WE EMPOWER PEOPLE TO SOAR

INTEGRATED REPORT | 2018
Over the past two years, we have adopted a new strategy and organisational structure. These changes have made us a stronger, more united university, committed to superior academic excellence and social justice.

Now that our strategy and organisational structure have been finalised, we use these as a foundation to create value by empowering people to soar – to go higher and further in pursuit of their goals.

How do we do it?

We share our knowledge and hone people’s skills, thereby creating the energy for momentum and the ability to soar into the unexplored; to see what has never been seen, and to create the future.
This is a more concise version of the NWU’s integrated annual report which the NWU Council approved at their meeting of 20 June 2019 and was submitted to the Department of Higher Education and Training (DHET) at the end of June.

The full report is available on the NWU website at http://www.nwu.ac.za/content/nwu-annual-reports.

We welcome feedback on our reporting approach – you are welcome to send your comments or suggestions to our registrar, Prof Marlene Verhoef, at marlene.verhoef@nwu.ac.za

Throughout this concise version of the report, you will find quick response (QR) codes that you can scan, either by using your smart phone’s built-in QR code scanner, or a downloaded scanning app. The QR code will take you to the relevant information in the full integrated report.
About This Report

Our Story

These are the facts and figures that make up our value creation story. Through this integrated report we tell you, our stakeholders, how we are implementing our strategy to create value for ourselves and our stakeholders over the short, medium and long term.

Throughout our story, you will see how we use and affect our resources and relationships, known as our “capitals”, to create value. There are six capitals: intellectual, human, social and relationship, manufactured, natural and financial. (You can read more about our capitals on page 46.)

To you, our audience

Our value creation story is all about you, our stakeholders. We see our stakeholders as those groups or individuals whom we affect through our activities and services, and whose actions can also affect our ability to successfully implement our strategy and achieve our goals.

Our value creation story mainly addresses our primary stakeholders. They are our students, alumni, Council, staff, the Department of Higher Education and Training, our peers, our collaboration partners and our business communities (as future employers of our students). However, we believe that the other stakeholders we engage with at the NWU (as seen on page 27) will also find the information in this report valuable.

How our story unfolds

Our value creation story starts with an overview of the NWU (page 5) and of how our external environment influences our ability to create value (page 7). Then we tell you how our business model works, referring to our input, activities, output and outcomes, which are all part of our value chain (page 14).

We also explain how our stakeholders’ expectations and concerns (page 27), and the risks and opportunities we face (page 33), impact our value creation process.

The guiding stars throughout our journey are our strategy and goals. On page 41 you will see what our strategy is all about and how we put it into practice, using and impacting our six capitals (page 46).

Finally, we tell you how our governance practices support and protect the whole value creation process (page 84).

Navigating our story

We use different icons to show the connectivity between the various sections in our integrated report.

Our Capitals

- Intellectual
  Including processes, procedures, policies, strategies and knowledge-based intangibles emanating from our teaching and learning and our research and innovation activities.

- Human
  Our staff and students (internal stakeholders)

- Social and relationship
  Our relationships with our external stakeholders

- Manufactured/manufacturing
  Our tangible infrastructure and assets

- Natural
  Our environmental/natural resources

- Financial
  Funds that we obtain and spend according to a budget

Our Strategic Goals

- Promote excellent learning and teaching
- Intensify research and innovation
- Integrate and align community engagement with core activities
Develop a clearly differentiated student value proposition

Develop and retain excellent staff and create an equitable staff and student profile

Our enablers

Govern, lead and manage in a sustainable and transformed way with an effective operating model.

Develop best-in-class information and communications technology to support the core business.

Communicate, engage and develop core business capabilities to increase brand equity, leadership efficacy and community solidarity.

Ensure the financial sustainability of the NWU.

Materiality of the report content

We based our decisions on what information to include in this report on the concept of "materiality".

We agree with the definition of materiality as set out in the International Integrated Reporting Council’s (IIRC) Integrated Reporting Framework. Consequently, we describe material matters as:

➤ issues that substantively affect the university’s ability to create value over the short, medium and long term; and

➤ issues that are important to any stakeholder who would wish to make an informed assessment of the NWU’s ability to generate value.

In determining which matters are material, the integrated reporting task team, led by the NWU’s registrar and including the deputy vice-chancellor for planning and the chief strategy officer in the office of the vice-chancellor, took the following into account:

➤ The strategy of the NWU and the goals and enablers set out in the NWU’s Annual Performance Plan (APP), which puts the strategic plan into action;

➤ The common strategic assumptions that underpin the strategy;

➤ The risk register, which documents critical risks that we have identified;

➤ The IIRC’s Integrated Reporting Framework; and

➤ The DHET’s reporting requirements.

Materiality was also informed by the issues our stakeholders raise, as described in the section on how we engage with our stakeholders on page 27 (in the table under the subheading: Issues raised).

“No material matters have been omitted from the report due to confidentiality, legal or information reliability constraints.”

Reporting boundary and scope, period and suite of reports

Reporting boundary

Our integrated report reflects the performance of the NWU as it operated across its three campuses for the period 1 January to 31 December 2018. Although the financial information (page 69) serves as a point of reference for the other information in this report, the report extends beyond financial reporting.

It also includes non-financial performance, risks and opportunities and the internal and external factors that substantially influence our business. Where material, we discuss the real and potential impact of these matters on our ability to create value.

Reporting cycle

Annually in December

Contact point for questions

marlene.verhoef@nwu.ac.za

Suite of reports

Our reporting suite further includes:

➤ Annual financial statements for the year ending 31 December 2018, which can be found on the NWU website at: http://www.nwu.ac.za/content/nwu-annual-reports

➤ Our website containing documents for various stakeholders, which can be accessed at http://www.nwu.ac.za/content/nwu-our-publications
Our reporting framework

This integrated report has been prepared in accordance with the IIRC’s International Integrated Reporting Framework and the DHET’s Regulations for Annual Reporting by Higher Education Institutions (published in June 2014 and incorporating principles from the King III Report). Our financial reporting boundary is determined in accordance with the International Financial Reporting Standards (IFRS).

Assurance

We obtain assurance about the effectiveness of our internal controls from internal and external assurance providers. Their input has been incorporated into this report.

We also follow specific procedures to ensure the accuracy of our reporting. After compiling the integrated report, we submitted it to the University Management Committee. The committee looked at the completeness and accuracy of the content and provided feedback where necessary, which was then incorporated into the integrated report. Only after that did we submit the report to Council for its approval.

The student and staff data provided in this report was obtained from our Institutional Planning and Strategic Intelligence Department, which is also responsible for submitting our data to the Higher Education Information Management System (HEMIS).

The summarised, audited consolidated financial statements contained in this report were extracted from the audited consolidated financial statements, prepared in accordance with the IFRS, and independently audited by our external auditors, PricewaterhouseCoopers.

The annual financial statements, including the auditors’ report, can be obtained from the NWU website at: http://www.nwu.ac.za/content/nwu-annual-reports.

PricewaterhouseCoopers also independently audited the information in our performance assessment report (refer to page 106).

More information about combined assurance can be found in the governance section of this report (page 84).

Council approval

Council and its subcommittees acknowledge their responsibility for overseeing the integrity and completeness of this integrated report. Council confirms that it has reviewed the contents of the report and applied its collective mind to the preparation and presentation of this report. Furthermore, Council believes that it has appropriately considered the accuracy and completeness of the material matters, as well as the reliability of the information presented in this report.

Council has sufficiently considered and materially presented these matters in accordance with the Integrated Reporting Framework of the IIRC.

Council approved the 2018 integrated report on 20 June 2019.
Performance highlights

In 2018 we made significant strides in moving to a unitary university model, both in terms of our structure and strategy. On page 46 you will see how we performed against our strategy and created value by using and impacting our capitals.

The following key trends are noteworthy:

- **15 350** qualifications awarded in 2018 (2017: 16 004)
- **215** postdoctoral fellows in 2018 (2017: 215)
- **232** NRF-rated researchers (2017: 229)
- **17 794** distance students enrolled (second highest in South Africa)
- **1300,04** units research output in 2017
- **15 350** qualifications awarded in 2018 (2017: 16 004)
- **215** postdoctoral fellows in 2018 (2017: 215)
- **232** NRF-rated researchers (2017: 229)
- **17 794** distance students enrolled (second highest in South Africa)
- **1300,04** units research output in 2017
- **248** PhDs awarded in 2018 (2017: 235)
- **R1 564,9 million** financial aid administered by the offices on the three campuses
- **83,2%** undergraduate success rate in 2018 (2017: 85,4%)
- **4 out of 5 stars** overall, ranked by Quacquarelli Symonds international evaluation system (2012: 3 stars)
- **Over R210,54 million** spent on infrastructure and facilities
- **More than 1 400** academic programmes offered at the NWU
Who we are

The North-West University is one of the 26 public higher education institutions in South Africa. We have three campuses: two in the North West province and another in Gauteng.

We have a single set of policies, systems and standards, and are driven by a set of constitutionally based values, in particular human dignity, equality and freedom.

All of the above are aimed at promoting unity in diversity. We wish to foster tolerance and respect for different perspectives and belief systems to ensure a suitable environment in which we can reach our purpose and realise our dream.

Our purpose
To excel in innovative learning and teaching and cutting-edge research, thereby benefiting society through knowledge.

Our dream
To be an internationally recognised university in Africa, distinguished for engaged scholarship, social responsiveness and an ethic of care.

Our strategy
To transform and position the NWU as a unitary institution of superior academic excellence, with a commitment to social justice.

The above form the basis for how our strategy (refer to page 41) ultimately delivers value to all our stakeholders and how it aligns us with the South African Government’s National Development Plan 2030.

What we do

Our core business is teaching-learning and research, with community engagement and innovation intertwined in these activities.

Ultimately, though, our role is about creating value, which refers to our output and outcomes, as well as our obligation to promote social justice in our communities.

Where we operate

We operate mainly in South Africa, but collaborate extensively with institutions and people all over the world. In 2018, the NWU had slightly more than 1 600 active agreements and memoranda of understanding, of which 250 were signed during 2018.

What sets us apart

No academic time lost in the past few years

Second largest number of distance students in South Africa

Rural setting and safety of our campuses
THE EXTERNAL ENVIRONMENT

Various factors in our external environment affect our capitals and consequently our ability to create value for ourselves and our stakeholders.

In the text below, we discuss the material factors in our external environment that affect us directly or indirectly. We also indicate how these are linked to our strategic goals and risks, how these impact our value creation ability, and what our response is.

**Announcement of fee-free higher education**

The announcement of fee-free higher education for households whose income is below a minimum threshold, had put substantive pressure on the all relevant internal business processes to cope with the evolving National Student Financial Aid (NSFAS) administrative system.

**Strategic matter affected:** teaching and learning (goal no 1), enabler 4 - refer to page 47
**Capitals affected:** financial, human, intellectual
**Risks involved:** 1,3,5 and 8 – refer to page 33

**Effect on value creation**

We are aware of possible disruption of our systems from the changed financing model. The implementation of fee-free higher education, as well as the belated announcements from NSFAS, not only changed the normal enrolment patterns and resulted in a more complex process for managing enrolment targets, but also had an impact on the administration of registrations.

**Our strategic response**

Effective communication among staff and students ensured an uninterrupted academic year.

**Fee regulation by the DHET**

The Department of Higher Education and Training has requested a tuition fee increase of 5,3% for 2019.

**Strategic matter affected:** financial sustainability (enabler no 5) – refer to page 69
**Capitals affected:** financial, intellectual, human
**Risks involved:** 1 – refer to page 33

**Effect on value creation**

It may erode our autonomy and put our financial stability at risk. This may ultimately affect the quality of the services we provide.

**Our strategic response**

We are identifying opportunities to increase our income and are managing our budget process carefully. We are also diversifying our income streams and improving operating costs efficiency. In addition we intend to participate in the modelling of the future funding design, influencing the process in a positive way.

**National call for curriculum change and transformation**

The impact that the overarching Fallist Movement and its various themes have had on teaching-learning since 2016, has led to national calls for curriculum change and transformation.

**Strategic matter affected:** teaching and learning (goal no 1) – refer to page 47
**Capitals affected:** intellectual, human, social and relationship, manufactured, financial
**Risks involved:** 2 and 3 – refer to page 33

**Effect on value creation**

Possible disruption of academic activities, in particular contact sessions

**Our strategic response**

We continue to decolonise the curriculum and address matters such as equity at the NWU. (More information is available in our report on transformation on page 31.)

Various NWU policies reflect this, such as the Policy for Continuing Education, the Language Policy, the Declaration on the Decolonisation of University Education, and the Declaration on the Development and Use of Open Education Resources.

To further mitigate the risk of potential disruptions, we developed the capacity to offer our learning programmes off-campus and through technology such as electronic (e-learning) platforms.
In response to the call for greater access, the NWU aims to make our services available to as many qualifying students as possible. (Read more about this on pages 15 and 47.)

Strategic matter affected: teaching and learning (goal no 1) – refer to page 47
Capitals affected: intellectual, human, social and relationship, financial
Risks involved: 2, 3 and 5 – refer to page 33

Effect on value creation
We acknowledge that, by ensuring increased access to the NWU, we can – in the long term – change people’s lives, helping them to pursue their dreams. However, we also realise that we have to be able to provide opportunities and experiences that will foster students’ success. Further expanding our academic and counselling support services and programmes for students is an opportunity to create even more value and increase our intellectual and human capital.

Our strategic response
The NWU offers a wide range of programmes to assist our students academically. (Refer to pages 15 and 47.) For instance, we expanded our foundation and extended academic programmes and secured new funding from the DHET for the Faculty of Law and ongoing funding for the Faculty of Economic and Management Sciences to enable students to access these courses. This is in alignment with our overall strategy of increasing enrolments in science, engineering and technology-related fields.

The decrease in state subsidies limits the creation of new positions, especially in those areas that link to our strategic priorities, for instance the implementation of the newly adopted Language Policy.

Strategic matter affected: staff profile (goal no 5) – refer to page 23
Capitals affected: human, financial, intellectual
Risks involved: 1, 3 and 8 – refer to page 33

Effect on value creation
We will not be able to adequately fill key positions due to budget constraints.

Our strategic response
We will have to prioritise wisely when filling key positions.

We realise that the pool of academic staff in South Africa, especially from designated groups at levels such as the professoriate, is limited.

Strategic matter affected: teaching and learning (goal no 1) – refer to page 47
Capitals affected: intellectual, human, social and relationship, financial
Risks involved: 2 and 3 – refer to page 33

Effect on value creation
We strive to employ the best-suited academic staff to ensure the best value possible for our students (through excellent teaching and learning) and the community (through ground-breaking research and sustainable community engagement). If we fail to do this, it may negatively affect our core business capacity and create an overreliance on temporary staff. Not attracting enough black South African academics may also compromise our ability to achieve our equity targets and result in an overdependence on foreign nationals. A lack of diversity may also hamper service delivery in our core business, especially with regard to language capacity and our commitment to functional multilingualism.

