BSc (Education), BCom (Monetary Economics), BCom (Education), BCom (three-year programme). The decision was taken based on the previous record of few enrolments in the programmes, which rendered them financially unsustainable and unviable. All undergraduate and postgraduate students enrolled at the Mamelodi Campus of Vista University were reregistered as University of Pretoria students in 2004 but were indicated as students following the Mamelodi curriculum and programme. Students who graduated would "be issued with the University of Pretoria certificate with an inscription that the students followed the Mamelodi programme and curriculum" (University of Pretoria, 2003 (c): 3,7&8).

d. Human Resources and Conditions of Service

The University of Pretoria did not have space for some excess staff from the Mamelodi Campus. Vista offered its staff attractive voluntary severance packages prior to the incorporation. The offer, which a number of employees accepted, was, however, only available for a short period. By the time it closed,

some employees still wanted those packages. The University of Pretoria's severance package was less attractive than the Vista package and involved a smaller amount. The University of Pretoria, however, informed those who still wanted the packages to reconsider their requests as all academic staff of Mamelodi Campus were needed in the post-incorporation period (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

A number of academic staff will have to travel from the main campus to Mamelodi Campus for teaching purposes. Arrangements have been made to reimburse them, but many of them are not happy with the extra burden of travelling to Mamelodi, or of being involved in the Mamelodi processes (Interview, Vice Principal, University of Pretoria, 29 April 2005).

The alignment of conditions of service was complicated. There were major differences in the conditions of service of the two institutions. The management of the University of Pretoria discovered in the process of alignment that Vista Mamelodi Campus's conditions of service were more beneficial for employees than were those offered at the University of Pretoria in terms of leave days, support to children, care, availability to students, and contribution to retirement fund. University of Pretoria considered such employee benefits as not economically sustainable (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

The human resources section at the University of Pretoria renegotiated some of these conditions of service in order to align them with conditions at the University of Pretoria, and get them in line with the provisions of the *Higher Education Act* (section 23), which states that on the date of merger, all staff must be absorbed into the new institution with their existing salaries, benefit structures and conditions of service. However, the Act further provides that on the merger date,

these institutions may settle for similar benefits and conditions of service for all employees of the new institution (University of Pretoria, 2003(e): 51).

e. Financial Management and Administration

It is difficult to isolate financial management from other aspects of administration because it overlaps with other areas, such as human resource budgets, subsidy through the government formula, and tuition fees. From 1 January 2004, the financial administration of the Mamelodi Campus was incorporated into the financial system and procedures of the University of Pretoria. The implication of this exercise was that funds would be needed to upgrade the information technology systems of Mamelodi campus, to provide the computer workstations needed for providing decentralised financial operations and linking up with the mainframe computer of the University of Pretoria (University of Pretoria, 2003(e): 23 & 44).

f. Subsidies, Tuition Fees and Student Accounts

The incorporation process did not impact negatively on the subsidy that the University of Pretoria received from the government, because University of Pretoria received another subsidy on behalf of the Mamelodi Campus. The University of Pretoria, though, received a lower subsidy than in previous years. This was, however, due to a change in the subsidy formula. In the past, universities received subsidy for any full-time registered student. That is no longer the basis for subsidy allocation. Universities no longer get a fixed amount of subsidy for each student. Rather, the Minister of Education decides on how much is allocated for various aspects of university administration and management. In other words, universities still receive government subsidy for research and teaching, but no longer by means of a simple calculation. The Minister has the discretion to decide how much to allocate to universities and this makes it extremely difficult for universities to budget in advance because they do

not know how much money they will receive. The subsidy universities get is based on what they received the previous year, allocated on the basis of statistics provided by each institution (Interview, Vice Principal, University of Pretoria, 29 April 2005).

The incorporation process, according to the Vice Principal (University of Pretoria, 29 April 2005), did not have negative financial impact on the University, because most students continued to honour their financial obligations to the University. It is hoped that the number of students at the Mamelodi Campus will continue to be sufficient to ensure its sustainability.

The management of students' accounts at the Mamelodi Campus was taken over by the University of Pretoria. However, the Mamelodi Campus retains a branch of student accounts, which is staffed by Mamelodi Campus personnel (University of Pretoria, 2003 (c): 20). Furthermore, the Study Finance Section on the central campus makes the final decisions on the granting of bursaries and assistance to students (University of Pretoria, 2003 (d): 12).

Although the University of Pretoria should have the same tuition fees for all its students regardless of at which campus they study, it is remembered that most of the students at the Mamelodi Campus come from less privileged backgrounds. As a result, the structure of the tuition fees for the Mamelodi Campus pipeline students was calculated according to the tuition fee model of the University of Pretoria, but adjusted to reflect the current fee of all modules offered by the Mamelodi Campus of Vista University. Also, an inflation adjustment similar to that of the University of Pretoria's module is included in the calculation (University of Pretoria, 2003 (c): 20).

g. Maintenance of Facilities

There were backlogs in the maintenance of facilities at the Mamelodi Campus, which presented security risks for staff and students. The facilities were considered by a number of people in the Mamelodi community as community property. As a result, the University of Pretoria had to secure these facilities by setting up a perimeter fence, controlling access, and setting up standards comparable to those at the University of Pretoria (Interview, Vice Principal, University of Pretoria, 29 April 2005).

h. Information and Communication Technology

The Information Technology (IT) infrastructure at the Mamelodi Campus of Vista University was functioning well and compatible with the University of Pretoria's IT infrastructure, although not at the same capacity or level of performance. The University of Pretoria uses its own in-house mainframe-based systems while the administrative functions of Vista University, which includes human resources, student administration and finance, were operated through the Integrated Tertiary System (ITS). Relevant data from the Vista University's database were transferred to the University of Pretoria's system. The challenge that resulted, therefore, was on how "to transfer the necessary data from Vista University's ITS-system in such a way as to make it compatible with the requirements of the University of Pretoria's systems" (University of Pretoria, 2003(e): 60 & 22).

i. Academic Standard

The gap in academic standard has been narrowed because a great effort has been made to supply academic support to Mamelodi campus students since early 2005. The University of Pretoria endeavoured to create a better academic environment in which students had a better chance to succeed academically. Study materials and study guides for pipeline students were improved. Major

work was carried out in the Mamelodi Campus library; open computer laboratories which were not available previously were set up. A 24-hour study area now exists which is of immense benefit to many of the students who live in the backyards of houses without the benefit of electricity with which to study (Interview, Vice Principal, University of Pretoria, 29 April 2005).