Our strategic response
Through our talent management strategy, we enable staff to build successful and satisfying career paths at the NWU. By offering incentives and professional development we attract and retain key talent, especially in scarce skills areas. We also use the individual remuneration review process to achieve fair pay and have a strategy to attract and retain black academics in particular.

The National Research Foundation (NRF) is phasing out their incentive funding for NRF-rated researchers. There was also a reduction in postgraduate funding due to NSFAS cuts.

Strategic matter affected: research and innovation (goal no 2) – refer to page 50
Capitals affected: financial, intellectual, human, social and relationship
Risks involved: 3 and 7 – refer to page 33

Effect on value creation
This may lower our research productivity and negatively affect the status of the university in national and international benchmarks.

Our strategic response
We made available R2 million from our strategic funds to all NRF-rated researchers across the eight faculties.
Economic conditions inhibit commercialisation

Economic conditions reduce the availability of early-stage, seed and venture capital funding for start-ups and blunt private sector appetite for licensing our intellectual property (IP) and technology.

**Strategic matter affected:** research and innovation (goal no 2) – refer to page 51

**Capitals affected:** financial, intellectual, human, social and relationship

**Risks involved:** 3 – refer to page 51

**Effect on value creation**

In the event that our IP and technologies are not transferred to the marketplace, it would result in a loss of potential income and reduced licensing and spin-off activity.

**Our strategic response**

We continue to develop and maintain relationships with funders and engage with industry to understand their needs and challenges.

Challenges in recruiting international students

Stricter visa requirements and the opening of new universities (for instance in Botswana) make it more difficult to enrol international students. Another possibly inhibiting factor is that the DHET requires us to prioritise South African students for postgraduate studies because of the need in our country.

**Strategic matter affected:** research and innovation (goal no 2) – refer to page 50

**Capitals affected:** financial, human, social and relationships

**Risks involved:** 3 – refer to page 33

**Effect on value creation**

We have experienced a drop in the number of international students (from 5.9% in 2016 to 5.2% in 2017 and 4.2% in 2018), which may lead to lower global rankings.

**Our strategic response**

We will have to make a greater effort to recruit more international students.

Rapidly changing societal roles/views/perceptions

Society’s perception of race, gender, culture, sexuality, religion, industry trends, technology and accessibility is constantly evolving.

**Strategic matter affected:** development of a clearly differentiated student value proposition (goal no 4) – refer to page 55

**Capitals affected:** human, social and relationship, financial

**Risks involved:** 2 and 5 – refer to page 33

**Effect on value creation**

An inability to recognise and adapt to changing societal norms and standards creates the risk of delivering a student experience that might not be appealing to current and prospective students.

**Our strategic response**

We constantly refine our student governance model and consultation processes to ensure that our plans and priorities remain relevant to the student body.

Pockets of political intolerance within the country

Violence and unrest at other South African universities influence our students and may result in messages and decisions within the university being received with scepticism and unwarranted resistance.

**Strategic matter affected:** development of a clearly differentiated student value proposition (goal no 4) – refer to page 55

**Capitals affected:** human, social and relationship, financial

**Risks involved:** 2 and 5 – refer to page 33

**Effect on value creation**

This challenge may increase possible resistance among our stakeholders to NWU messages and causes delays in the implementation of decisions.

**Our strategic response**

We constantly enhance our communication and improve our consultation processes.
OUR BUSINESS MODEL AND VALUE CHAIN

In this section, you can read how we use and transform our capitals to create value for ourselves and our stakeholders through the input, activities, outputs and outcomes in our value chain – all regulated by Senate.

The functions of the NWU Senate are mainly related to our core business, which in turn comprises important aspects of our value chain. That is why we present the Senate report in the format of our business model diagram, followed by a discussion of our value chain.

These photographs show our business model in action and reflect the student life cycle at our university.

Of the 15 350 students who graduated, 18% studied science, engineering and technology and 22% business and management sciences.

Focusing on the development of our young researchers, we secured 23 internships for 2019 from the Department of Science and Technology and the NRF.

When it comes to teaching and learning, we are committed to academic excellence and student support to foster academic success.

During 2018, a total of 12 127 first-time entering undergraduate students joined the NWU. During the first-year welcoming events on our campuses, students are introduced to academic and support staff to ensure a smooth transition from school to university.
1 110
hectare
The total area
the university’s
campuses occupy
(natural capital)

23,8%
Increase in
total assets

R182,99
million
Spent on infrastructure
(manufactured capital)

427 621
square metres
The usable floor space
the NWU takes up

1 1142
Schools targeted by
our recruiters through
direct marketing
campaigns and activities
(social and relationship capital)

12 127
First-time entering
undergraduate students
(human capital)

17,6%
Increase in
usable floor space

47% Number of graduates who completed their studies in minimum time

98.63% Success rate of the NWU merit bursary holders

47%

R217,3 million

The university, from its own resources, contributed R217,3 million or 14% of the total funds allocated for financial aid

98.63%

R831,1 million

Net surplus for 2018 as reflected in the consolidated statement of comprehensive income

Number of graduates who completed their studies in minimum time

15 350 graduates

22% Business and management

18% Science, engineering and technology

42% Education

18% All other humanities and social sciences

Goal 1 (teaching and learning); Goal 2 (research and innovation); Goal 3 (community engagement and sustainability); Goal 4 (student value proposition); Goal 5 (staff and student equity); Enabler 1 (govern, lead and manage); Enabler 3 (communication and stakeholder engagement); Enabler 4 (financial sustainability)

According to the Quacquarelli Symonds (QS) global university ranking system, the NWU was ranked in the 801+ position.

We received four out of five stars overall, and five out of five stars for teaching/learning, employability, facilities and innovation.

The external environment (see page 7) sets the context in which we use our business model to create value.
NWU VALUE CHAIN: 
EMPOWERING PEOPLE TO SOAR

As a result, we build good relationships with the outside world, thereby increasing our social and relationship capital.

NOTE
NWU VALUE CHAIN: 
EMPOWERING PEOPLE TO SOAR
Our value-creation story is about empowering people to discover their strengths and develop their skills. In other words: we give them the tools to prepare for take-off (our input), we strengthen their wings (our activities), and enable them to take flight (our output) so that they can eventually soar (our outcomes).

Throughout our value chain, we access, use and transform our capitals. For instance, as part of our input, we use our sources of income (financial capital), our skilled staff members (human capital), buildings and equipment (manufactured capital) and our academic programmes (intellectual capital) to create value for our students (human capital).

During our daily activities, for example our community engagement initiatives, we reach out to communities, thereby strengthening our social and relationship capital. Our research results (intellectual capital) are part of our output. We apply these results to find solutions to problems in society and in our country, thereby changing lives and creating a better future for people, which is part of our outcomes.

Our value chain also depends on the responsible use of our natural capital. In fact, all our capitals are based on the availability of natural resources. We need water, for instance, to sustain the lives of our staff and students (human capital) and land to build on (manufactured capital).

In the following discussion of our value chain, you will see how we draw on our various capitals as inputs and, through our activities, convert them to outputs and outcomes.

Input: preparing for take-off

Our students
Our students body is a crucial input into our value chain. The image below shows the composition and size of the student body in 2018.

In the following table you can see how our student enrolment figures compare with those of other higher education institutions in South Africa (based on 2017 audited Higher Education Information Management System [HEMIS] data).

<table>
<thead>
<tr>
<th>Institution</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of South Africa</td>
<td>334 015</td>
</tr>
<tr>
<td>Tshwane University of Technology</td>
<td>63 032</td>
</tr>
<tr>
<td>North-West University</td>
<td>62 558</td>
</tr>
<tr>
<td>University of Pretoria</td>
<td>50 695</td>
</tr>
<tr>
<td>University of Johannesburg</td>
<td>50 447</td>
</tr>
</tbody>
</table>

As a result, we build good relationships with the outside world, thereby increasing our social and relationship capital.
Student recruitment

As one of our strategic goals is to reach our annual enrolment targets, we see student recruitment as an important input into our value chain.

Our recruiters targeted 1 142 schools through direct marketing campaigns and activities. Our nine undergraduate marketers reached a potential pool of 69 354 bachelor’s degree candidates through their efforts.

Widening access to studies at the NWU

The NWU wants to make our academic programmes accessible to as many qualifying candidates as possible. (This is subject to enrolment targets, budget allocations, institutional capacity and admission requirements.)

More information on these initiatives is available on page 47 in the section on how we performed against our strategy.

Access to financial aid

The Financial Aid offices on the three campuses of the NWU administered R1 565 million in 2018.

Government funding, including Funza Lushaka administered by the National Student Financial Aid Scheme (NSFAS), amounted to R1 082 million or 69% of the total amount for bursaries. R105 million was outstanding from NSFAS at year end, which will increase government’s contribution to 76% of the total amount for bursaries.

We contributed R217,3 million from our own resources, which is 14% of the total funds allocated for financial aid. This confirms our commitment to creating value for our students, thereby increasing the value of our human capital. By supporting needy students, we also support our strategy (committing ourselves to social justice) and we pursue our NWU dream (having an ethic of care).

Staff development and support

Our 3 995 permanent staff members are a vital input in our value chain and we regard them as an important stakeholder group and part of our human capital.

In the text that follows, we elaborate a little more on how we empower and care for our staff. You can also turn to page 17, and to page 55 in the section on how we perform against our strategy to learn more about how we care for our staff.

Our staff

Another important input into our value chain is our staff complement. In 2018 we had a total of 3 995 permanent staff members, compared to 3 907 in 2017.

The following table shows how our staff numbers compare with those of other South African higher education institutions (based on 2017 audited HEMIS data):

<table>
<thead>
<tr>
<th>Institution</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Cape Town (UCT)</td>
<td>4 841</td>
</tr>
<tr>
<td>University of the Witwatersrand (Wits)</td>
<td>4 620</td>
</tr>
<tr>
<td>University of Johannesburg</td>
<td>4 510</td>
</tr>
<tr>
<td>University of Pretoria</td>
<td>4 059</td>
</tr>
<tr>
<td>University of KwaZulu-Natal</td>
<td>4 013</td>
</tr>
<tr>
<td>North-West University</td>
<td>3 907</td>
</tr>
</tbody>
</table>

Academic promotions and awards programmes

Our annual academic promotions process takes the form of a recognition programme and is one of the tools we use to create an environment in which our academics can realised their potential.

Through this programme we build academics for the future, thereby contributing to the National Development Plan and the Pan-African ideal. This means that we are active in creating value for ourselves, our academics, the country and the continent.

Student development and support

Our structured registration and orientation programme allows first-year students to familiarise themselves with the university environment. In this way we help them to unfold their wings, so that they can eventually soar.

We offer ongoing support and development programmes to ensure academic success (see page 47), and equip our students to develop social and leadership skills, making the eventual transition from the tertiary education environment to the world of work easier for them. This can be linked to risk cluster 3, and in particular the fact that school leavers are increasingly unprepared for university studies (see page 34).

We also offer services such as health care, student counselling and development, as well as arts and sports. (You will find more information about these services on page 24 and 55.)
Caring for our staff

We recognise that South African universities compete for talent, especially for academic staff. An important way for us to compete effectively is to ensure we keep our employees engaged by creating an environment that is underpinned by an ethic of care.

NWU Wellness implements various initiatives that nurture the mental, physical and social wellbeing of our employees.

We use organisational wellness interventions and occupational health assessments to promote optimal employee health. For team cohesion, we implement team assessments and interventions. We also empower line managers to promote employee wellness as part of their management responsibilities.

Funding

Research funding

We received the following funds to strengthen our financial capital and to enable us in financing the value creation for research and innovation:

<table>
<thead>
<tr>
<th>NRF-related grants and support (excluding THRIP)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freestanding bursaries</td>
<td>R19 923 891,00</td>
</tr>
<tr>
<td>Block grant bursaries</td>
<td>R 4 225 000,00</td>
</tr>
<tr>
<td>NRF postdoctoral awards</td>
<td>R3 756 550,05</td>
</tr>
<tr>
<td>Chairs</td>
<td>R15 538 554,99</td>
</tr>
<tr>
<td>Research grants</td>
<td>R28 459 692,17</td>
</tr>
<tr>
<td>Total received from the NRF</td>
<td>R71 903 688,21</td>
</tr>
<tr>
<td>Other funding (for technology transfer and innovation)</td>
<td>R24,9 million (discussion follows)</td>
</tr>
</tbody>
</table>

Funding for technology transfer and innovation

The Technology Transfer and Innovation Support Office (incorporating Fundraising) tapped into a wide range of local and international funding opportunities for teaching and learning, research and commercialisation.

A total amount of R24,9 million in grants and project funding was received through general fundraising efforts in 2018. This amount includes funding in the form of SETA bursaries (R9,3 million) and funds for initiatives ranging from engineering projects (R3,3 million) to our Meal-a-Day project for needy students.

International funding

The table below shows the international funding that each faculty received during 2018.

(The minus amounts indicate an income amount.)

<table>
<thead>
<tr>
<th>International funding for research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty of Economic and Management Sciences</td>
</tr>
<tr>
<td>Faculty of Education</td>
</tr>
<tr>
<td>Faculty of Engineering</td>
</tr>
<tr>
<td>Faculty of Health Sciences</td>
</tr>
<tr>
<td>Faculty of Humanities</td>
</tr>
<tr>
<td>Faculty of Law</td>
</tr>
<tr>
<td>Faculty of Natural and Agricultural Sciences</td>
</tr>
<tr>
<td>Faculty of Theology</td>
</tr>
<tr>
<td>Grand total</td>
</tr>
</tbody>
</table>
Activities: strengthening their wings

Our core business is teaching and learning, research and community engagement, and ultimately all activities at the NWU are aimed at creating value in these fields.

Teaching and learning activities

We are committed to improve continuously the scope and relevance of our academic offering and the quality of our teaching and learning activities. This is important for further improving student access, retention and success. During 2018, we continued working diligently to address issues relevant to these environments.

The strong focus on the alignment of our academic programmes also continued, the aim being to ensure external compliance and provide programmes of comparable quality across all our campuses. For more information, refer to page 48 in the section on how we performed against our strategy, thereby increasing our intellectual capital.

Increasing student success

Our Centre for Teaching and Learning (CTL) offers a variety of interventions to enable student retention and success.

To see how these activities create value for ourselves and our stakeholders, refer to the section about how we performed against our strategy, thereby increasing our intellectual and human capital. (See page 47.)

Promoting continuing education

Our Unit for Continuing Education is helping to build a skilled workforce for South Africa.

Focusing on improved growth and profitability, we offer a diversified portfolio of short courses and have developed new products. During 2018, 6 972 candidates participated in 230 short-course events.

In extending our reach to disadvantaged communities, people with disabilities, women and rural communities, we identified six high-demand short courses for a distance learning delivery pilot project that we will implement in 2019.

Improving graduate employability

Part of our value creation story is to improve the employability of NWU work-seeking graduates.

We take various steps to produce graduates suited to the market and who, within six months of graduating, are either self-employed or in formal employment. More information about these activities are available in the section on how we performed against our strategy, thereby strengthening our intellectual and human capital, on page 55.

Focusing on academic professional development

In empowering our academics to be excellent and soar as professionals, we use various initiatives for their professional development.

These include workshops, seminars and webinars, the induction programme for new academics, the Teaching and Learning Excellence Awards, events and activities focused on the scholarship of teaching and learning, and the annual Teaching and Learning Conference. All these initiatives help to develop our human capital, meaning staff and, through them, our students.

NOTE

This is in line with our strategy which includes our commitment to social justice. It also reflects our purpose (benefiting society through knowledge) and our dream (having an ethic of care).
Research activities revolve around our research entities, which include seven national entities linked with national and international imperatives, 11 research chairs, and 40 NWU research entities (compared to 39 in 2017). For a new NWU entity to be approved, there must be a clear fit with the university’s strategic plan and the national research plan. Our 40 research entities consist of five centres of excellence, 10 research units, 13 research focus areas and 12 research niche areas.

As it is important that our research activities create maximum value for our stakeholders, we evaluated 10 of our NWU entities during 2018.

Among our 11 research chairs are two new and four renewed SARChI chairs, and one new UNESCO chair, which was the first one of its kind to be allocated to the NWU.

A full list of NWU research entities and other hosted entities is available here:
Outputs: see their wings unfold

Teaching and learning output

We had a contact success rate of 84.6% (85% in 2017) and a contact undergraduate graduation duration factor of 1.13 in 2018, compared 1.15 in 2017.

Our student-to-academic staff full-time equivalent (FTE) ratio is 32.44: 1, meaning that one academic staff member is available for every 32 full-time equivalent students.

Our first-time entrant dropout rate for contact degrees decreased from 11.11% in 2017 to 9% in 2018. This shows that our investment in academic support is yielding substantial value.

The following graph shows the number of graduates per qualification type for 2017 and 2018.

![Graduates per qualification type for 2017 and 2018](image)

The following table shows how our number of graduates compare with those of other South African higher education institutions (based on 2017 audited HEMIS data).

<table>
<thead>
<tr>
<th>Institution</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of South Africa</td>
<td>44 842</td>
</tr>
<tr>
<td>North-West University</td>
<td>16 004</td>
</tr>
<tr>
<td>Tshwane University of Technology</td>
<td>14 754</td>
</tr>
<tr>
<td>University of Pretoria</td>
<td>13 273</td>
</tr>
<tr>
<td>University of Johannesburg</td>
<td>13 004</td>
</tr>
</tbody>
</table>

Teaching and learning awards

The annual Teaching and Learning Excellence Awards acknowledge and celebrate the exceptional output of our academic staff in teaching practices and innovation, while providing excellent role models for students and other academics.

Awards are presented in three categories: the Emerging Teaching Excellence Award, the Teaching Excellence Award and the Distinguished Teaching Excellence Award.

![Prof Roelien Goede, Dr Carolina Botha and Prof Welma Lubbe received Distinguished Teaching Excellence Awards during a gala event in 2018.](image)

This increase indicates that more students completed their degrees in the minimum time.
Research output

Improving our research and innovation output means considering the quantity and quality of research. Both aspects show an upward trajectory. Pockets of excellence within the university are expanding, various entities are internationalising their research and our critical mass of expertise is growing.

The following table confirms this:

<table>
<thead>
<tr>
<th>Research output</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal articles</td>
<td>1 107,64</td>
</tr>
<tr>
<td>Conference proceedings</td>
<td>82,37</td>
</tr>
</tbody>
</table>

Weighted total research output per academic

Using 2016 audited HEMIS data, the graph below shows our position in the higher education sector with regard to the research output per academic. When comparing ourselves with these eight universities, we are ninth in the sector.

Research and innovation excellence awards

We celebrate our researchers’ hard work and exceptional output through our annual research and innovation excellence awards.

Prof Marius Nel, Faculty of Theology, was announced the Most Productive Researcher, while Dr Josh Chukwuere, Faculty of Economic and Management Sciences, was the Most Productive Junior Researcher.

The Unit for Reformational Theology and the Development of the South African Society was the Most Productive Research Entity.

In 2018 there were eight Technology Transfer and Innovation Excellence Awards, eight Research Excellence Awards, 10 National Research Excellence Awards and four International Research Excellence Awards.
Outcomes: See them soar

In the previous sections we discussed the first two parts of our value chain, namely our inputs and activities. Now we are going to show you how these have been realised in the next stage of the chain – outcomes that create value over a longer term.

During all four stages of our value chain, we take care that we source, use and transform our capitals in such a way that we will still have sufficient capitals available to use for future value creation. In other words: sustainability is part of our outcomes.

Let’s look at an example. By creating financial stability as an outcome for ourselves, we make sure that there will be an NWU in the future to create more outcomes for our stakeholders. One of these outcomes may be enhancing the knowledge economy of the country by delivering skilled graduates to the labour market. (Delivering graduates is an output that increases our human capital and eventually the human and financial capital of South Africa).

Another example is our research output (an outcome), which strengthens our reputation (another outcome) to such an extent that we attract more students. This can be seen as an outcome and a future input that builds our human capital and ensures our future sustainability.

Using our research and innovation results to solve real-life problems in our communities, the country and the world, is another example of an outcome. The third leg of our core business, namely community engagement, also creates outcomes for people by empowering them to improve their lives in a sustainable way, as can be seen in the story below.

PROF DAN KGWADI
CHAIRPERSON OF SENATE

Green water treatment will benefit communities

For her master’s research, an NWU PhD chemistry candidate, Tshepiso Moremedi, assisted communities in the rural villages of Seweding and Stadt to understand the health effects of nitrate in drinking water. Her work included the mechanisms for treating drinking water by using Moringa Oleifera (M. oleifera), a non-toxic tropical plant found throughout India, Asia and Sub-Saharan Africa.

This can be linked to our external environment and risk cluster 1, as uncertainties in the higher education environment can impact our financial sustainability (see pages 7 and 34).
OUR VICE-CHANCELLOR’S REVIEW

Introduction: Looking at 2018

When reflecting on the theme of this integrated report, “We empower people to soar”, I can state with confidence that we have indeed empowered our stakeholders – and ourselves – to reach greater heights in 2018.

One of the highlights I would like to share with you is that we were able to embed satisfactorily our new unitary structure. The result has been a more unitary student life, not least in the way our NWU sporting teams have represented us proudly in new purple gear.

Our students also sustained their focus on their studies during the year: consequently, we did not lose a single academic day due to protests. At our graduation ceremonies, some 10 000 students received first degrees or diplomas and 248 received doctorates.

A further significant achievement was to maintain financial stability, despite economic challenges, both nationally and globally. We accomplished this by keeping a sharp eye on the balance sheet and increasing our reserve funds. As a result, we were able to remain one of the most affordable universities in the country.

We also developed a new language policy, which has at its core, multilingualism. This policy will enhance our graduates’ ability to function more effectively in more than one language. In this way we aim to contribute to social cohesion and inclusion.

You will find more detail about our performance against the targets in our 2018 Annual Performance Plan in the section on how we create value through performance, from pages 46 to 83, and also in Annexure 1 on page 106 of this report.

However, there were a few major developments during the year that are worth mentioning here.

Our managerial and administrative activities

As already mentioned in this integrated report, all our activities are geared towards value creation for ourselves and our stakeholders, by deploying our six capitals in support of our strategy.

The appointment of new senior executives and administrative staff members strengthened our human capital – see page 95 in the section on governance supporting value.

Our various managerial and administrative activities contributed to our organisational learning and our intellectual capital. You can read more about the aspects relating to teaching-learning and research in the section about our business model and value chain (pages 10 to 21).

The sections detailing our strategy (pages 41 to 45) and our performance (pages 46 to 68) contain information about other support departments and operations.

Adequacy of staff levels, particularly in critical areas

Integral to our success is the quality of our people. If we want to fulfil our dream of being an internationally recognised university, we need talented, energised, committed and passionate staff with high level of skills and an innovation mind-set.

A challenge during 2018 was the competition for talent in the higher education sector. We addressed this challenge through strategic workforce planning, talent attraction and management, recruitment, optimal management of remuneration, training and development and performance management.

We also developed a scarce and critical skills programme to attract and retain the talent required to assist in realising our strategy of promoting academic excellence. The programme started in the academic environment, and we will roll it out in the support environment during 2019.

There was a significant increase in total staff headcount (from 7 997 in 2017 to 8 305 in 2018). As can be seen from the following table, this growth is mainly in the support environment, while the academic pool remained stable. In 2019, we will prioritise growth in academic posts.

NOTE

This is one of the steps we took in reaction to the shortage of academic staff in the country (our external environment, page 8). It is also related to risk cluster 3 (academic matters, page 34).
We can report that the workforce was stable in 2018, with a staff turnover of 4% among academics and 5% among support staff. This is well within our targeted attrition rate of under 10%.

Realising equity targets in the workplace

Our progress towards achieving our employment equity targets are regularly monitored by various oversight governance committees. These include two Council committees, namely the People and Culture and Employment Equity Committee and the Transformation Oversight Committee.

In 2018 we revised and aligned our employment equity targets with our new operating model.

Our current employment equity plan runs from January 2016 to December 2020. The targets and outcomes for 2018, cascaded from the plan approved by Council on 28 September 2018, are shown in the table above.

As you can see, we achieved our 2018 targets in most categories, surpassing the targets by 1.43% for African males, 0.14% for Coloured males, 0.13% for Indian males, and 0.46% for African females.

One of the challenges in our external environment is that the pool of academics in South Africa, especially from designated groups, is limited.
The quality of information available to management

We need high-quality, trustworthy information to make decisions that are crucial for our daily operations and the future sustainability of our university.

Our Institutional Planning and Strategic Intelligence unit collects, integrates and stores data from different sources across the university to assist us with integrated planning and intelligent decision-making.

The unit provides timely management information (often by responding to ad hoc queries), reports regularly to different business units and develops customised dashboards.

A challenge is that most of the indicators universities use are only available at the end of the academic year. As a result, we need to identify data sources that can assist us with proactive decision-making and early identification of at-risk students.

Institutional Planning and Strategic Intelligence is also responsible for the HEMIS submission of staff, student and research data to the Department of Higher Education and Training, and for putting processes in place to improve the overall data integrity at the NWU.

Student services and extracurricular activities

We want the NWU to be a home away from home for all our students. In line with our dream to promote an ethic of care, we offer various support services and extracurricular activities to create well-rounded students.

You can read more about our academic support activities for students in the section on how we create value through our performance on page 47.

In addition to their academic pursuits, extracurricular activities are a valuable part of our students’ overall university experience.

Through our Student Support Services Centre, we encourage our students to become involved in more than 40 sporting, social and cultural student organisations that we offer at the university.

Through their involvement in these activities, our students develop leadership skills, a capacity for teamwork and a sense of judgement, and they learn how to build meaningful relationships, to be responsible and to persevere.

Another priority is the mental and physical health of our students. Besides organising awareness campaigns about matters such as HIV and Aids and gender-based violence, we offer our students various counselling and social welfare services.

In addition, our campus clinics offer affordable and, when needed, free medical care to all students.

Changing patterns in the provision of academic courses

In 2018 we had 61,212 students enrolled at our three campuses. Female enrolments dropped slightly from 41,219 to 39,963, while male enrolments 21,249 were much the same as in 2017.

We experienced over-enrolments in the faculties of Natural and Agricultural Sciences, Humanities and Health Sciences, but were largely on target in the faculties of Law, Theology, Education, Economic and Management Sciences and Engineering.

We remain committed to our strategy of enrolling more students in the fields of science, engineering, technology and commerce, and are making steady progress in this regard.

During 2018, Senate approved several new qualifications, the extension of qualifications and programmes to other campuses, and the addition of new programmes under existing qualifications.

Most approvals were in the fields of education and social sciences. Several programmes were also introduced at campuses where they were not previously offered.

Development Studies was for instance introduced at the Mafikeng Campus, and population studies at the Potchefstroom and Mafikeng campuses.

2018 saw an emphasis on new and unique qualifications, for instance the approval of the diploma and BEd in early childhood care and education, which were identified as national priorities.

No new distance applications were made for 2018, as we are already offering a substantial number of programmes via distance learning.

Self-assessment of the achievement of the vice-chancellor

We have made significant progress in our core activities of teaching and learning, research and innovation, and community engagement. The details are set out elsewhere in this report, for instance in the highlights on page 5 and in our business model on page 12.
As you can see from these accomplishments, we kept our eye on the ball and, at the same time, embedded our new unitary structure.

Virtually the whole of the senior management team is now in place and we can concentrate on realising our unitary strategy, our dream and purpose.

In conclusion, we are glad to report that we have succeeded in achieving the majority of the goals in our Annual Performance Plan. (Refer to page 106.)

Looking at the future

We will build on the firm foundation of what we have accomplished. This does not mean resting on our laurels. An ongoing project will be to optimise our structure and operating model in order to support and realise our strategy.

We will continue to align our institutional culture with the demands of our strategy. What this means, is that we have to maintain an internal environment where all feel welcome, integrated and included.

To accomplish this, we will implement various culture change projects for staff and students in 2019. These projects will focus on diversity, social inclusion and cohesion as our organisational attributes.

In short: our behaviour and activities must continue to be driven by our values, an ethic of care and a commitment to social justice. Only within such an environment will we be able to tackle the challenges facing us.

One of the ongoing challenges in our environment is the sustainability of the funding model for public higher education in South Africa.

We must make sure that we are able to improve our financial sustainability in future, within the constraints of the funding framework. This may well entail a more innovative approach to funding diversification than we currently employ.

Despite challenges, we face the future with confidence, as we know that the ongoing support that we receive from you, our stakeholders, will enable us to continue to enable our people to soar.

“It requires excellence and dedication to make people soar to where they can achieve their goals and realise their dreams.

The NWU community does not disappoint. By taking hands and soaring to greater heights themselves, they play the major part in our value creation story. May our joint efforts continue to make our stakeholders soar.”

Harnessing our diversity

During 2018, we launched a diversity campaign known as Ubuntu, in response to the results of the climate and culture survey done among staff members in 2017.

Vuyiswa Xoba, director for organisation development at People and Culture, says the campaign was aimed at showing people how we can harness diversity to make the NWU stronger and achieve its goal of excellence.
Meet our management members

Prof Dan Kgwadi  
Vice-Chancellor

Prof Marlene Verhoef  
Registrar

Prof Fika Janse van Rensburg  
Vice-Principal and Deputy Vice-Chancellor: Assigned Functions and Potchefstroom Campus Operations

Prof Robert Balfour  
Deputy Vice-Chancellor: Teaching and Learning

Prof Refilwe Phaswana-Mafuya  
Deputy Vice-Chancellor: Research and Innovation

Prof Marilyn Setlalentoa  
Deputy Vice-Chancellor: Assigned Functions and Mafikeng Campus Operations

Prof Linda du Plessis  
Deputy Vice-Chancellor: Assigned Functions and Vaal Triangle Campus Operations

Ms Elmarie de Beer  
Executive Director: Finance and Facilities

Dr Mala Singh  
Executive Director: People and Culture

Mr Clement Manoko  
Executive Director: Corporate Relations and Marketing

Prof Lumkile Lalendle  
Executive Director: Student Life

PROF DAN KGWADI  
VICE-CHANCELLOR
HOW WE ENGAGE WITH OUR STAKEHOLDERS

We are very proud of what we have achieved since the implementation of the new strategy, especially regarding research and innovation, teaching-learning and community engagement. This can largely be attributed to our good relationships and constructive interaction with our internal and external stakeholders.