The programmes at the Mamelodi Campus have been matched with available facilities. If students wish to study a course that requires well-equipped laboratories, they are advised to apply to the main campus where such facilities are available. However, the facilities at the Mamelodi Campus are sufficient for the programmes on offer there (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

A Mamelodi Campus student does not have to visit the main campus on a regular basis since all courses on offer at Mamelodi Campus are available at that campus, while all required reading materials are also available (and should be available) in the Mamelodi Campus library. The fact, however, is that Mamelodi students are University of Pretoria students in the full sense of the word. Therefore, if a Mamelodi Campus student wants to make use of the main campus library, which is more equipped than the Mamelodi Campus library, that student has the right to do so. This, however, creates transportation problem, which resulted in protest action by some Mamelodi students in the early part of 2005. In reaction to that protest action, the University of Pretoria's management established transportation means for Mamelodi students to commute between the two campuses (Interview, Vice Principal, University of Pretoria, 29 April 2005).

4.7.2.3 Concluding Paragraph

As a result of the incorporation process, Vista Mamelodi Campus no longer exists as an entity. The incorporation process has, however, had both positive

and negative implications. The positive implications include that it narrowed the gap in academic standards between the two institutions as a result of improvements to study materials at the Mamelodi Campus, better academic support for students, improvements to the Mamelodi campus library, and establishment of an open computer laboratory and a 24 hour study area. The negative implications include that the institutional cultures of University of Pretoria and Vista Mamelodi Campus have not been aligned. This is a challenge that has to be adequately addressed in order to effect real integration.

The incorporation did not have significant administrative and managerial impact on the University of Pretoria, because the administrative and managerial systems of Vista Mamelodi Campus were well aligned with the existing structures at the University of Pretoria.

4.7.3 TSHWANE UNIVERSITY OF TECHNOLOGY (TUT)

4.7.3.1 Introductory Paragraph

Tshwane University of Technology (TUT) resulted from the merger between Technikon Pretoria, Technikon North West (TNW) and Technikon Northern Gauteng (TNG)). This merger process involved consolidating the accounts of the three institutions into a single account. The funds which TNG and TNW received from the government for the purposes of redressing past imbalances were abolished in the new process. The new university may however apply to the government for its funding needs.

The merger process resulted in excess staff which the new university did not need, because the abolition of duplicated departments and faculties meant that fewer staff members are needed to perform the functions of the university. Employees' salaries were harmonised, with staff members of the same grade

earning similar salaries. This led to an average increase of about 12% in the salaries of staff members; about 71% of the university's income is spent on salaries.

Elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend certain lectures. The teaching methods of the three technikons were also different, and a single teaching methodology had to be negotiated for the newly merged institutions.

Prior to the merger process, the three institutions had different registration processes and systems and different information technology systems. As a result, organisational, academic and fee structures could not be loaded onto the new consolidated information technology system. The process of integrating these systems and servers and merging their databases and statistical information was costly, although the government made provisions for many of the costs resulting from the merger process.

The policies of the three institutions were reexamined to formulate policies acceptable to all stakeholders in the new university. The policies of the former Technikon Pretoria, which were in Afrikaans, were translated into English, since black students constitute about 70% of students in the new university.

One positive impact of the merger is the upgrading of student residences in the former Technikon Northern Gauteng and Technikon North West, and their improved maintenance. All the buildings are now habitable, comply with acceptable health and safety standards and have adequate facilities for the disabled.

The cultures of the three institutions were different and could not be easily harmonised or integrated. These institutions had different management styles

and different missions, visions and values. For instance, Technikon Pretoria had a top-down management style, which was hierarchical in nature, while TNG and TNW had a more bottom up approach, which was consultative and participatory. The new university had to develop a new mission, vision and values, in the process of which the technikons realised their commonalities, which enabled them to develop a new statement of purpose.

4.7.3.2 Implications of the Merger between Pretoria Technikon, Technikon Northern Gauteng and Technikon North West

The merger process created numerous challenges for the Tshwane University of Technology (TUT).

a. Financial Implication

The biggest problem that the Tshwane University of Technology confronted was finance, especially in terms of process, procedure and fee structure. The new institution needed to have a single bank account. Although the three institutions' bank accounts were consolidated into a single account, it was necessary for them to operate their accounts separately as income accounts in the interim period to enable students and others to make deposits as in the past until a permanent structure was in place. The subsidies for 2004/5 were received in a single bank account (Tshwane University of technology, undated (b): 12). To change to one account system did not require much actual work, but forming a single bank account was a daunting task which required consolidation of budgets (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

Funding arrangements also changed. Prior to the merger, Technikon Northern Gauteng (TNG) received about R10 Million every year from the national

government for the purpose of redressing the imbalances of the past. This money was used for bursaries, scholarships and upgrading of facilities. Technikon Pretoria did not get such benefit as it was a previously advantaged institution. With the merger process, however, these arrangements no longer applied since none of these institutions is now considered advantaged or disadvantaged (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

b. Severance Packages

The merger process resulted in excess staff not needed by the newly merged institution. Voluntary severance packages were, therefore, offered to excess staff and to any staff members who wanted to leave the services of the institution. Two weeks pay was provided for every year of service. A staff member who was not needed, who refused the alternative offer or refused to leave the institution was redeployed to an available position if possible, or retrenched (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

c. Harmonisation of Salaries and Conditions of Service

The salaries of the employees of the former institutions were different. For instance, a cleaner at the Soshanguve Campus earned a different salary from his/her counterpart at Technikon Pretoria. This caused unhappiness among those earning less than their counterparts from the other institutions. The salaries, therefore, had to be harmonised. All staff currently earn equal salaries. The former Vice Chancellors who became deputy Vice Chancellors after the merger, however, still earn the same salaries they earned as Vice Chancellors. The salaries of staff members went up by an average of 12% as a result. About 71% of the institution's income currently goes to salaries, while the national government only recommends between 39% and 62% of income for salaries

(Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

d. Fee Structures

Prior to the merger, students at the three institutions paid different fees. The idea of charging all students similar fees was not accepted by staff and students because these students come from different economic backgrounds. This problem was countered with the introduction of “phased-in fees”, whereby a five-year period is reserved for the equalisation of fees for the three merged institutions (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

e. Financial Growth Strategy

To ensure the growth of research and development activities, especially within focus and niche areas, the Tshwane University of Technology will have to exploit various funding opportunities and strategies. The institution’s long-term sustainability strategy also hinges on a combination of alternative funding streams, including research-funding bodies, subsidies for research and development output, third-stream funding possibilities and student fees. The third-stream income opportunities includes the Innovation Fund, Research and Development Projects, strategic business development projects and non-state subsidised projects, and government initiatives such as Tshumisano and Godisa projects (Tshwane University of Technology, 2004(a): 30 & 73).