Creating value for ourselves and our stakeholders

Our engagement approach of responding effectively to our stakeholders’ interests and expectations creates value for them and, at the same time, builds capacity and creates opportunities for our long-term growth and sustainability.

Striving to create even more value for our stakeholders, we asked the firm business DNA to conduct an internal communication audit among staff and students in 2018. In surveys such as this one, a score of 65% communication effectiveness is globally regarded as an indication of success. In comparison, our staff communication effectiveness index was 57.4%, which indicated that communication with staff was regarded as reasonable. However, the communication with students – with an effectiveness index of 47.8% – was regarded as unsatisfactory.

How we react to our stakeholders’ interests and expectations

When we engage with our stakeholders, they often raise matters that are of particular importance to them. The following tables show their key interests and expectations and how we react to that.

<table>
<thead>
<tr>
<th>Key interests and expectations</th>
<th>Stakeholder groups</th>
<th>Our response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity of student life experience</td>
<td>Students</td>
<td>Student life experience is one of the key pillars of our student-value proposition. Working with the relevant student structures, we have introduced activities that are aimed at enhancing student life experience across our three campuses in line with our unitary model. (An example is frequent intercampus sport days).</td>
</tr>
</tbody>
</table>

NOTE

This ties in with the material matter: Develop a clearly differentiated student value proposition (goal 1 of our Annual Performance Plan).
### Key interests and expectations

- Range of academic offerings, and ongoing excellence, especially in our core business
- Academic excellence on all campuses
- Research excellence

### Stakeholder groups

Students, parents, families (of registered students), schools (Grade 11 and 12 learners), donors, sponsors and patrons | Employers, business, industry

### Our response

We make sure our stakeholders are aware of the wide range of academic programmes we offer. We also share information about our output, results and achievements, for instance via our integrated annual report.

The implementation of our new structure began on 1 July 2017. This resulted in the alignment of our faculty programmes and academic support activities across our three campuses.

For example, an executive dean of a faculty is responsible for all academic programmes and activities in that faculty across the three campuses. This ensures that the faculty expertise and knowledge are shared to achieve academic excellence.

Equitable resources – including academic and research support programmes for staff and students across our three campuses – is also invaluable for academic success and excellence.

Our well-established system of research entities, (see page 18) also contributes to our research excellence. (See our research output on page 20 and page 51.)

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### Key interests and expectations

- Safety and security

### Stakeholder groups

Students, staff, parents, families (of registered students), schools (Grade 11 and 12 learners)

### Our response

We recognise that safety and security is perceived as a challenge in areas surrounding our campuses and are working on solutions to partner with local authorities and the South African Police Service to improve off-campus safety.

For instance, the university has partnered with the JB Marks Municipality to establish the Cachet Park City Improvement District Non-Profit Company (CID NPC).

The CID NPC will work in collaboration with SAPS and other community-based organisations to address the safety problems around the Potchefstroom Campus.

Similar initiatives will be rolled out to the other campuses as a matter of priority.

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### Key interests and expectations

- Quality and employability of our graduates and the relevance of our qualifications to industry needs

### Stakeholder groups

Students | Employers, business, industry

### Our response

Our Career Centre plays an integral part in facilitating linkages between our students and potential employers through various initiatives such as career fairs and exhibitions.

The centre also conducts an annual survey together with Universum, a global employer branding company.

According to the survey results, almost 80% of our participating graduates were employed within three months after graduating. The majority of our participants found employment after applying for up to five jobs and were appointed in permanent positions.

The purpose of the survey among our graduates is to establish appropriate benchmarks and liaise with employers to make sure our academic programmes remain relevant.

In fact, we invest significant resources to ensure that we offer relevant and quality academic programmes.

Our efforts have been acknowledged by the Quacquarelli Symonds ranking, which awarded us five out of five stars for the employability of our graduates.

In addition, we host events with industry role players to obtain feedback about their experience with our graduates and ask them for their input and advice so that we can continually improve our academic programmes.
Key interests and expectations

Stakeholder groups

<table>
<thead>
<tr>
<th>Cyber security and access to Information and Communication Technology (ICT) services</th>
</tr>
</thead>
</table>

We have rolled out improved ICT services across our three campuses to facilitate students’ learning experience. All our campuses are equipped with WiFi and computer laboratories, as equity of provision is an important driver of our unitary and inclusion strategy.

We manage cyber security carefully and ensure business continuity and sufficient access for staff to state-of-the-art technology, including teaching and learning technology and connection to national research networks.

According to MyBroadband’s Q1 2018 speed test results, we have the second highest peak broadband speed among South African universities.

In a survey we conducted in 2018, staff and students scored the software and eFundi (the e-learning platform) as the two best services rendered. We will implement the survey results to increase our value creation.

Key interests and expectations

Stakeholder groups

<table>
<thead>
<tr>
<th>Language policy</th>
</tr>
</thead>
</table>

A language policy and plan revision kicked off in 2017 to address challenges with the implementation of our functional multilingualism policy and we continually updated our stakeholders about our progress.

Council approved the language policy in November 2018. The relevant structures (including faculties) have begun to develop language plans that will address specific needs and expectations in their respective areas.

We have assured our stakeholders that the language policy will be implemented in the spirit of inclusion and supporting academic access and success for our students.

Key interests and expectations

Stakeholder groups

| Academic freedom, good working conditions and job satisfaction |
| Career development and empowerment |
| Transformation and employment equity |

Our staff have the freedom to research and express their views and opinions that support their fields of research and expertise.

Good progress was made during 2018 in ensuring that issues resulting from the alignment process were addressed. We are continually engaging with staff to address challenges they are experiencing in their working conditions. This includes office space management, a perceived increase in administrative work and reporting and general management-employee relationships.

We have various programmes for staff development and make sure that staff are aware of such. (Find more information on page 55.)

The university has made significant progress in implementing its transformation and employment equity plans. (Refer to page 23.)

Key interests and expectations

Stakeholder groups

<table>
<thead>
<tr>
<th>The university’s performance and reputation</th>
</tr>
</thead>
</table>

Our response
The university’s reputation remains positive among stakeholders. This has been enhanced by the achievements made in various areas, including research, teaching and learning and community engagements, as well as arts and sport.

The university’s ranking by the Quacquarelli Symonds (QS) and other ranking systems further enhanced the NWU’s reputation. We were ranked in the 801+ ranking position. We received four out of five stars overall, and five out of five stars for teaching and learning, employability, facilities and innovation.

In our regular reporting activities, we keep the DHET abreast of our achievements. We also annually submit audited information to the DHET via the Higher Education Management Information System (HEMIS).

**Key interests and expectations**

- Sound, competent management, transparency and financial sustainability

**Stakeholder groups**

Parents, families (of registered students), alumni, employers, business, industry, DHET, donors, sponsors and patrons

**Our response**

During engagement opportunities we assure our stakeholders that we continue to be in a healthy financial position. We inform them that we are cautious in managing our budget and that we launch initiatives to increase our revenues. (See our risks and mitigating actions on page 34 and in particular the Finance report section on page 69).

We show our donors, sponsors and patrons how their contributions have added to the university’s stability. We also inform them of the controls and other measures that are in place to ensure sound financial management, and how the Financial Committee of Council ensures good governance. Our Board of Donors is represented on the Council, which is the highest governance body at the university.

**Key interests and expectations**

- Affordable fees and bursary availability

**Stakeholder groups**

Parents, families (of registered students), schools (Grade 11 and 12 learners)

**Our response**

We give these stakeholders information about the way we manage our tuition fees and about the bursaries available for students. (More information about bursaries is available on page 15.)

**Key interests and expectations**

- Compliance with regulations and the Higher Education Act

**Stakeholder groups**

DHET, Council on Higher Education, South African Qualifications Authority, Education Quality Committee, Universities South Africa

**Our response**

Management, and in particular the office of the registrar, is responsible for the day-to-day adherence to these regulations. The NWU Council plays an oversight role, driving and monitoring compliance.

We report to the DHET during the year and submit an integrated report at the end of June each year.

“We believe that the success of the NWU is closely linked to maintaining solid, high-quality relationships and constructive engagements with our stakeholders.”

This is closely linked to risk cluster 4, which is about compliance (see page 36).
OUR TRANSFORMATION JOURNEY

It is said that change is the only constant. In response to our internal and external environment, our transformation journey is ongoing, with academic excellence, social justice and an ethic of care as our guiding stars.

A clear reflection of our commitment to transformation is our strategy “to transform and position the NWU as a unitary institution of superior academic excellence, with a commitment to social justice”.

Academic transformation

When it comes to transformation, social justice is the lens through which we look at all our educational and related activities.

This brought into focus a number of prominent transformation issues that our academic community engaged with during 2018. These include gender awareness and inequality, decolonisation of the curriculum and the implementation of our revised language policy.

Gender awareness

We held our first NWU Gender Awareness Week in 2018, which will now become an annual event.

Inequality

We responded to the impact of inequality – whether social or economic – by introducing new academic disciplines such as critical accountancy, environmental education and race and gender studies. We recognise that differences between students in terms of gender, language and socio-economic background affect access and success. Addressing this challenge, we offer support through peer mentoring, supplemental instruction and extended programmes.

Decolonisation of the curriculum

We concluded a declaration on decolonisation during 2018. This requires all faculties to embrace decolonisation practices in an equitable way. This will foster greater inclusivity, which will ultimately enhance student success and contribute to social justice.

Language Policy

Our revised multilingual language policy makes provision for translanguaging (using multiple languages), interpreting and translation services and parallel instruction, while noting the need for the university to respond to the market and selected professions which have articulated explicit preferences for particular languages for certain settings.

Pursuing equity

There was a time in our history when our campuses were either predominantly white or black. This is why staff and student equity is still high on our transformation agenda.

Guided by our enrolment plan, we have set ourselves equity targets and are committed to reaching these. (For more information about our equity targets, turn to page 23 in our vice-chancellor’s review.)

Enabling equity

When looking at diversity, specifically of the first-year intake, our Student Recruitment and Strategy Plan articulates that we should manage residence placement in a way that will help us reach our equity targets.

Because we do not have a direct feeder area and students must travel to attend the NWU, accommodation plays an important role in recruiting students. In order to reach the equity targets, the residence places on each campus must be reserved in line with the targets.

Monitoring transformation

A transformation journey implies moving forward and making progress. In 2018, we discussed ways in which we can build a transformation dashboard as a progress monitoring and reporting tool that is fit for purpose in our university.

Relying on both qualitative and quantitative data, this tool will cover aspects such as culture, equity and redress, research and scholarship, teaching and learning and community engagement. We will continue to develop this dashboard during 2019.
Overseeing transformation

Although transformation is the responsibility of every member of the NWU community, we also have sub-committees of the NWU Council specifically tasked with overseeing transformation.

In addition to the main transformation oversight structure, the Transformation Oversight Committee, others such as the Student Oversight Committee and the Institutional Forum also play a role.

Their diverse blend of staff, management and students enable them to make sure that the university complies with the national transformation goals in higher education.

Adding value

We want all our students to enjoy the same high-quality academic and student life.

In order to achieve this, we strive for equity of resources, making sure that high-quality academic, sports and extramural facilities are available to all students.

We also keep our eyes on our guiding stars – social justice and an ethic of care – when seeking to make life easier for individuals from disadvantaged backgrounds, needy students and people with disabilities.

At the heart of all these endeavours lies the commitment to add equal value for all our stakeholders.

In the process, we increase our human capital (for example, our students and staff having equal resources), our manufactured capital (by ensuring equal, high-standard facilities) and our social and relationship capital (heeding the public’s call for fairness and redress through transformation).

Looking ahead

Although we have made significant progress, we have not yet arrived.

What makes it even more important to continue this journey is that it is a way of mitigating a very prominent risk, namely the external and internal demand for organisational change and ongoing transformation (see page 7).

Another factor that we have to keep in mind is that the state subsidy and research funding (for instance from the National Research Foundation) is becoming increasingly equity-driven. This may adversely impact us if we do not make significant progress in attaining our transformation goals.

However, our prime motivation for continuing and accelerating our transformation journey, is that it’s the right thing to do and accords with our values.

We stay committed to further building our unitary institution, and establishing an institutional culture and a unique NWU way of life that supports our strategy and speaks of care, equality and fairness for all. That is why transformation will stay high on our future agenda.

PROF DAN KGWADI
VICE-CHANCELLOR

DR BISMARK TYOBeka
CHAIRPERSON OF COUNCIL

NOTE

Transformation is directly linked to our strategy, which is to TRANSFORM and position the NWU as a unitary institution of superior academic excellence, with a commitment to social justice.
MATERIAL RISKS AND OPPORTUNITIES IMPACTING VALUE

An overview of the risk governance and management process

The demands and uncertainties in the external environment (see page 7) continued to shape our strategic approach to risk management.

In response we identified the risks that could affect our ability to implement our strategy. We also adopted initiatives that mitigate these risks and enable us to harness the mitigated opportunities to create sustainable value for ourselves and our stakeholders.

Our risk management processes are also aligned to the King IV guiding principles, ensuring streamlined processes and procedures in accordance with the prescripts of the code.

For the past few years, we have been using a risk-cluster categorisation approach to identify the material risk clusters that are important for the university’s strategy, governance and management, performance and future planning. These risk clusters are listed below.

These clusters make up the core content of the risk management process.
Using our opportunities

As part of the risk-cluster approach we continually identify opportunities to adapt to our changing environment.

The opportunities we consider vital are to:

- Continually safeguard the financial sustainability of the university
- Implement our new strategy and resultant new structure and operating model
- Work towards excellence in teaching and learning and research and innovation
- Establish a clearly differentiated student value proposition
- Develop and retain excellent staff and create an equitable staff and student profile
- Deploy best-in-class information technology to support the core business
- Provide an effective financial model, policies and structure for continuing education offerings and increased commercialisation opportunities

The following tables provide more detailed information on the risk clusters. They also show the potential impact of the risks and the effect of the mitigating measures that we took.

### Uncertainties in the higher education environment

**Related material matter:** Ensure financial sustainability. (Annual Performance Plan (APP), Enabler 4)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>This could put our financial sustainability under pressure. Capital affected: 📈</td>
<td>Refer to our strategic response under the headings Announcement of fee-free higher education and Fee regulation by the DHET in the section on our external environment on page 7.</td>
</tr>
</tbody>
</table>

### Demand for organisational change and ongoing transformation

**Related material matter:** Govern, lead and manage in a sustainable and transformed way with an effective operating model. (APP, Enabler 1)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The national drive for the transformation of the curriculum and the internal pressure for ongoing organisational change may create the perception of the NWU as opposing transformation which can negatively affect our reputation. Capital affected: 📈</td>
<td>Refer to our strategic response under the heading National call for curriculum change and transformation in the section on our external environment on page 7.</td>
</tr>
<tr>
<td>The implementation of the new organisational model may challenge the day to day activities at the university. Capital affected: 📈</td>
<td>The full-scale implementation of the new structure with its clearly defined roles and reporting lines, together with the reviewed systems and policies, ensured a smooth transition.</td>
</tr>
</tbody>
</table>
## Academic matters

**Related material matter:** Promote excellent learning and teaching, and reposition the NWU to attain the size and shape required by market direction decisions. (APP, Goal 1)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The following matters may negatively affect the internal and external opinion of the NWU as a reputable institution of higher learning:</td>
<td></td>
</tr>
<tr>
<td>▶ Low staff morale and challenges in recruiting and retaining staff. Capitals affected:</td>
<td>Refer to our strategic response under the heading Shortage of academic staff in the section on our external environment on page 8. Staff development is also discussed in the section on our business model on page 15 and in the section on how we perform against our strategy and capitals on page 55.</td>
</tr>
<tr>
<td>▶ The fact that school leavers are increasingly unprepared for university studies. Capitals affected:</td>
<td>We offer a wide range of programmes to assist students academically, especially our first years. Read more about these initiatives under the heading Increase student access and success in the section on how we performed against our strategy and capitals on page 47.</td>
</tr>
<tr>
<td>▶ A skills mismatch when our students enter the labour market. Capitals affected:</td>
<td>Our academic programmes address national skills priorities and development needs. To see what we do to meet the expectations of employers for highly employable graduates, refer to our response on the expectations of employers in the section on how we engage with our stakeholders on page 28.</td>
</tr>
<tr>
<td>▶ The relevance and quality of academic programmes and teaching technologies. Capitals affected:</td>
<td>We adopt innovative teaching and learning designs in all our programmes, and use teaching and learning technology effectively. Our aim is to establish the NWU as a leader in multimodal education in the SA higher education sector.</td>
</tr>
</tbody>
</table>

## Risk ranking

### 3

### Academic matters

**Related material matter:** Intensify research and innovation (APP, Goal 2)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>With regard to research, various factors may harm our reputation and ability to create value for ourselves and our stakeholders. These factors include perceptions related to “publish or perish”, a drop in NRF ratings, difficulties in sustaining a positive research trajectory owing to university restructuring, unsatisfactory research productivity and difficulties in attracting international staff and students. Capitals affected:</td>
<td>We took various steps to promote research excellence. These include developing our research management model (see page 18), empowering our researchers (see page 55) and finding research funding (see page 16). We also invested in top-of-the-range research equipment and maintained a sustainable management model for patenting and commercialisation. With regard to international students and staff, refer to our strategic response under the heading Challenges in recruiting international students in the section on our external environment on page 9.</td>
</tr>
</tbody>
</table>

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**NOTE**
Compliance

Related material matter: (APP, Enabler 1)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lack of compliance and the absence of adequate control mechanisms may negatively impact the effectiveness and efficiency of the management and governance of our university (eventually decreasing all our capitals). It may also lead to more instances of degree certification and bursary fund fraud, plagiarism, examination irregularities and the inadequate understanding of the legal and regulatory implications of contracts.</td>
<td>We took various steps to ensure that non-compliance does not decrease our capacity to create value. Here are a few examples: We strengthened our internal audit function and developed an anti-fraud strategy, implemented security measures for the printing and re-issuing of degree certificates and reviewed our plagiarism policy, focusing on the enhancement of academic integrity. We also streamlined the investigation process for instances of alleged plagiarism and aligned several processes across our campuses. These include student academic life cycle administration, the development of quality manuals and the admission of international students. We are also establishing an electronic work-flow environment for contract management.</td>
</tr>
</tbody>
</table>

Student experience

Related material matter: (APP, Goal 1)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The lack of proper student academic support and an inability to create an enriched and aligned student life experience with equity of provision across the NWU may result in disengaged and disgruntled students. Capitals affected: 🏛️ 📚</td>
<td>With regard to the many ways in which we supported our students academically, refer to the heading Increase student access and success in the section on how we performed against our strategy and capitals on page 47. (Information about the use of technology in the classroom and the blended mode of delivery is available on page 53.) More information on the alignment of student life across the campuses is available in the section on page 27 (under the heading: Equity of student life) and on page 32 (under the heading: Adding value).</td>
</tr>
</tbody>
</table>

Information technology and the provision of university systems

Related material matter: Develop best-in-class information and communications technology to support the core business. (APP, Enabler 2)

Related material matter: (APP, Enabler 1)
### Risk(s) and the impact on value creation

| Cyber-attacks can lead to the loss of important and sensitive information, and vulnerabilities in the IT environment can lead to the halting of all university processes (decreasing all our capitals). |
| We carefully monitored cyber-security management, for instance through audits done by Internal Audit. We are also finalising a cyber-security strategy. |
| An outdated student information system can have a negative effect on the effectiveness and efficiencies of student academic life cycle administration. |
| In addition, we are finalising an information governance framework and consider the development of a new student information system a priority. |
| Specific challenges include IT capacity matters (internal and external), South African National Research Network (SANReN) capacity, IT staff capacity and an ageing study material production system. Capitals affected: |
| We developed business continuity plans within the IT environment, addressed staff capacity by means of strategic funding and launched a project for the renewal and optimisation of the student information system. |

### Commercialisation

**Related material matter:** (APP, Goal 1)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The lack of systematic information on continuing education courses, as well as the lack of clear information on revenue generated from continuing education, leaves the university vulnerable, both financially and in compliance matters. Capitals affected:</td>
<td>We focused on the provisioning of an effective financial and operating model and a management structure for continuing education. We also made a concerted effort to increase commercialisation opportunities and worked towards establishing a Unit for Continuing Education and finalising the policy on continuing education.</td>
</tr>
</tbody>
</table>

### Operational matters

**Related material matters:** (APP, Enabler 1)

**Related material matters:** (APP, Enabler 4)

<table>
<thead>
<tr>
<th>Risk(s) and the impact on value creation</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The inability to provide the necessary facilities and secure people’s safety within buildings compromises the core business. Capitals affected:</td>
<td>We launched a project to optimise space management and applied to the DHET for infrastructure funding. We are also further strengthening our integrated planning for academic infrastructure.</td>
</tr>
<tr>
<td>Specific risks in terms of facilities include inadequate library, lecturing, practical and office space, laboratory and simulation facilities and equipment, water pressure challenges, Wi-Fi coverage and protection against fire.</td>
<td></td>
</tr>
</tbody>
</table>
Steps taken in 2018

As a result of the data-gathering process that we conducted towards the end of 2018, we cleaned up the risk register. In particular, we removed the duplications that occurred when the risk register was still compiled under the campus model dispensation, and made sure that it is clear who the risk owners are, according to the new business model.

As a result of the discussions with the relevant risk owners, we updated the risk register and drew a risk heat map.

The following images indicate the pre-treatment phase for the period 2014 to 2017 of the NWU Strategic and Operational Risk Register, as well as the treated state, as it became evident during the mid-2018 consultation phase.

Improving the effectiveness of risk management

Effective assessment of risk exposure and risk management is essential to us, especially on the operational, managerial and governance levels where risks are controlled.

We adopted a combined assurance model for the NWU, complying with King IV, which states that a combined assurance model should incorporate and optimise all assurance services and functions.

A highlight for 2018 was the drafting of a Risk Management Policy, which is to be finalised and submitted to Council for approval early in 2019.

The following internal control framework is used for ongoing risk-management purposes:

<table>
<thead>
<tr>
<th>Our control mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our set of values, ethical principles, codes of conduct, policies and acceptable business practices guide our operations.</td>
</tr>
<tr>
<td>To ensure staff competency, we have job descriptions, performance agreements and personal development plans.</td>
</tr>
<tr>
<td>Our management model and our operating style are aimed at ensuring integrity, competence, responsibility and accountability. This is strengthened by good governance and an organisational structure with clearly defined roles, responsibilities and levels of reporting.</td>
</tr>
<tr>
<td>There is a distinct assignment of authority, delegation of responsibilities and individual accountability.</td>
</tr>
</tbody>
</table>
Our organisational goals and objectives are cascaded to all levels of management, and we monitor the execution of these. Regular risk identification and risk management take place at the business process level and are integrated with opportunity management. Risk management is aimed at continually adding value to the strategic positioning of our university.

Our internal audit activities focus on risk-based auditing.

The governance environment ensures compliance with legislation and the existence and regular review of policies and regulations. Policies and regulations are given practical application in quality manuals and business process procedures that form the basis for continuous quality enhancement.

The University Management Committee continually reviews the control effectiveness (including financial performance) of business units. This is underpinned by performance indicators for all relevant operational areas, information integrity, asset management and record-keeping principles.

An information governance framework accounts for business continuity and disaster recovery and a policy ensures effective and efficient information governance.

We have clear guidelines for the management of access to information and the protection of private information.

IT controls are in place to sustain and enhance the university’s intellectual capital. Controls ensure the continuous monitoring of the security of information and the appropriate backing up and off-site storage of key data.

We balance the expectations of our material stakeholders in the best interest of the university and maintain effective stakeholder relationships. Communication channels are well defined and accessible and the integrity of our external communication is guaranteed.

The University Management Committee supervises the effectiveness of key control activities, policy implementation, system development, implementation and maintenance, and budget controls.

Management responds to control effectiveness, for instance when policy and procedures have been violated, and follows up on all findings of internal and external audit reports.

In addition, management reports regularly to the relevant governance structures on the implications of legislation on business processes, as well as external factors that might affect internal control effectiveness.

We continually monitor the risk management process and assess the effectiveness of the control environment.

“"The NWU Council affirms, as the final decision-making body of the university, that it is endowed with the responsibility and accountability for the effectiveness and efficiency of the risk-management process. It is continually apprised of developments by means of management and audit reports on the management and risk-coverage processes; and had been provided sufficient assurance over the past year from all relevant assurance providers.”

Statement approval obtained from the NWU Council on 20 June 2019
Continuous assessment of risk

Regular reporting of risks takes place at the appropriate governance level of the particular risk category, and all oversight structures receive biannual updates on the status of risk management in the risk categories.

Notwithstanding our internal structures and procedures, the potential exists that adverse events may occur and affect operations throughout the institution. Therefore, we view risk management as identifying potential risk events that might emerge, assessing the likelihood that these will occur and their potential impact.

Our assessment scale includes ratings for impact, probability, control effectiveness and residual risk. This scale assists us in determining the priority of the identified risks and managing these risks accordingly.

Furthermore, we link responsible business process owners to each risk.

While the University Management Committee is responsible for overall management and control of risk, it remains the responsibility of each risk owner to ensure that appropriate abatement strategies are established to allow for risk management. They also provide feedback on the progress of managing the particular risk event, and ensure that the risk register is updated regularly.

Thus, operational managers are at the heart of the university’s risk management project, taking responsibility and accountability for this enterprise.

From the above, our stakeholders may rest assured that we continued to identify and evaluate potential risk consequences in a responsible way in 2018.

PROF MARLENE VERHOEF
REGISTRAR DESIGNATED WITH RISK RESPONSIBILITY

MR ANTON REDELINGHUIS
CHAIRPERSON: AUDIT, RISK AND COMPLIANCE COMMITTEE

Report on internal/administrative structures and controls

The North-West University maintains a system of internal control in order to provide reasonable assurance for the achievement of effectiveness and efficiency of operations, the reliability of financial reporting and overall compliance with relevant laws and regulations, the prevention of loss of resources and assets, and also to reduce legal liability.

The Audit, Risk and Compliance Committee exercises the primary oversight role on behalf of the university Council on the effectiveness of internal controls.

After reviewing the full report on internal administrative/operational structures and controls for the 2018 financial year at its meeting of 5 June 2019, the committee is of the opinion that the university’s internal control system for the year under review has met the criteria for effective internal control.

“The Audit, Risk and Compliance Committee is confident that, for the year under review, the NWU systems of internal control over its operational environment, information reporting and safeguarding of assets against the unauthorised acquisition, use or disposal of assets met the criteria for effective control for purposes of financial reporting. The committee is also confident that internal control measures assisted the NWU to achieve its goals in effective and efficient ways.”

The full report is available in the integrated report that was submitted to the DHET at the end of June 2019. It can be accessed via this QR code:
OUR STRATEGY TO CREATE VALUE

In this section of our value creation story, we tell you where we want to go and how we are going to get there.

On this journey, we use our 2015-2025 strategy as the guiding star to show us our destination, and our Annual Performance Plan as the map to help us reach it.

Explaining our strategy

In the image on the next page, you can see how the strategy is connected to different elements, all assisting us to realise our strategy. These elements include our dream, purpose and brand promise that all expand on our strategy, as well as our Annual Performance Plan, which gives effect to it.

The image further illustrates that our Annual Performance Plan consists of five goals and four enablers. The goals translate into a number of objectives which anchor the broader direction in concrete activities through which we create value.

NWU will help fight neuromuscular diseases

The NWU will play a prominent role in establishing a new International Centre for Genomic Research in Neuromuscular Diseases, and also in South Africa’s participation in this virtual centre.

The centre will bring scientists, academics and clinicians from six nations and four continents together in the fight against neuromuscular diseases.

Some of the more prominent diseases in this group are muscular dystrophy, amyotrophic lateral sclerosis (ALS) and motor neuron disease.

This centre will benefit society, as it will help examine new avenues for properly diagnosing and dealing with these diseases and aid in developing new medicines to fight them.

Prof Francois van der Westhuizen of the Mitochondria Research Laboratory in the NWU’s Faculty of Natural and Agricultural Sciences will be the primary investigator on the South African side.

He says large multi-disciplinary collaborations where knowledge and expertise are shared are hugely important to achieve outcomes that will not only have greater scientific impact, but will also benefit society. “It will help us to examine new avenues for properly diagnosing and dealing with these diseases and aid in developing new medicines to fight them,” he concludes.

For our strategic objectives and related resource allocation, turn to page 66 and 67 in the section on how we performed against our strategy.
We took these goals and enablers into consideration when we determined which matters were material and should be included in this integrated report.

OUR STRATEGY: Transform and position the NWU as a unitary institution of superior academic excellence, with a commitment to social justice.

Annual Performance Plan

**goals (Core Performance)**

1. Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions.
2. Intensify research and innovation.
3. Integrate and align community engagement with core activities (teaching and learning and research) and promote sustainability principles.
4. Develop a clearly differentiated student value proposition.
5. Develop and retain excellent staff and create an equitable staff and student profile.

**Enablers**

1. Govern, lead and manage in a sustainable and transformed way with an effective operating model.
2. Develop best in class information and communications technology to support the core business.
3. Communicate, engage and develop core business capability to increase brand equity, leadership efficacy, and community solidarity.
4. Ensure the financial sustainability of the NWU.