Third stream income for the university is sourced by the TUT Foundation in efforts to solve the various problems confronting the institution. This is done in partnership with relevant teaching and support service units of the institution. Donor funding comes from both local and international sources and enormous amounts of funding come from international grant makers. Many of the grants are

project-orientated while projects that match the interests and objectives of corporations receive more support (Tshwane University of Technology, 2004(a): 73). Substantial grants also come from many local foundations and grant-making trusts, as well as South African government-sponsored agencies, such as the Umsobomvu Youth Fund, the National Development Agency (NDA), the Tourism Poverty Relief Programme, the National Business Initiative, and the Job Creation Trust (Tshwane University of Technology, 2004(a): 73).

f. Proposed Faculty Structure for 2005

The number of faculties in the previous institution was reduced from 15 to 11 for the interim phase, and then permanently to 10 faculties. In line with proposed structures, the faculties have been clustered into two groups, namely:

- a) Science, Engineering and Technology (SET) and
- b) Social and Management Sciences (SMS) (TUT, 2004(a): 60).

In the new structure, special emphasis is placed on organisational development and employment equity. Responsibility for all staff development initiatives falls on the human resources division. A new strategic unit known as Business Development is established to develop new income-generating initiatives (Tshwane University of Technology, 2004(a): 60).

g. Programme Duplication

One of the objectives of the merger process is to eliminate or rationalise programme duplication. Duplicated programmes on the three delivery sites had to be rationalised. Technikon Northern Gauteng, however, was not happy at the idea of eliminating some of its programmes which were also offered at the main campus, because this meant that students would have to travel to Pretoria from Garankwa to attend these courses and possibly move to residences in Pretoria

which are more expensive (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

These institutions had different teaching methods and different methods for compiling academic programmes and study guides. TNG for instance utilised the Problem Learning Method (PBL), while Technikon Pretoria did not. These institutions had to negotiate a single teaching methodology. Variations in the compilation of examination papers created another problem. Some of the subjects were offered as semester courses and others as year courses. Agreements have, however, been reached on equalised programmes at all levels. During 2004, all administrative processes, structures and procedures pertaining to academic issues were integrated. This involved conversion and alignment of subject code structures and qualification, alignment of new faculties, departments and examination criteria and integration of all prerequisite and first year subjects. All programmes were integrated as much as possible during 2004. Those not integrated in 2004 were left for integration in 2005 (Tshwane University of Technology, 2004(a): 70).

The following services were also integrated:

- design and publication services, which involves design, printing, typing and copying;
- transport services, which have to do with bus transport, fleet vehicles, breakdown recovery, and car washing;
- campus protection services, which involve electronic support services, traffic control, investigations, fire prevention, guarding, ID cards and parking control; and
- facility management services, which involve centralised venue, assigning cleaning services, centralised time-tabling, booking, support team services, rental services and audio-visual services (Tshwane University of Technology, 2004(a): 62-63).

h. Technological Implication

The merger process created a need for a new system that could merge the databases and statistical information of the three institutions. For instance, the three institutions had different registration processes and systems which needed to be merged into one process / system. The data transfer process was complicated as it entailed stabilising and verifying data, as well as linking data to business processes (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The former TNG and TNW had less sophisticated versions of the information technology system (ITS) used by Technikon Pretoria. This meant that their organisational, academic and fee structures could not simply be loaded onto the ITS. These systems as well as the library servers had to be integrated, with immense financial implications. The cost of the ITS server was R12million. However, the government provided for many of the costs resulting from the merger process (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005). The merger guideline (South Africa 2003(a): 19), for instance, provides that in cases where there are financial impediments to mergers, the Ministry is prepared to give financial support to affected institutions.

In March 2004, a project was initiated to merge the databases of the three institutions into a single database and to develop integrated business processes for the new institution. A steering committee, workgroups and project team were established to execute this project. Staff members from the three institutions constituted the work groups and project teams and their function was to compile new code structure for TUT and to draw up a new integrated business process. They also successfully implemented and installed hardware and software. The following were the envisaged outcomes of the processes:

- to successfully implement and install hardware and software as well as establish a test and production environment;
- to successfully implement new integrated business processes for the new institution;
- to convert the code structures of the three campuses into one code structure;
- to consolidate the three campuses local (customised) software into a single set of local software for the new institution;
- to merge the three campuses data into one database for the new institution to ensure data integrity and consistency; and
- to integrate peripheral systems (Tshwane University of Technology, 2005(b): 12).

The Tshwane University of Technology's strategy was developed and structured to be able to support and take part in South Africa's technology transfer (TT), which includes the transfer of technology and knowledge between higher education, society and industry, support for the development of knowledge and technology-intensive enterprises and the development of innovation hubs and incubators. The TT strategy "...builds onto the research and development strategy, enables the higher education system to participate fully through revised legislation, financial incentives, and support schemes" (Tshwane University of Technology, 2004(b): 30).

i. Policy Variation and Academic Language Policy

Since organisational policies are applicable to specific organisations and their stakeholders, the application of the policy of the former Pretoria Technikon to TNG and TNW proved difficult, especially since their environments were not the same. This meant that all the policies had to be re-examined with a view to developing a common policy for all the newly merged institutions (Interview,

Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

Afrikaans was the language of communication at the former Technikon Pretoria and the majority of classes there were held in Afrikaans. However, with the merger process which raised the number of black students to 70% of the student population and since many of the new students do not understand Afrikaans, and as a result, refuse to attend many of the Afrikaans classes, the institution had to formulate a new language policy. It was agreed that two examination papers, one in each language, would be set, both to be written on the same day. Many of the previous policies and regulatory frameworks were in Afrikaans and had to be translated into English (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

j. Maintenance, Management and Upgrading of Facilities

The residences in Soshanguve and Garankwa campuses are being upgraded because they were in a state of disrepair, which led to students complaining that they were living in bad accommodation but paying the same residence fees as Technikon Pretoria students. The new institution also designed a maintenance plan to ensure that all the new institution's buildings were habitable and met acceptable health and safety standards within five years, and provided adequate facilities for the disabled. In order to prevent deferred maintenance, the buildings would be maintained in line with a seven-year cycle in the same sequence in which they were upgraded. A sum of R63million was set aside to implement a phased-in maintenance of these residences and facilities. As a matter of urgency, the new institution within its first three years planned to upgrade and carry out maintenance plan on those buildings marked for immediate attention, failing which they might not be repairable or upgradable and would have to be demolished (Tshwane University of Technology, 2004(b): 60).