**Key Performance Indicators**

- Contact student success rate
- International student enrolment
- First-time entrant dropout rate for contact degrees
- Publications per permanent academic staff member
- Student: academic staff FTE ratio
- Permanent academic staff with PhDs
- Contact undergraduate graduation duration factor
- Weighted research output
- Student mix: contact and distance

**Note**

Internationally recognised
Engaged scholarship
Social responsiveness
Ethic of care

DREAM

Innovative learning and teaching
Cutting-edge research
Benefitting society through knowledge

Purpose

BRAND PROMISE

Dynamic
Values-driven
Excellent
Five goals to realise our strategy

**Where we want to go**

**We want to promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions.**

**How we get there**

We enhance the quality of our teaching and learning through curriculum design and development support. We are also committed to the professional development of our academic staff, and the academic development and support of our students.

Other steps that we take to achieve our goal are to advance student access, retention and success, and ensure curriculum transformation and renewal.

It is also very important to establish, develop and maintain an enabling and aligned teaching and learning environment.

Through our continuing education programmes, we provide professional services to the community while creating third-stream income for the university.

**Where we want to go**

**It is our goal to intensify research and innovation.**

**How we get there**

We make sure that our strategy for research, innovation and technology is aligned across the NWU and promotes academic excellence, with a commitment to social justice.

By participating in international rankings and ratings and through international collaboration, we expand our global presence. In addition, we continuously work towards increasing our research output, the number of NRF-rated researchers and postdoctoral fellows, research entities, new invention disclosures and funding sources.

**Where we want to go**

**We want our community engagement to be integrated and aligned with our teaching and learning and research, and want to promote sustainability principles.**

**How we get there**

We are committed to expanding work-integrated learning and service learning, which are part of our Teaching and Learning Strategy.

Through our discipline-based outreach, we encourage staff and students to volunteer in communities, thereby enhancing their social awareness.

Realising that we have a responsibility towards the environment (our natural capital), we use environmental impact studies to establish baselines for measuring and reporting the impact of our activities on the environment.

**Where we want to go**

**It is important to develop a clearly differentiated student value proposition.**

**How we get there**

We focus on promoting a diverse and integrated student life on all campuses.

Giving our students access to cutting-edge resources and services enhances their academic performance and eventually their employability. Our functional multilingualism approach addresses their diverse language needs, and our commitment to improving the student administration system enhances service delivery.
Where we want to go

We want to develop and retain excellent staff and create an equitable staff and student profile.

Four enablers to help us realise our strategy

Where we want to go

Govern, lead and manage in a sustainable and transformed way with an effective operating model.

How we get there

For the sake of effective management, we implement the 2017 Statute, make certain that support services function in an integrated way across campuses and use an integrated risk management model to mitigate risks.

We also ensured a smooth transition of distance students to an NWU operating model after the termination of the contract between the Open Learning Group and the NWU.

Where we want to go

Develop best-in-class information and communications technology to support the core business.

How we get there

We align our IT goals to our core business objectives, thereby ensuring optimal value and support for research, teaching and learning, while sustaining and improving our administrative systems and shared services.

We offer appropriate technology solutions to help managers and units to reach their performance targets. In short: we strive towards continuous improvement and service excellence in IT service delivery to ensure user satisfaction.

Where we want to go

Communicate, engage and develop core business capabilities to increase brand equity, leadership efficacy and community solidarity.

How we get there

Continuously enhancing and promoting the NWU profile among stakeholders and the public remains a priority.

We do this by repositioning the NWU through the implementation of the revised NWU look and feel, by increasing media coverage and by increasing the usage of our online or digital media platforms.

Two multi-media marketing campaigns support student recruitment, while stakeholder engagement initiatives promote collaborations and acts of giving to the NWU.

How we get there

By improving staff and student equity we promote diversity on all campuses

We are set to increase the number of academic and support staff (nationally and internationally) who are open minded, think critically, respect the right to freedom of expression and are committed to and have respect for the full scope of diversity.

We have various measures in place, such as our policies and strategies, to enable a positive organisational culture among our staff.

Through our academic development interventions, we create high-performing individuals who think critically, embrace the full scope of diversity and enhance academic productivity.
How the Annual Performance Plan drives the implementation of our strategy

We identified a number of key performance indicators to measure progress towards the implementation of our strategy. These indicators give us insight into the value creation process and enable management to steer resources towards achieving the targets.

How the Annual Performance Plan was revised in 2018

An integrated planning approach was followed in setting targets for 2018. The enrolment targets, student-to-staff ratios across disciplines and equity of provision were important steering mechanisms in approving targets and development priorities, as well as aligning the budget with the priorities.

Future outlook

Integrated planning remains a priority in our quest to realise our strategy.

For instance, the integration of infrastructure development with strategic planning and new initiatives still needs to be further developed in 2019. Another pressing matter is the implementation of cost-efficient student recruitment initiatives to achieve our enrolment targets.

As part of our integrated planning, we need to optimise support functions to reduce transaction cost per student. A task team consisting of key staff members from various portfolios will steer the process for the next two to five years.

“The NWU strategy will necessitate ongoing emphasis on access, student success and transformation – integrated and robust plans, objectives and monitoring systems will be required.”
OUR PERFORMANCE AGAINST OUR STRATEGY:
CREATING VALUE THROUGH OUR CAPITALS

This part of the integrated report is about the value-creation processes at the NWU. Here we would like to show you how we respond to our stakeholders' needs through our business activities, and how these activities lead to outputs and outcomes, thereby transforming the value of our six capitals.

These capitals represent the value we create for ourselves and our stakeholders; our performance against them shows how we are faring in achieving our strategic goals.

Our intellectual capital

Our intellectual capital is all about our knowledge-based intangibles that result from our core business activities. This refers to the way we use our knowledge resources to create more knowledge, as well as the activities, policies, strategies and procedures in place to support our business activities, to the benefit of stakeholders.

<table>
<thead>
<tr>
<th>Stakeholders who will benefit from our intellectual capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>If we increase our intellectual capital, all our stakeholders who are interested in the knowledge that we create through our research or our teaching and community engagement activities will benefit. They include our staff, current and prospective students and their parents, the Department of Higher Education and Training (DHET), communities, donors, alumni, employers, business and industry, and professional bodies.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Material matters (goals or enablers) involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>The risks include the demand for organisational change and ongoing transformation (for instance concerning the decolonising of the curriculum), risks related to academic matters (teaching-learning, research and innovation and academic administration), the risk of non-compliance (for instance with the standards and regulations of professional bodies), and risks related to IT, university systems and commercialisation of our innovation and research results.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risks involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the mitigation of these risks, turn to page 34.</td>
</tr>
</tbody>
</table>

How we created value

This section is about how we created value for ourselves and our stakeholders through our teaching and learning, research and community engagement activities. We will also show you how we created value through our support activities. This is for instance how we govern and manage the university through our structures, policies, processes and systems, and how we support our core business by maintaining and further developing our information and communication technology.
When it comes to teaching and learning, we are committed to academic excellence and student support to foster academic success.

Through our teaching and learning activities, we add value by delivering well-rounded graduates (our output) and ultimately contributing to the knowledge economy of our country (our outcome).

We do this by taking various steps to increase student access and success and by aligning our academic programmes across the university and having them evaluated regularly. We also use multimedia material to expand the reach of our distance learning offerings.

Increase student access and success

We offer a wide range of programmes to support students academically. In the text below, we discuss the value that was created with these programmes.

- **Extended programmes**
  We offer a wide range of academic programmes that enable students to complete their studies over an extended period of time.

  The overall success rate for students in extended programmes is approximately 80%, which demonstrates how much value these programmes add.

- **University Preparatory Programme (UnivPrep)**
  Our University Preparatory Programme (UnivPrep) allows participants who do not meet the formal admission requirements for specific programmes to complete a one-year preparatory programme.

  Of the 3 036 candidates who participated in UnivPrep in 2018, 1 456 candidates passed their respective programmes. Between 2016 and 2018, the overall success rate improved from 32% to 48%.

- **Academic literacy tests and modules**
  All first-year students do academic literacy tests. Depending on the results, they take additional academic literacy modules to enhance their academic writing, reading, computer literacy and study skills.

  In 2018, a total of 10 675 students were registered for academic literacy modules tailored to their academic disciplines, and 81,2% passed.

- **Supplemental Instruction**
  Supplemental Instruction (SI), supports undergraduate students towards academic success through regularly scheduled voluntary small-group sessions, and is facilitated by trained SI facilitators.

  During 2018, SI was offered in 449 modules, of which 123 were at-risk modules. We trained 1 199 SI leaders and a total of 47 116 students attended the 20 292 sessions.

- **Peer mentoring**
  All faculties participate in our peer mentoring programme through which high-performing senior students assist first-year students in making a successful transition to university life. In 2018, there were 56 peer mentors who supported students with matters affecting their academic and social life.

- **Tutor programme**
  Sixty tutors were appointed on the Mafikeng Campus, 42 on the Potchefstroom Campus and 20 on the Vaal Triangle Campus. Tutors were employed in 67 modules to give individual additional academic support to our students.

**Student success rate**

We maintain a good success rate of 85%. (According to the 2017 HEMIS data, the sectoral average was 77,6%.)

Our contact undergraduate graduation duration factor has improved from 1,15 in 2017 to 1,13 in 2018. This can be attributed to enhanced strategies for student support, early identification of at-risk students and NSFAS funding with provision for books and accommodation.

**How much value we created, compared to previous years**

<table>
<thead>
<tr>
<th>Academic performance</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact student success rate</td>
<td>85%</td>
<td>86%</td>
<td>86%</td>
<td>85%</td>
</tr>
<tr>
<td>Contact undergraduate, graduation duration factor</td>
<td>1,88</td>
<td>1,21</td>
<td>1,15</td>
<td>1,13</td>
</tr>
<tr>
<td>Graduation rate</td>
<td>24,34%</td>
<td>27,62%</td>
<td>25,6%</td>
<td>25,1%</td>
</tr>
</tbody>
</table>

In 2018, we had 853 first-time entering students on extended programmes and a total enrolment of 4 050 students. Of these, 20% had graduated by the end of 2018.
How much value we created, compared to our target

<table>
<thead>
<tr>
<th>Academic performance</th>
<th>Target</th>
<th>Definition</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact student success rate</td>
<td>85%</td>
<td>Based on HEMIS data. Completed FTE's divided by enrolled FTE's on a module level.</td>
<td>85%</td>
</tr>
<tr>
<td>Contact undergraduate, graduation duration factor</td>
<td>1.2</td>
<td>Based on HEMIS data. The time (in years) it takes a student to graduate divided by the minimum time of the qualification.</td>
<td>1.13</td>
</tr>
</tbody>
</table>

Align academic programmes

We want to provide comparable high-quality academic programmes across all our campuses. In other words, all students must experience a similar quality of academic life, have access to comparable resources and in the end demonstrate the same graduate attributes.

One of the ways in which we accomplish this, is to encourage academics across campuses to strengthen module offerings through team-teaching. Faculties have also developed faculty integrated teaching and learning plans that promote integrated planning for teaching and learning over the next five years.

Ensure high-quality academic programmes

We are committed to offering academic programmes of the highest quality, which is why we have regular external and internal evaluations. In the past 15 years, we have had 80 programmes evaluated externally by professional-, accreditation- or statutory bodies.

Use multimedia material

We develop multimedia material to enhance student learning, especially in high-risk modules where learning gaps tend to affect student throughput.

Multimedia material focuses on digital and paper-based learning and includes graphics, animations, simulations, video, audio and voice-overs, among others.

During 2018, we created or updated 40 multimedia productions for use in 18 modules, across seven faculties and one support service department.

Expand distance learning

Expanding our academic offering via distance learning is of strategic importance, as it gives working individuals the opportunity for lifelong learning.

The technologies and social media tools used for distance learning can also be useful in times when contact students’ access to campus is restricted, such as in the event of unrest. This has been included in the contingency plans the faculties have developed to ensure that teaching and learning is not disrupted.

Our output: graduates

The number of graduates is much lower than planned due to the drop in distance enrolments and thus graduates. Our graduation rate is 24,53% for contact students and 26,41% for distance students.

How much value we created, compared to previous years

<table>
<thead>
<tr>
<th>Graduates</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>15 597</td>
<td>17 510</td>
<td>16 004</td>
<td>15 350</td>
</tr>
<tr>
<td>Contact</td>
<td>9 410</td>
<td>9 813</td>
<td>9 931</td>
<td>10 650</td>
</tr>
<tr>
<td>Distance</td>
<td>6 187</td>
<td>7 697</td>
<td>6 073</td>
<td>4 700</td>
</tr>
<tr>
<td>Graduation rate</td>
<td>24,3%</td>
<td>27,6%</td>
<td>25,6%</td>
<td>25,1%</td>
</tr>
</tbody>
</table>

How much value we created, compared to our target

<table>
<thead>
<tr>
<th>Output</th>
<th>Target</th>
<th>Definition</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduates</td>
<td>16 235</td>
<td>Based on HEMIS data. (It is the number of graduates in reporting year.)</td>
<td>15 350</td>
</tr>
<tr>
<td>Graduation rate</td>
<td>22,8%</td>
<td>Based on HEMIS data and refers to the number of graduates in the reporting year divided by the number of active students in the reporting year.</td>
<td>25,1%</td>
</tr>
</tbody>
</table>

A total of 3 439 individual users accessed the cloud-hosted repository where the digital materials are stored.
Challenges in teaching and learning

We are still not done with issues such as the decolonisation of our curricula (while ensuring national comparability and international relevance), and creating the appropriate spaces for the student voice to be heard.

Another challenge is finding the optimal blend between face-to-face and technology-mediated learning, and listening to industry, alumni and other external stakeholders to enhance the work-readiness of our graduates.

Future outlook

The decolonisation of the curriculum is an ongoing process and in 2019 our faculties will continue to move forward with this initiative, taking their unique contexts into account.

Council approved our Language Policy in 2018, opening the way for our faculties to develop language plans that express their commitment to implementing multilingualism to the benefit of NWU students and other stakeholders.

We will also continue the investigation into the development of higher certificates as entry level qualifications to further extend student access. We will conclude the investigation in 2019 after conducting situation analyses and sustainability studies.

We are currently preparing for a national PhD review in 2020, ensuring the highest academic quality. In addition, our faculties are committing themselves to offering 25% of their academic programmes via distance learning within the next five years in order to expand our distance learning capacity.

“There is an increased demand for distance and technology-enabled tuition; we are continually investigating the design of electronic learning materials and the creation of a blended learning environment with seamless technology.”
Aiming for the stars

The excellent international rankings and other accolades that we received in 2018 give credibility to our claim that we empower people – especially our staff and students – to soar.

In 2018 we received an impressive five out of five stars in the Quacquarelli Symonds (QS) ranking system for teaching-learning, and for the employability of our students.

In addition, we participated in the Shanghai Ranking Consultancy’s global Academic Ranking of World Universities (ARWU) of 1 600 universities in 83 countries. The findings place our mining and mineral engineering subject area in the top 100 in the world, hospitality and tourism in the top 200, atmospheric sciences in the top 300, politics and education among the top 400 and our geography, psychology and environmental sciences and mathematics among the top 500 in the world.

Closer to home, our graphic design subject group was ranked as South Africa’s number one graphic design school.