The institution, furthermore, committed itself through equity and access, to overcome the legacies of the past. It therefore prohibited within the residence environment any form of discrimination on the basis of race, gender, nationality, or religious or sexual orientation. It also promotes and encourages a culture of mutual respect between staff and residents regarding their duties, obligations and respective needs (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

k. Challenges with Student Development and Support

Students resisted the merger as they were not happy with the new centralised structure, which they felt marginalized many of them and reduced their institutions from fully fledged institutions to satellite campuses, particularly the campuses of the former Technikon Pretoria in Witbank, Polokwane and Nelspruit (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The merger process posed unique challenges with regards to student developments and support. These challenges resulted from the major differences in how these services were provided and managed within the three institutions. At the time of official integration in January 2004, for instance, there was no single integrated selection policy in place even though the next intake was in process. This led to difficulties as a result of variations in strategy used by academic departments across the various sites. Enormous pressure resulted from the attempt to provide and extend services. It also resulted in logistical problems, which were resolved with the commitment of staff members who travelled daily to the three campuses to ensure that one central office coordinated the administration processes. The extension of services had financial implications, which resulted from travelling expenses, overtime and materials (Tshwane University of Technology, 2005(b): 9).

Also, the three institutions had different levels of service provision. To compound the problem, the merger guidelines did not list the integration of these services as a high priority. As a result, these services were not adequately managed during the pre-merger phase. Serious difficulties were created by the integration of academic programmes and departments in the provision of equal services across the six learning sites in student development and support. For instance, although all sites required the implementation of student support and development programmes such as reading skills development, language preference and life-skills training, as part of the curriculum, they were yet to be provided at the beginning of 2005 (Tshwane University of Technology, 2005(b): 10).

The lack of integration in student development and support services, such as admission and placement, resulted in serious pressures in the provision of equal services with non-integrated units and differentiated management and funding at the different learning sites. It was, however, necessary to provide and support all required services in both the supportive and developmental areas as academic departments moved ahead with integration. Failure to provide these services could have had negative consequences on academic integration in some aspects and on the future functions and position of the student support and development section (Tshwane University of Technology, 2005(b): 10).

TUT moved to improve students' services by implementing the following measures:

- a recruitment strategy that ensures the attraction of applicants who meet and exceed the institutions minimum admission requirements;
- a sophisticated contact centre with information on all the institution's activities;
- a technology-driven user-friendly application, selection and registration service;

- a legal services unit and secretariat which provide the executive management of the institution with full support service; and
- a one-stop registration service at all the institution's delivery sites (Tshwane University of Technology, 2004(b): 70).

Three health centres located at the three sites provide primary health service to staff and students, through community outreach programmes, counselling and crisis intervention. The principles of primary health care, which entails health management, assessment, support and referral, will guide the practice of patient-centred medicine (Tshwane University of Technology, 2004(b): 70).

I. Cultural Audit of the Three Merged Institutions

The audit process looked at the identities of the three institutions, their mode of operation, what they have in common and their strengths and weaknesses. The results revealed that the management styles of the three institutions were very different. Technikon Northern Gauteng (TNG) and Technikon North West (TNW) had a bottom-up approach, while Technikon Pretoria had a top-down management style. Another challenge to the integration of the three institutions is their differing missions, visions and values. Rather than trying to harmonise them, therefore, a new culture would have to be created. The institutions came together as a team to agree on this new culture. In the process of developing a new mission, vision and values, the institutions discovered that they did actually share many similarities. As a result it was easier than expected for them to formulate a new statement of purpose, especially as they were all technikon-type institutions, with the same priorities dictated by the government (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The following section looks at the outcomes of the cultural analysis process within the three institutions being considered.

a) Technikon North West

i) Organisational Structure

The institution's organisational structure was bureaucratic in nature with centralised decision-making in which top management approved decisions before they were implemented. This resulted in rigidity and minimal innovation. Top management was not close to lower structures, which slowed decision making and the flow of information. The institution was very hierarchical and emphasised adhering to established administrative procedures and policies. As a result of the culture of standardization and control, employees had ample space for self-direction and initiative. Performance appraisal of employees was strictly based on the functions they were hired to perform. The environment was however relatively stable and informal structures were not tolerated (Tshwane University of Technology, 2004(c): 4).

ii) Leadership and Management

Management tended to feel threatened by their subordinates and lower staff members lacked confidence in management abilities. Policies were seen as inconsistently implemented or sometimes applied piecemeal for the benefit of a situation or an individual. Leadership was, however, seen as fairly approachable (Tshwane University of Technology, 2004(c): 4).

iii) Communication

Communication was seen as poor, as it was not frequent and mainly used in a top-down approach; management passed information to staff but feedback was not sought by management. This lack of a formal means of communication caused a tendency to the circulation of half-truths, gossip and rumours. Staff members felt left out as a result (Tshwane University of Technology, 2004(c): 5).

iv) Organisational Goal Integration

Well drafted strategies were not adequately implemented and most staff members viewed the mission statement as unachievable empty words (Tshwane University of Technology, 2004(b): 10).

v) Decision Making and Employee Participation

The majority of the respondents claimed that there was a lack of consistency in decision-making and that most decisions were not made by managers. Management however, insisted that all decisions had to go through it. This trend led to frustration on the part of those affected as well as loss of trust in management/leadership (Tshwane University of Technology, 2004(b): 10).

b) Pretoria Technikon

i) Organisational Structure

The organisational structure was typically bureaucratic in nature. Decision-making power was highly decentralised, since line managers could make decisions, but top management had to be consulted. Overall, therefore, there was a general atmosphere of direction from top management. Reporting lines were hierarchical, but maintained a high degree of innovation and flexibility. Job descriptions were well defined (Tshwane University of Technology, 2004(b): 9).

ii) Leadership and Management

Managers were seen by staff members as lacking the requisite managerial qualifications and skills, and their appointment to the managerial levels as often resulting from nepotism or having moved up the ranks. Managers were seen by many staff members as not able to manage diversity among employees, and

academics were valued more than the support staff. Leadership was fairly approachable, though management styles varied across the various departments; some were very autocratic and rigid and others were flexible. The centralisation of power meant less adherence to the various established policies and procedures (Tshwane University of Technology, 2004(b): 9).

iii) Organisational Goal Integration

Many employees felt alienated as they saw themselves as not part of the merger process. The mission statement was seen by most lower level staff as only words which were not communicated, while strategic planning was not participatory enough (Tshwane University of technology, 2004(b): 9).

iv) Decision Making and Employee Participation

Decision making lacked widespread consultation and participation by lower level employees. Managers' decisions remained hierarchical, as a result. Although stakeholders were consulted on policy matters, their comments and contributions were not always considered when final decisions were made, though popular decisions were sometimes made. Most decision-making staff were male and white (Tshwane University of Technology, 2004(b): 9).

v) Communication

Communication was generally considered to be poor, inefficient and driven from the top. Some managers felt that news only filtered to them when it was no longer newsworthy, that important information was getting to people through friends and associates rather than the official channels and this aggravated rumours and half truths. Most information was disseminated electronically. This meant that staff members without electronic means of communication or who could not read or write were cut out of the information flow. Management's

position on this was that it was the responsibility of the unions to communicate with their constituency (Tshwane University of Technology, 2004(b): 9).

c) Technikon Northern Gauteng (TNG)

i) Organisational Structure

The organisational structure was bureaucratic in nature with decision-making highly centralised; line managers avoided making critical decisions and instead left them to senior management. Hierarchical ordering / authority was promoted and directions came from the top. Although non-compliance was sometimes condoned, adherence to established administrative policies and procedures was emphasised. Jobs were well defined and performance appraisal based on the work an employee was hired to perform. The environment was relatively stable and employees established set ways of doing things (Tshwane University of Technology, 2004(b): 4).

ii) Leadership and Management

The abilities of some members of management were not appreciated by many staff members, who felt that these managers were neither qualified for their positions nor possessed the requisite managerial competence. Leadership was, however, seen as approachable and democratic, which made consultation with various stakeholders possible. The implementation of various policies and procedures was problematic, since some of them were considered obsolete (Tshwane University of Technology, 2004(b): 9).

iii) Communication

The majority of employees agreed that up-to-date information was widely shared among staff. Communication was largely from the top, but the Deputy Vice

Chancellor often sought feedback from the staff (Tshwane University of Technology, 2004(b): 9).

iv) Organisational Goal Integration

There was constant communication of the institution's mission statement. Strategic planning involved all levels of staff and the business objectives were constantly communicated (Tshwane University of Technology, 2004(b): 9).

v) Decision Making and Employee Participation

Leaders and managers were seen as not practising what they preached. Decision making was slow and problematic while many managers refused to take decisions that could make them unpopular (Tshwane University of Technology, 2004(b): 10).

4.7.3.3 Concluding Remark

The merger process had an impact on student development and support. When the three institutions were integrated in January 2004, there was no single integrated selection policy in place, even though the next intake was already in process. This led to difficulties resulting from the variations in strategy within academic departments across the three sites. Enormous pressure on staff resulted from the attempt to provide and extend services. It also resulted in logistical problems, which were resolved by the commitment of staff members who travelled daily to the three campuses to ensure that one central office coordinated the administration processes. The extension of services had financial implications, in the form of travelling expenses, overtime and materials. The policies of the three institutions were re-examined with a view to coming up with policies acceptable to all stakeholders in the new university. The policies of the former Technikon Pretoria which were in Afrikaans were translated into

English, since black students constitute about 70% of students in the new university.

The merger process left excess staff not needed in the new university, because the abolition of duplicated departments and faculties meant fewer staff members were required to perform the functions of the university. Employees' salaries were harmonised, with staff members of the same grade earning similar salaries. This led to an increase of about 12% in the salaries of staff members, resulting in about 71% of the University's income being spent on salaries.

The elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend lectures only offered there. The teaching methods of the three technikons were different, and a single teaching methodology had to be negotiated for the newly merged institutions.

Prior to the merger process, the three institutions had different registration processes and systems and used different information technology systems. As a result, the organisational, academic and fee structures could not simply be loaded onto the new integrated information technology system. The process of integrating these systems and servers and merging their databases and statistical information was costly, although the government made provision for many of the costs resulting from the merger process.

One positive impact of the merger process is the upgrading of student residences in the former Technikon Northern Gauteng and Technikon North West and their continued maintenance plan. All the buildings are now habitable, meet acceptable health and safety standards and provide adequate facilities for the disabled.

The cultures of the three institutions were different and could not be easily harmonised or integrated. The institutions had different management styles and different missions, visions and values. For instance, Technikon Pretoria had a hierarchical management style, while TNG and TNW had consultative and participatory management styles. The new university had to develop a new mission, vision and values, in the process of which they realised they had more in common than they expected. This enabled them to develop a new statement of purpose.

4.7.4 UNIVERSITY OF KWA-ZULU NATAL

4.7.4.1 Introductory Paragraph

The University of Kwa-Zulu Natal resulted from the merger between the University of Natal and the University of Durban Westville. The merger process did not impact negatively on the financial position of the new university. However, the two universities that paid different fees prior to the merger process currently pay the higher of the two fees in the new university. Pipeline students are allowed to keep paying the old fees until they graduate or leave the institution. The residences also had different fee structures prior to the merger and it was not possible to apply similar fees to them firstly because the residences in the Westville Campus were in a state of disrepair, and secondly, the students' varying financial backgrounds made it difficult to apply similar fee structures. The University of Kwa-Zulu Natal agreed to upgrade the residences and provide transport facilities for students. These constituted another huge merger cost. Government however made provisions for such costs.

The merger process created uncertainty among staff members who feared that they might lose their jobs. The differences in the salary and conditions of service at the two institutions were harmonised. The University of Kwa-Zulu Natal did not

have the kinds of problem that other institutions experienced in having to accommodate existing executives. Many of the management posts were vacant. Therefore, it was easy to advertise them and have them filled.

The new University confronted the challenge of eradicating programme duplication in its five campuses. This meant the consolidation of certain programmes in specific campuses. Duplicated faculties and divisions such as finance were restructured into single divisions. The academic programmes of the merged institutions were restructured in order to offer similar courses and modules across the campuses.

The merger process led to the creation of a college model at the University of Kwa-Zulu Natal, in which similar faculties were grouped into structures known as colleges, headed by Deputy Vice Chancellors. The academic coordination activities were also moved from the registrar's office to planning office.

4.7.4.2 Implications of the Merger for the University of Kwa-Zulu Natal

a. Financial Implications

The merger process, according to the Strategy Planning Officer (Interview, University of Kwa-Zulu Natal, 26 April 2005), did not put the university in any financial difficulty. Although the university had a fund deficit, this had nothing to do with the merger. Rather it had to do with balancing the budget and the allocation of money. The staff compensation budget was reduced until the financial situation improved. The Department of Education provided funds, which improved the financial state of the new institution.

Prior to the merger process, the institutions that currently constitute the University of Kwa-Zulu Natal charged different fees. The merger process then meant that the students in the new university would pay similar fees since it would be impossible to charge different fees in one institution. The University of

Kwa-Zulu Natal further recognised that the institution would not be viable if students were charged the lesser of the fees that they had paid in their institutions prior to the merger process. The new university, in consultation with the students, agreed to charge the higher of the fees (Makgoba, 2004: 13).