Our School of Accounting Sciences is still among the top three schools in South Africa in terms of SAICA Board examinations. The school graduated a record number of black chartered accountants in 2018 and received an excellence award for the best master’s degree study nationally.

Material matter

Our purpose is to excel in cutting-edge research that leads to the solution of real-life problems, thereby creating value for ourselves and our stakeholders and benefiting society.

We achieve this purpose through the research and innovation activities carried out in our research entities and faculties, through which we also increase our intellectual capital.

Research output

Our NRF-rated researchers increased from 195 in 2016 to 229 in 2017. The numbers of researchers in the different rating categories are set out in the following table.

<table>
<thead>
<tr>
<th>NRF</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>B</td>
<td>20</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>C</td>
<td>137</td>
<td>155</td>
<td>150</td>
</tr>
<tr>
<td>P</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Y</td>
<td>34</td>
<td>46</td>
<td>54</td>
</tr>
<tr>
<td>TOTAL</td>
<td>195</td>
<td>229</td>
<td>232</td>
</tr>
</tbody>
</table>
Publications and weighted research output

How much value we created, compared to previous years

<table>
<thead>
<tr>
<th>Research</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publications per academic staff member</td>
<td>0.91</td>
<td>0.84</td>
<td>0.86</td>
<td>0.92</td>
<td>0.86</td>
</tr>
<tr>
<td>Weighted research output</td>
<td>2 179.3</td>
<td>2 146.4</td>
<td>2 437.1</td>
<td>2 609.64</td>
<td>2 605.507</td>
</tr>
</tbody>
</table>

The percentage of publications in internationally accredited journals decreased from 56% in 2016 to 50% in 2017.

Increase our global standing and visibility

Our research and innovation performance is creating an international presence, with the NWU signing 90 formal international collaborations in 2018. Of these, 38 were with top 500 institutions as rated by Quacquarelli Symonds.

Our research collaboration endeavours span the globe: from the Universidade Federal do Rio Grande do Sul in Brazil, to the University of Ghana on the African continent, and the University of Hong Kong on the Asian continent.

These collaborations include agreements for joint degrees, co-chairs, collaborative research and innovation programmes, skills development and international student recruitment and exchange.

Further confirming our international footprint, we have secured second place at the Innovation and Entrepreneurship Competition for Overseas High-Level Talents 2018 in Hangzhou, China, where we represented a South African consortium.

The project relates to the 3D printing of pure platinum powder, which opens many new industrial applications for the precious metal.

The NWU is also an active partner in collaborations within the Brazil, Russia, India, China and South Africa (BRICS) countries and has knowledge and skills-sharing agreements with several BRICS universities.

In fact, in 2018 Prof Anil Sooklal, the deputy director-general of the Department of International Relations and Cooperation, declared the NWU the most active South African university with regard to research-related activities that involve the BRICS initiative.

Our research-related contributions include NWU delegations visiting Chinese universities, and hosting public lectures by Prof Sooklal and the Russian ambassador to South Africa.

Create value through innovation and technology

At the NWU, our commercialisation entities drive the commercialisation of our intellectual property and expertise. In 2018, we reviewed our entire portfolio of spin-off companies to enhance their effectiveness and make sure their goals are aligned to the university’s overall strategy.

When our technologies are available for further development and commercialisation, we market these on the In-Part Platform. We also showcase selected technologies at various national and international events.

Our total income from royalties was R869 220 and invention-based product sales amounted to R16 591 861. The royalties are distributed to the inventors, research groups, faculties and the university’s Incubation Fund for reinvestment into further research and commercialisation.

“We foresee that there will be an increasing focus on innovation. To accommodate this trend, we will progressively steer our research outcomes towards innovation and commercialisation.”
Creating future entrepreneurs

We stimulate entrepreneurial and innovation activities at the NWU, including student entrepreneurship.

In 2018 we received 94 entries for our student innovation competition called Leopards Lair, which was more than double the previous year’s number.

After the semi-finalists were further trained at our bhive Enterprise Development Centre incubator, 15 finalists pitched their ideas to the leopards (our judges) in the final round.

In the end, Boitshepo Gopane, a master’s student in microbiology, walked away with the spoils. The main aim of her winning project – WeClean Recycling – is to recycle dry waste such as paper, plastic, glass and metals. This is then sorted, repackaged and sold to recycling companies.

Boitshepo will invest her prize money of R50 000 in the development of her project. With Boitshepo in the picture are the two runners-up, Olwethu Mvelo and Sydwell Sihlangu.

Challenges with research output

Despite our research successes, we also face a few challenges.

One is that only 20% of our academics deliver 80% of our research output. As a result of this limited input, our per capita output decreased from 0,92 in 2017 to 0,86 in 2018.

We realise that one of the reasons behind this challenge is that many of our academics do not have sufficient time for research as they are often kept too busy with teaching activities. Another reason is that some of our active researchers retire or leave to take up positions elsewhere.

The lack of sufficient incentives for our productive researchers is another challenge, as they get very little of the DHET subsidy that the institution receives for research output.

Future outlook

All academics are expected to contribute to our research output. With this in mind, our faculties have developed research output targets in consultation with the relevant academics.

However, we still need additional strategies to manage academics who do not deliver research output, and to retain those who are active researchers. A task team will look into adequate incentivisation of productive researchers.

To address the time constraint challenge, faculties are developing workload management models. These will include allocation of research leave, relief from teaching at selected times, dedicated research time for each academic, and integrating research into teaching and learning activities.

Our governance structures and approach to ethics, as well as our strategy, values, success model and Annual Performance Plan, guide us to create optimal value through good governance and management.

These, together with the systems, processes, procedures and policies that support governance and management, are part of our intellectual capital.

For more information about how our management activities increase our intellectual capital, refer to the overview of the vice-chancellor on page 22 and for information about governance, turn to page 84 in the section on governance supporting and protecting value.
When it comes to information and communication technology (IT), the intangibles are part of our intellectual capital, while the tangibles are part of our manufactured capital. The systems (for instance the e-learning platform eFundi), software programmes and support services are the intangibles and therefore intellectual capital. On the other hand, the physical structures and equipment are tangibles and constitute manufactured capital. (You can read more about the latter on page 80.)

IT has a very comprehensive product portfolio, enabling most of the university’s capabilities. In some cases, there are several products supporting a single capability.

The size of the product portfolio is one dimension, but the actual adoption (usage) of products gives more of an indication of value created. In most cases, usage of IT products grows exponentially.

- In 2018 there were 12 300 maximum simultaneous users in eFundi, compared to 2 100 in 2010.
- 7 000 sites (usually modules) were created in eFundi in 2018 – showing a substantial increase from the 1 300 in 2010.

This upward trend applies to most of the IT products in our comprehensive portfolio.

“Council affirms, as the final decision-making body of the university, that it is endowed with the responsibility and accountability for the effectiveness and efficiency of information technology processes, including governance framework, alignment with NWU objectives, significant IT investment, risk management, assets, policies and strategies, and compliance with statutory requirements. Council is continually apprised of developments, by means of management and audit reports to the IT Governance Committee, and received sufficient assurance over the past year from all relevant assurance providers.”

Statement approval obtained from the NWU Council on 20 June 2019

For Dr Elma Marais, lecturer in the subject group Afrikaans for Education (Faculty of Education), eFundi is a tool central to her teaching.

“Technology gives me the opportunity to bring about a more interactive classroom. I use eFundi for communication, attendance, forums and engagement with my students.

WiFi is just as important in my class, as I use a number of apps that need internet and WiFi.”

There are, for instance, 67 unique products (software solutions) delivering value to the core business capability of curriculum delivery and assessment.
Our human capital consists of two of our major stakeholder groups: our staff and our students.

Both groups feature very prominently in our value chain. Our first-year students are for instance part of our input, while they become part of our output after graduation.

We create value for both groups through our activities, outputs and outcomes, but in turn they also create value for the university and strengthen our other capitals through their activities and outputs.

Here are some examples: Through their teaching and research activities, our staff increase the value of our intellectual capital. By paying tuition fees, our students increase our financial capital and by eventually becoming skilled, responsible graduates who in turn contribute towards society, they increase our social and relationship capital.

In this section we will show you how we use our resources to empower our staff and students to strengthen their wings and soar to greater heights.

### Stakeholders who will benefit from human capital activities

<table>
<thead>
<tr>
<th>Stakeholders who will benefit from human capital activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our staff and students are our main stakeholders comprising our human capital, but their families are also indirectly affected by our activities.</td>
</tr>
</tbody>
</table>

### Material matters (goals or enablers) involved

<table>
<thead>
<tr>
<th>Material matters (goals or enablers) involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our staff and students are affected by almost all our material matters.</td>
</tr>
</tbody>
</table>

### Risks involved

<table>
<thead>
<tr>
<th>Risks involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Almost all our main risks apply to our staff and students. These are uncertainties in the higher education sector, the demand for organisational change, risks related to academic matters, compliance matters, risks relating to student life, IT risks and operational risks.</td>
</tr>
</tbody>
</table>

### How we created value

We created value for our staff and students by developing their skills, and also by promoting their overall wellness through the implementation of social justice and an ethic of care.

Once again, we will demonstrate how we created value for them through core business and support activities.

### Material matters

<table>
<thead>
<tr>
<th>Material matters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching and learning; research; community engagement</td>
</tr>
</tbody>
</table>

### Caring for our students

Through our teaching-learning, research and community engagement activities, we add to our students’ knowledge and skills. This empowers them to enter the labour market as highly qualified graduates (part of our outputs) who are able to contribute to the economy of South Africa (part of our outcomes).

But we do not only focus on their skills. We also help them develop into well-rounded people by offering a host of cultural and sport activities and looking after their financial, physical and psychological health and well-being. More information is available in the vice-chancellor’s review on page 24.

#### Academic support

Extensive information on how we help our students to gain access to the university and complete their studies successfully can be found in the section on our value chain on page 15, and in the section on our intellectual capital on page 47.
Career-related support

Our Career Centre presents work readiness seminars to equip our students for the transition from university to work life. The number of students whom the centre assisted (for instance by training them to write CVs and prepare for interviews) grew from 5 171 students in 2016 to 6 596 in 2018.

In 2018, our centre also facilitated 170 job postings through Facebook, eFundi and the online career service application called Career Zone, thereby connecting students and employers. There were 1 437 student profiles and 134 listed companies on the Career Zone app.

Through regular engagement with professional bodies, business and industry, we make sure that our academic programmes stay relevant to promote our students’ employability.

Work-integrated learning and service learning are also very important enabling tools in enhancing our students’ work-readiness. Through their involvement in our research projects and community engagement projects, our students gain valuable practical experience.

Caring for our staff

Building staff capacity

By building our staff capacity, we increase our human capital and create value for this highly appreciated stakeholder group.

We do this through training interventions that are part of our Work Skills Plan. In 2018 we spent R6,5 million on the training of 1 277 employees. Of these, 259 employees were externally trained through outside service providers.

More information about the capacity-building programmes for our academics is available on page 15 in the section on our value chain. Information about our various incentivising initiatives, such as the annual awards for teaching excellence, is available on page 19 in the section on our value chain.

Empowering our researchers

We hone our researchers’ skills and motivate them through various initiatives and events, such as public lectures. Twelve high-level public lectures were held during 2018, with speakers from organisations such as the Department of International Relations and Cooperation, the National Research Foundation (NRF) and the Human Sciences Research Council.

Almost 500 researchers and more than 50 speakers from various research institutions, NWU faculties and government organisations attended our first biennial Research and Innovation Conference.

Focusing on the development of our young researchers, we secured 23 internships for 2019 from the Department of Science and Technology and the NRF.

We made R4,4 million available through our University Capacity Development Programme (UCDP) to help emerging researchers further their studies. Counting this initiative together with funds for various other development opportunities, a total of R9,6 million was provided for staff development.

In 2018, almost 500 researchers attended 20 research capacity-building workshops. Our sixth Annual Postdoctoral Conference was also well attended, enabling 90 postdoctoral researchers to explore opportunities for multi- or transdisciplinary research.

Another way of inspiring our researchers is through our annual Research and Innovation Excellence Awards. You can read more about these on page 20 in the section on our value chain.

Material matter

Student value proposition

Our students are our main clients and we realise that our campuses are their “home away from home”. We go out of our way to make sure every student feels safe and experiences a sense of belonging.

In addition to the academic and career support we give them, they have access to various wellness support services.

Our campus clinics, together with counselling and social welfare services, support our students’ overall physical, mental and social wellbeing. The campus disability offices make sure that the needs of students living with disabilities are met, while projects such as Meal-a-Day support needy students.

More information about how we promote our students’ overall wellness through other support services and extracurricular activities is available in the review of the vice-chancellor on page 22.

We also support our students financially and see this as an input into our value chain – more information about this topic can be found on page 15.

Regular career fairs on our campuses also bring students into contact with potential employers. The number of companies attending these fairs increased from 153 in 2017 to 161 in 2018.
“We are totally committed to ensuring a diverse and integrated student life across our university. We want all students to experience a sense of belonging while developing into responsible, caring citizens.”

Dropout rates

Our student to staff ratio increased from 31.51 to 32.22 in 2018. Our first-time entrant dropout rate has decreased from 11.11% in 2017 to 9% in 2018. This positive decrease correlates with the increase in the undergraduate graduation duration factor.

How much value we created, compared to our target

<table>
<thead>
<tr>
<th></th>
<th>Target</th>
<th>Definition</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic staff full-time equivalent ratio: students</td>
<td>26.4</td>
<td>Based on HEMIS data and refers to the enrolled student full-time equivalent divided by the permanent instruction/research professionals full-time equivalent.</td>
<td>32.22</td>
</tr>
<tr>
<td>First-time entrant dropout rate for contact degrees</td>
<td>Below 15%</td>
<td>First-time entering students in contact degree qualifications who register in the reporting year but do not return in the next year.</td>
<td>9%</td>
</tr>
</tbody>
</table>

How much value we created, compared to previous years

<table>
<thead>
<tr>
<th>Dropout rate</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>First-time entrant dropout rate for contact degrees</td>
<td>15.3%</td>
<td>12.2%</td>
<td>11.11%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Material matters

Develop and retain excellent staff and create an equitable staff and student profile

We want to attract and retain high-calibre staff – which is not easy as we compete with other South African higher education institutions for a limited pool of highly qualified academics. (Read more about this on page 8 in the section on our external environment.)

In the section on our intellectual capital (see page 55), we discuss the academic development of our staff and, in the section on incentivising for achievement (page 103), you can read about how we use remuneration as an incentive.

In addition to professional development and remuneration, we create a caring and safe environment conducive to attracting and retaining excellent staff.

Our staff members matter

Our Wellness Office offers various services to support the all-round wellness of our staff, including their physical, psychological and social wellbeing.

A comprehensive employee wellness assistance programme known as Wellness4U, provides a free, 24-hour confidential service connecting NWU employees and their immediate families with experienced counselling professionals for help with personal, family and work-related problems.