Pipeline students were, however, allowed to continue to pay the lower of the fees until they completed their programmes or until they left the university. Their fees would however, increase in line with normal annual inflationary increases. New students would pay the higher of the fees (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005). The new students, however, could access financial assistance to cover the difference in fees. The university increased its financial aid packages for students in order to cover the gap created by students' fee increases. The Interim Council, according to Makgoba (2004: 13), "...approved a Uniform Policy Model for financial aid packages, bringing the levels of funding into line across all campuses, both for first entry and pipeline students".

b. Accommodation and Transport

The merger process had huge implications for student accommodation and transport. The former University of Durban-Westville had residences on the Westville Campus, which were in worse condition than the Howard Campus residences, and only nine kilometres away from the Howard Campus. The residences had different fee structures and it was not possible to apply similar fees to them because of the differences in their quality; the Westville residence was in a state of disrepair. The UDW did own blocks of flats but they were located in places considered unsuitable, such as Point Road on the beachfront. Students did not like these residences, which lacked easy access to public transport. The University of Kwa-Zulu Natal, therefore, embarked on a process of finding solutions to these problems: the Westville Campus was upgraded, and

the beachfront flats were either upgraded or sold (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The institution also secured the services of a transport company to shuttle students between the residences on the beachfront and the campuses. A task team was set up to consider the feasibility of employing a transport company to transport students to Pietermaritzburg to attend lectures, though remaining based in Durban. This is an expensive venture and another huge merger cost. The university, however, considered the cost effectiveness of outsourcing the project.

The student housing committees and the Student Representative Councils agreed that it was imperative to refurbish the Westville student residences, as well as to find lasting solutions to the shortage of undergraduate and postgraduate student accommodation on the Howard, Pietermaritzburg and Westville Campuses. The University of Kwa-Zulu Natal also had discussions with authorities at Ethekwini Municipality on how the Municipality could contribute to the provision of proper accommodation for students in their city development projects. The institution also explored the possibilities of building new student accommodation on the Howard and Westville campuses (Magkoba, 2004: 13).

c. Human Resources and Conditions of Service

The merger process created uncertainty among staff members who feared that they might lose their jobs. Although the university's management assured them that no one would lose his/her position, the staff were still concerned about their work security (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The two merging institutions had different conditions of service in terms of housing subsidy, leave requirements, medical aid, pension and other perks. It was necessary therefore to develop a single set of conditions of service for the

newly created institution. The human resources divisions of the two institutions in conjunction with the Unions developed a single set of conditions of service out of the two original systems (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The new conditions of service were finalised early in the merger without difficulties. The fact that the Unions were involved from the beginning of the process ensured that difficulties were not encountered along the way. A collective agreement was prepared for all relevant stakeholders to sign. The agreement addressed all areas of disadvantage, including the granting of annual salary increases and allocation of personal computers to all members of staff (Makgoba, 2004: 12).

Harmonisation and equalisation of salaries were not included in this agreement since they involve very sensitive issues. These issues however, could not be ignored because many employees who did similar work were paid different salaries. The institution used consultants to work out efficient methods for harmonising salaries (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

d. Duplicated Posts

The University of Kwa-Zulu Natal grappled with duplicated posts. This also raised anxiety and concern among affected staff. For instance, in cases where there were two directors of finance, the institution had to determine who became the new director of finance and how to redeploy the other person. Therefore, the university had to remain sensitive to the human side of such decisions while at the same time making sure that only those structures and posts necessary for efficiency were maintained (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

At the time of the merger, many management positions were either vacant or filled for short periods. This meant that the University of Kwa-Zulu Natal did not have to deal with many duplicated positions of this type. By the merger date, for instance, there had been many resignations among the management of the University of Natal, and the contract of the Vice Chancellor of the University of Durban Westville had expired by the merger date. Many of these posts were filled in acting capacities, so these staff members had no claim to the posts. The executive was, therefore, restructured on the basis of what the new institution needed rather than having to accommodate many people in existing positions. The 16 member executive is probably larger than the executive of any other institution in the country, which tend to have between eight and ten executive members. But the University of Kwa-Zulu Natal's largest executive was chosen deliberately to give people portfolios that were important in terms of the University's vision and mission. Overall, the UKZN did not experience the same problems as TUT for example, in having to accommodate existing executives. The posts were advertised internally at specific salaries, and interested candidates applied (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The University of Kwa-Zulu Natal no longer has duplicated management. Rather, each faculty has a Dean and up to three Deputy Deans, depending on its size. For instance, the Faculty of Humanities, Development and Social Sciences formed by merging four faculties, has about 8000 students. It has separate Deputy Deans for undergraduate studies and postgraduate studies. The Deputy Deans in Pietermaritzburg deal with the day-to-day affairs of that campus (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

e. Duplication of Programmes

The University of Kwa-Zulu Natal was confronted with the challenge of eradicating programme duplication in all its five campuses. For instance, the Pietermaritzburg Campus of the former University of Natal was managed as a separate institution, since it was very large. All programmes were thus duplicated across these two campuses. They even had separate Faculties of Science and Humanities (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

Efforts to eradicate programme duplication meant that certain programmes were consolidated at specific campuses. The consolidation process entailed the movement of similar programmes from all campuses to just one campus. The movement of infrastructure to specific sites caused various difficulties, as it was not possible to find sufficient space and accommodation such as offices, laboratories and lecture halls, for a number of programmes in certain sites. The university employed a team of consultants to find solutions to these space problems, and their suggestions were accepted by university management. Since the Pietermaritzburg Campus is about 90 kilometres away from Durban, it was excluded from the consolidation process (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

f. Restructuring of Divisions

The duplicated divisions within the university's five campuses were restructured into single divisions. For instance, the former University of Durban Westville had five finance divisions, while the former University of Natal and its Pietermaritzburg Campus had separate finance divisions. These were restructured into a single finance division. The University thus brought affected employees into a single structure. The academic programmes of the merged institutions were restructured in order for the new University to offer similar

courses and modules across all its campuses. In other words, the new institution now has a single curriculum for all its campuses. All duplicated faculties have been reduced to single faculties, each with one Dean (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

g. A Shift to the College Model

The University of Kwa-Zulu Natal uses a college model, which it considers an adequate means of governing such a large institution with a population of about 42 000 people. This model groups similar faculties into a structure known as a College, headed by a Deputy Vice Chancellor, Academics. There are currently four colleges, namely:

- College of Science, Engineering and Agriculture;
- College of Humanities, Social Science, and Education;
- College of Law and Management; and
- College of Health Sciences, which consists of the Medical School and the School of Health Sciences and Nursing (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The shift to a college model has created a manageable governance process for the University. It has also enabled the establishment of a decentralised financial administration, in which the budget is devolved from central administration to the colleges. College budgets are currently managed by the Deputy Vice Chancellors (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The consolidation of academic programmes at the University of Kwa-Zulu Natal has led to the following arrangements:

- College of Science, Engineering and Agriculture is located at the Howard College Campus;
- College of Humanities, Social Science, and Education is located at the Edgewood Campus;
- College of Law, and Management is located at the Westville Campus;
- College of Health Sciences, which consists of the Medical School and the School of Health Sciences and Nursing, has not been relocated; and
- The Pietermaritzburg Campus which is 90 kilometres away from Durban, remains as it was since its distance from Durban makes it impracticable to incorporate its activities into those of the other four campuses (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

h. Transfer of Academic Coordination Functions

These coordination activities, which were formerly performed by the registrar's office, have been moved to the planning office, to make the activities of the registrar's office more manageable. The Academic Coordination Unit is responsible for the processes of accreditation, gaining approval, writing policies, setting sessional dates, formulating academic rules and registering new programmes. The planning office is also responsible for quality assurance and management information (Makgoba, 2004: 7-8).

4.7.4.3 Concluding Remark

The University of Kwa-Zulu Natal is a result of the merger between the University of Natal and the University of Durban Westville. The new institution was successfully established because a number of issues that could have marred the merger were effectively dealt with. Academic and logistical planning commenced in advance of the merger date, the process was executed in a transparent manner with the involvement of relevant internal and external stakeholders, and

a climate of fear and intimidation was removed. Furthermore, the Interim Executive Management ensured that its conduct and the affairs of the institution were carried out with respect for equity, dignity and integrity. However, the challenges of racial and cultural differences remain and need to be addressed, to build a university that can be referred to as truly South African.

The merger process has led to the creation of a college model at the University of Kwa-Zulu Natal, in which similar faculties are grouped into structures known as colleges, headed by Deputy Vice Chancellors. Academic coordination activities were also moved from the registrar's office to the planning office. The merger process created uncertainty among staff members who feared that they might lose their jobs, but this did not materialise. Differences in salary and conditions of service of the two institutions were harmonised. The University of Kwa-Zulu Natal did not experience the same problems as other institutions in having to accommodate existing executives. Many management posts were vacant at the time of the merger. Therefore, it was easy to advertise them and have them filled.

The merger process did not impact negatively on the financial position of the University. However, the university currently charges the higher of the different fees that were paid in the former universities. Pipeline students are however, allowed to keep paying the old fees until they graduate or leave the institution. The residences also had different fee structures prior to the merger and it was not possible to apply similar fees to them because the residences in the Westville Campus were in a state of disrepair, and because students' financial backgrounds differ widely. The University of Kwa-Zulu Natal agreed to upgrade these residences and to provide transport facilities for students. These constituted another huge merger cost, for which the government provided.

The new university successfully confronted the challenge of eradicating programme duplication at its five campuses. Programmes were consolidated in specific campuses. Duplicated faculties and divisions were restructured into

single faculties and divisions. Similar courses and modules are now offered across the campuses.

4.7.5 CONCLUSION

This chapter has examined the incorporation process that took place in January 2004 between the University of Pretoria and the Vista University's Mamelodi Campus, the mergers that resulted in the creation of the Tshwane University of Technology and the University of Kwa-Zulu Natal, and the government's objectives for these processes. It revealed that a number of policies and legislation, including the *White Paper on Higher Education* of 1997 and the *National Plan for Higher Education* of 2001 provide the government's objectives and framework for the mergers and incorporation. These include overcoming the fragmentation that the apartheid policy makers created in the higher education system, and making higher educational institutions more responsible in terms of regional imperatives and developmental needs. The chapter further assessed the implications of government intervention on the system of higher education in South Africa.

At the University of Pretoria, the incorporation process led to the transfer of the assets, liabilities, rights and obligations of Vista Mamelodi Campus to the University of Pretoria, and the disappearance of Vista Mamelodi Campus as an entity. Vista funds were paid over to the University of Pretoria on the incorporation date. The two institutions agreed to work closely together and to refer unresolved disputes to the Central Incorporation Committee (CIC), or to the Joint Management Committee (JMC) should the CIC fail to resolve a dispute, or to the Vice Chancellors of these institutions if the CIC and JMC were unsuccessful. If the Vice Chancellors failed to resolve the dispute, the Councils of the two institutions would be approached with the aim of finding solutions to the disputes.

At the Tshwane University of Technology, Pretoria Technikon was chosen by the Education Minister as the official seat of the new University, since the three merging institutions failed to reach an agreement among themselves on this matter. The merger process was carried out in a consultative and participatory manner, with the involvement of relevant stakeholders and in line with the national government's merger guidelines. The three institutions embarked on pre-merger activities prior to the 1 January 2004 merger date. The activities aimed to determine the state of the technikons, including available infrastructure, programmes offered, financial procedures and processes, the number of staff and students, duplicated academic programmes, student support programmes and cultural differences among staff and students.

The *Memorandum of Agreement* which the three merging institutions entered into covered the following areas: operational functionality and communication; severance packages; filling of posts; promotion of employees; employee remuneration; renewal of contracts; the status of pipeline students; capital expenditure; academic and community-related agreements; dispute resolution and arbitration. They agreed to refer unresolved disputes to arbitration, and if necessary to obtain interim relief from a court of competent jurisdiction while they wait for the arbitrator's decision. In the MOA, the three institutions agreed to carry out their functions in a transparent manner; to timeously disclose all information necessary for an uncomplicated merger; and to make joint decisions on matters with organisational and operational relevance for the envisaged new institution.

The University of Kwa-Zulu Natal emerged from the merger between five campuses. The first structure to be finalised during the merger process was the Interim Council, which was appointed for six months to perform governance functions, excluding the establishment of institutional statutes. An interim management structure was appointed at the beginning of 2004 to manage the new institution during the first six months of its existence. In designing the new management structure, the institution considered the following factors: the needs

of a multi-campus institution; the cultures, expertise and diverse experiences of the citizens; and the core research, academic and service functions of the institution. The university was also required to ensure that existing Executive Managers with terms of office extending beyond the merger date continued to perform their functions until the finalisation of institutional structures and substantive appointments made to these positions.

Higher institutions around the country reacted differently to these incorporation and merger processes. While some of them feared that that academic standards would fall, others feared that they would be dominated by the well-established institutions with which they were to be merged or incorporated. The government took steps to allay such fears by putting necessary mechanisms in place to ensure an outcome that met the demands of all stakeholders and of the economy. This included establishing a merger office at the Department of Education, to provide support and monitor the implementation of the mergers and the incorporation.

As a result of the incorporation process, Vista Mamelodi Campus, which was incorporated into the University of Pretoria, no longer exists as an entity. The incorporation did not have significant administrative and managerial impact on the University of Pretoria, because the administrative and managerial systems of Vista Mamelodi Campus were simply aligned with the existing structures at the University of Pretoria.

The gap in academic standards at the Mamelodi Campus was narrowed by the incorporation process. For instance, study materials at the Mamelodi Campus were improved, better academic support for students provided, the Mamelodi Campus library improved, and an open computer laboratory and a 24-hour study area created. Differences in the entry requirements of the two institutions and their fee structures necessitated the consolidation of their academic

programmes. The incorporation process did not lower the quality of academic programmes and research.

The financial system and administration of the Vista Mamelodi Campus were incorporated into the financial systems and procedures of the University of Pretoria. The incorporation process, however, did not have a negative impact on the finances of the University of Pretoria because funding was provided by the government for the incorporation. The extra funding also ensured that the facilities at the Mamelodi Campus were upgraded. Differences in the conditions of service of the two institutions were bridged. However, the alignment did not favour former employees of Vista Mamelodi Campus, who, prior to the incorporation process, had better conditions of service than they now enjoy.

The institutional cultures of the University of Pretoria and Vista Mamelodi Campus have not been aligned. In view of the proposal to turn the latter into a study centre from 2008, it may no longer be imperative to align these cultures.

At the Tshwane University of Technology, the merger process had an impact on student development and support. When the three institutions were merged in January 2004, there was no single integrated selection policy in place, even though the next intake was already in progress. This led to difficulties. Staff also came under enormous pressure to provide and extend services. These logistical problems were resolved with the commitment of staff members who travelled daily to the three campuses to ensure that one central office coordinated the administration processes. This extension of services had financial implications, namely travelling expenses, overtime and materials. The policies of the three institutions were re-examined to find options acceptable to all stakeholders in the new university. The policies of the former Technikon Pretoria were in Afrikaans and had to be translated into English, since black students constitute about 70% of students of the new university.

Prior to the merger, the three institutions had different registration processes and systems and used different information technology systems. The various organisational, academic and fee structures were loaded onto an integrated system, created at a huge cost. The government supported the university in meeting the costs.

The harmonisation of employees' salaries led to an increase of about 12% in the money used for salaries, culminating in about 71% of the university's income being spent on salaries. This is beyond the government's recommended figure of 61% for salaries. Institutions should not spend almost 80% of their income on salaries and only 20% on essential managing operations.

The merger process resulted in excess staff. With the abolition of duplicated departments and faculties, fewer members are able to perform the necessary functions of the university. The elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend lectures only offered there. The different teaching methods of the three technikons also had to be moulded into a single teaching methodology.

Students' residences were upgraded as a result of the merger. Adequate maintenance plans were put in place to ensure that the buildings are habitable, meet health and safety standards and provide adequate facilities for the disabled.

The cultures of the three institutions were different and could not initially be harmonised or integrated. These institutions had different management styles and different missions, visions and values. While Technikon Pretoria had a hierarchical management style, Technikon Northern Gauteng and Technikon North West used a consultative and participatory approach. As a result, Tshwane University of Technology had to develop a new mission, vision and values, in which process they drew on similarities between them.

The merger that resulted in the University of Kwa-Zulu Natal was successful because a number of potential problems were promptly dealt with. For instance, academic and logistical planning commenced before the merger date in a transparent manner. Relevant stakeholders were involved, and the climate of fear and intimidation assuaged. However, the challenges of racial and cultural differences remain and these need to be addressed in order to build a university that can be truly referred to as South African.

As a result of the college model adopted by the University of Kwa-Zulu Natal, similar faculties were grouped to form the colleges, headed by Deputy Vice Chancellors. The academic coordination activities were also moved from the registrar's office to the planning office.

The merger process created uncertainty among staff members who feared that they might lose their jobs. This did not in fact happen. Differences in salary and conditions of service of the two institutions were harmonised. The University of Kwa-Zulu Natal did not experience the same problems as other institutions, having to accommodate existing executives. Many management posts were vacant, and were filled by advertisement.

The merger process did not impact negatively on the financial position of the university, though, the higher of the two fees that the former universities charged their students had to be charged by the new university. Pipeline students are allowed to keep paying the old fees until they graduate or leave the institution. The residences had different fee structures prior to the merger, and because the residences in the Westville Campus were in a state of disrepair, and students' financial backgrounds varied widely, these differences remain. The University of Kwa-Zulu Natal agreed to upgrade residences and to provide transport facilities for students. These measures were another huge merger cost, for which the government, however, provided.

The new university successfully eradicated programme duplication on its five campuses. This meant the consolidation of certain programmes to specific campuses. Duplicated faculties and divisions such as finance were restructured and courses and modules offered across the campuses.

Some of the reasons for the mergers and incorporation given in various policies, including the *National Plan for Higher Education of 2001* and the *Education White Paper 3 of 1997*, are the need to overcome the fragmentation that existed in the past system of higher education; strengthen the academic nature of institutions; promote efficiency and effectiveness in higher education management and administration; and reduce overlap and duplication in academic programmes. This chapter's investigation into the implications of the mergers and incorporation raises the question, then, of whether the government has achieved its aims and objectives for the mergers and incorporation of higher educational institutions? It is important to evaluate the merits and demerits of the government's intervention through the mergers and incorporation, in the higher education sector.

The changes brought by the mergers and incorporation have helped to set the system of higher education in South Africa on the path of growth and development. For instance, the gap in academic standards has narrowed; neglected facilities and buildings have been upgraded to comply with health and safety regulations; programme duplications have been removed; efficiency and effectiveness in higher education management and administration have been promoted; and no jobs have been lost even in universities with excess staff, where staff members feared that they might lose their jobs.

The negative implications of the mergers and incorporation processes include excess staff and many students, especially those from poor backgrounds, being unable to afford the cost of higher education if they do not get bursaries or

scholarships. Previously disadvantaged institutions that have become satellite campuses of previously advantaged institutions cannot afford to have students who do not pay their fees or insufficient numbers of students. Also the alignment of institutional cultures remains a critical challenge, as do racial and cultural differences which must be urgently addressed, especially since one of the goals of the transformation of the higher education system is to redress past imbalances and eliminate discriminatory tendencies.

The government needs to do more for the system of higher education, especially grant higher institutions more autonomy in deciding what they teach and how they run their institutions. The government also needs to involve the higher education sector more in determining the allocation of money and in the management of higher educational institutions in general.