Other services that contribute towards making the NWU an employer of choice include health services through our campus clinics, support for staff living with disabilities through our campus disabilities offices (we also have a disability policy for employees), an HIV and Aids workplace programme, and a toll-free emergency number that operates 24 hours a day, seven days a week.

We provide financial aid through study discount benefits so that our staff and their dependants can study at the NWU. In 2018, we spent over R23.8 million on these benefits, which reached 964 people. Of these, 427 were staff members and 537 dependants. 415 were historically disadvantaged South Africans and 562 were female.

In addition, we create a safe environment for our staff through our campus protection services and our Occupational Health and Safety office and policy.
Pursue equity to create value

Creating an equitable staff and student profile is not merely a compliance issue. It is also part of our commitment to excellence in that a diverse community can stimulate greater creativity and innovation than a homogeneous one can. Living and studying in a multicultural environment also prepares our students for the diverse South African world of work.

### Staff

#### How much value we created, compared to previous years

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>African (%)</td>
<td>32,5%</td>
<td>33,5%</td>
<td>34,5%</td>
<td>35,9%</td>
</tr>
<tr>
<td>Coloured (%)</td>
<td>5,6%</td>
<td>5,7%</td>
<td>5,7%</td>
<td>6,3%</td>
</tr>
<tr>
<td>Indian (%)</td>
<td>1,2%</td>
<td>1,2%</td>
<td>1,3%</td>
<td>1,3%</td>
</tr>
<tr>
<td>White (%)</td>
<td>60,7%</td>
<td>59,6%</td>
<td>58,5%</td>
<td>56,5%</td>
</tr>
<tr>
<td>Female (%)</td>
<td>57,1%</td>
<td>56,9%</td>
<td>56,9%</td>
<td>56,8%</td>
</tr>
<tr>
<td>Male (%)</td>
<td>42,9%</td>
<td>43,1%</td>
<td>43,1%</td>
<td>43,2%</td>
</tr>
</tbody>
</table>

#### How much value we created, compared to our target

<table>
<thead>
<tr>
<th></th>
<th>2018 target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>African (%)</td>
<td>33,6%</td>
<td>35,9%</td>
</tr>
<tr>
<td>Coloured (%)</td>
<td>6,3%</td>
<td>6,3%</td>
</tr>
<tr>
<td>Indian (%)</td>
<td>1,3%</td>
<td>1,3%</td>
</tr>
<tr>
<td>White (%)</td>
<td>57,0%</td>
<td>56,5%</td>
</tr>
<tr>
<td>Female (%)</td>
<td>56,5%</td>
<td>56,8%</td>
</tr>
<tr>
<td>Male (%)</td>
<td>43,5%</td>
<td>43,2%</td>
</tr>
</tbody>
</table>

### Students

#### How much value we created, compared to previous years

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>African</td>
<td>68%</td>
<td>67%</td>
<td>66%</td>
<td>65%</td>
</tr>
<tr>
<td>Coloured</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Indian/Asian</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>White</td>
<td>27%</td>
<td>28%</td>
<td>28%</td>
<td>29%</td>
</tr>
<tr>
<td>Female</td>
<td>67%</td>
<td>67%</td>
<td>66%</td>
<td>65%</td>
</tr>
<tr>
<td>Male</td>
<td>33%</td>
<td>33%</td>
<td>34%</td>
<td>35%</td>
</tr>
</tbody>
</table>

#### How much value we created, compared to our target

<table>
<thead>
<tr>
<th></th>
<th>2018 target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>African</td>
<td>62%</td>
<td>65%</td>
</tr>
<tr>
<td>Coloured</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Indian/Asian</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>White</td>
<td>30%</td>
<td>29%</td>
</tr>
<tr>
<td>Female</td>
<td>69%</td>
<td>65%</td>
</tr>
<tr>
<td>Male</td>
<td>31%</td>
<td>35%</td>
</tr>
</tbody>
</table>

“During 2018, the NWU successfully dealt with conflict, thereby mitigating potential risks that could have harmed the institution’s reputation. Our approach included dealing with potential conflict situations at the lowest possible organisational level and striving for win-win situations. The university collectively bargains and consults employees through the University Bargaining Forum.”

Statement approval obtained from the NWU Council on 20 June 2019
COUNCIL STATEMENT ON WORKER AND STUDENT PARTICIPATION

“The NWU and a recognised union address employee issues of mutual interest through a forum established for this purpose. We also have ongoing consultative forums for all employees and a non-recognised union. These structures build labour peace and a healthy employee/employer environment, and play a critical role in the ongoing improvement of employer/employee relations. Key decisions about matters that affect employees are communicated to the university community via the vice-chancellor’s office.”

Statement approval obtained from the NWU Council on 20 June 2019

Govern, lead and manage; information and communication technology; and financial sustainability

Good governance is an important way of supporting and protecting our human capital. This is part of the responsibilities of the Institutional Forum and various Council committees, such as the Remuneration Committee, the People and Culture and Employment Equity Committee and the Student Oversight Committee.

We also have several policies that provide guidelines for the fair and just management of the university, thereby protecting and increasing our human capital.

These include policies on governance oversight and management control, human rights, remuneration, performance management, staff learning and development, employment equity and disabilities, to name just a few.

Another matter closely linked to our commitment to increase our human capital is equity of resources. One of the important resources is communication and information technology.

As a key enabler at the university, our IT department supports our staff and students in numerous ways, ranging from supplying the necessary hardware and software, to maintaining systems and help desk services for daily support.

By adopting a centralised approach for system delivery and a decentralised approach for service delivery, we have ensured equal access to IT resources and services across all campuses.

Lastly, it is our responsibility to make sure that our university stays financially sustainable. This ensures that our current staff and students, as well as future generations, will have a financially stable institution to work and study at. More information about how we do this is in the section on our financial capital on page 65.

Our students and staff are invaluable internal stakeholders and an important part of our human capital. Both groups feature very prominently in our value chain.

All staff and students should have access to the same quality of resources to enable them to perform optimally.
Social and relationship capital can be described as the relationships we have with our external stakeholders. This is about their loyalty, skills, knowledge, experience and motivation that add value to the NWU and our other capitals. It is also about reciprocal trust and benefit.

As a university we realise that a big part of our value creation success depends on the relationships we have with individuals, groups and communities outside the NWU – nationally and internationally.

We also acknowledge that we have to engage effectively with these external stakeholders to increase the value of our social and relationship capital.

### Stakeholders who will benefit from effective engagement with the NWU

All our external stakeholders benefit from our engagement with them. They include the parents of our current and prospective students, communities surrounding our campuses, donors, alumni, employers, business and industry, professional bodies and the Department of Higher Education and Training (DHET).

### Material matters (goals or enablers) involved

All our goals are directly or indirectly linked to our relationships with external stakeholders. These are particularly closely and directly connected to this capital:

- Parents of students may be affected by the uncertainties in the higher education sector, the demand for organisational change and risks relating to student life. (Matters that may concern them include state funding, tuition fees and the safety of our campuses in the event of unrest.) Other risks that affect our external stakeholders include risks related to academic matters, compliance and commercialisation of intellectual property.

### Risks involved

Parents of students may be affected by the uncertainties in the higher education sector, the demand for organisational change and risks relating to student life. (Matters that may concern them include state funding, tuition fees and the safety of our campuses in the event of unrest.) Other risks that affect our external stakeholders include risks related to academic matters, compliance and commercialisation of intellectual property.

### How we created value

This section is about how we created value for our external stakeholders by integrating our community engagement with our core activities of teaching and learning and research.

It also touches on activities related to some of our other goals and enablers, illustrating how we strengthened our relationships with individuals and groups with whom we interact.

With the aim of increasing the impact of our community engagement, we made a concerted effort to move towards discipline-based outreach rather than conventional outreach.

### Material matters

Many of our teaching and learning activities are intertwined with community engagement, especially where there are opportunities for work-integrated learning and service learning.

In 2018, we integrated these two types of learning into our teaching and learning strategy. We also planned to develop a service-learning module that will be ready for offering in 2020.

We continue to provide community service through our law clinics and psychosocial service centres. These platforms enable students to integrate theory and practice while communities benefit as well.

In addition, we continued to forge strategic relationships with business, industry and professional bodies to ensure that the content of our academic programmes remains relevant and that our students are fully employable.

Although some of the activities generate third-stream income, most of our community engagement activities are not for profit and can be linked to our commitment to social justice, which forms part of our strategy.
Research

Engaged research is very important if we are to increase our social and relationship capital. These activities are interactive: they involve research about, with and in communities.

We also conduct research to solve real-life problems in communities, thereby empowering people and improving their quality of life. An example is the green water treatment that benefits communities, as mentioned on page 21.

In addition, our researchers share their expertise when they participate in expert panels, serve on research structures and collaborate in research programmes, both nationally and internationally.

Challenges and future outlook

Through technology development and broader access to online education, the NWU and its activities will become more and more accessible to communities.

This creates opportunities for greater legitimacy as an institution for the public good, but will also require increasing community responsiveness and infrastructure capacity.

Material matters

Student value proposition; develop and retain excellent staff

Our strategy propagates social justice and our dream, social responsiveness and an ethic of care. To bring these aspects to life, we encourage our staff and students to contribute to society through volunteerism.

In 2018, the Rag Committee on the Potchefstroom Campus donated about R1,448 million to deserving projects from money raised in the previous year by the Student RAG Community Service and RAG.

Among the students’ community engagement activities were voluntary community service at local primary and secondary schools, children’s homes, shelters for the homeless, old age homes and the Society for the Prevention of Cruelty to Animals, and offering extra maths classes in schools to assist teachers.

The purpose of students volunteering in the communities is to encourage them to become responsible citizens whose actions are guided by an ethic of care.

Challenges and future outlook

It is clear that in interacting with the NWU, regional and local communities will increasingly expect mutually beneficial relationships that include addressing socio-economic issues through relevant research and the implementation of expertise.

Addressing these expectations means that we will have to focus even more on programmes that build capacity, alleviate poverty and increase employability.

We also want to extend our community development nationally, focusing on pressing and relevant socio-economic issues and mutually beneficial applied research with sustainable impact and income generation potential. This initiative is in response to the National Development Plan.

When it comes to the global arena, we would like to continue increasing the number of agreements and collaborations with international universities and relevant industries.

It is of particular importance to increase the number of postgraduate joint-degree programmes with the top 500 universities as rated by Quacquarelli Symonds (QS).

Other priorities are to continue focusing on international funding sources, smart partnerships, and the achievement of the international Sustainable Development Goals, aimed at ending poverty and protecting our planet and people.

Material matter

Communication, marketing and stakeholder engagement

For more information on our stakeholder activities, refer to the section on stakeholder engagement on page 27.

Our ultimate goal is to have forged partnerships with at least 50 of these top 500 universities by 2025.
“As community engagement and partnerships will remain critically important in the South African context, we will focus on programmes that build capacity, alleviate socio-economic conditions and increase employability.”

NWU’s Ikateleng project celebrates 30 years of impact

In 2018 we celebrated the 30th anniversary of our Ikateleng project.

For the past three decades, this project has impacted the lives of thousands of learners across central South Africa by means of supplementary teaching.

The ongoing project provides supplementary tuition to Grades 10, 11 and 12 learners, not only improving their overall examination results, but also imparting vital life skills to them.

There are seven centres from which we coordinate the project. There are three main centres (one at each of the campuses) and four additional sites of delivery in Kimberley, Mankwe, Mamelodi and Lichtenburg.

At the end of 2018, the project boasted an overall pass rate of 95.25%, with 195 distinctions recorded during the 2018 National Senior Certificate Examination.

We encourage staff and students to do voluntary work in communities, thereby enhancing their social awareness.

As part of our horse-riding project, students take children living with physical or cognitive disabilities to the RosAmos riding school, where they experience therapeutic interaction with the horses.
We consider our natural capital to be the renewable and non-renewable environmental resources upon which all our other capitals are based. We use these natural resources or environmental assets to add value to our other capitals.

Here are a few examples of this close relationship between our natural and other capitals.

We need water to sustain our staff and students, who constitute our human capital. Without that sustenance, our academic staff cannot do research and consequently cannot increase our intellectual capital.

Without land and resources such as soil and water, we cannot construct buildings to strengthen our manufactured capital. However, by building on the land and using natural resources and creating waste during the construction process, we decrease the value of our natural capital.

Stakeholders who will benefit from strong natural capital

All our stakeholders need natural capital to exist and flourish.

Material matters (goals or enablers) involved

We will not be able to realise any of our goals or implement our enablers without natural resources as input.

The material matter “to promote sustainability” (part of goal three in our Annual Performance Plan) is particularly relevant here.

Risks involved

Risks include those related to academic and operational matters, student life, compliance (for instance with environmental regulations) and IT (infrastructure needs an energy source).

How we created value

When it comes to our natural capital, we acknowledge two important facts. Firstly, we realise that material matters of an environmental nature are invaluable as an input for overall value creation at the NWU.

Secondly, we know that natural resources are scarce and should be managed sustainably so that they will still be available to us and the next generations in the future.

That is why we are committed to reduce the environmental footprint our activities create. We intend to do this by using natural sources responsibly, by decreasing our energy use and by complying with environmental regulations.

Environmental audit

As part of our commitment to responsible citizenship and environmental responsibility, the NWU’s Centre for Environmental Management (CEM) conducted an audit in 2014. The findings included a long list of non-compliance issues.

Internal Audit followed up in 2017 by conducting an Environmental Compliance Audit, which revealed that only some of the required legal compliance audit rectifications had been resolved.
While CEM continues to monitor these rectifications, we have stepped up our response by initiating change management and awareness activities and appointing a green campus coordinator and committee for each campus.

**Challenges**

Unfortunately, these coordinators had limited success in bringing about the required changes, for a variety of reasons. These included a lack of specialised expertise and the absence of a policy for environmental responsibility.

In 2018, we designated a coordinator and accountable manager for the finalisation of the outstanding compliance issues across the university. A follow-up investigation was then launched in October, followed by a status quo report.

This report showed that although some progress has been achieved within various responsible and accountable units, there are still outstanding compliance issues.

**Future outlook**

We intend to establish a working committee in 2019 to oversee all infrastructure operations, and to appoint a policy owner to compile a sustainability and green campus policy with definite timelines.

Another priority is to focus on who is responsible for finalising outstanding compliance issues. Where applicable, responsibility for achieving these targets will be included in task agreements.

Raising awareness on the need to safeguard natural resources

The Unit for Environmental Sciences and Management launched various awareness projects in 2018.

During Water Week in March, the unit ran a water-saving awareness programme on the campus in Potchefstroom. During this campaign they shared information on the importance of water and why this scarce resource should be managed sustainably.

Then, on 18 July, Mandela Day, they visited Madibeng Primary School in Potchefstroom to emphasise the value of education and the importance of a clean environment.

In addition, we plan to join the Higher Education Environmental Sustainability Community of Practice in 2019, as this will allow benchmarking with other South African universities.

Several of our academic programmes focus on environmental aspects, for instance our biological and agricultural sciences, while various NWU research entities conduct research on topics related to the environment.

Our Unit for Environmental Sciences and Management in particular generates research that safeguards nature and supports the optimal utilisation of natural resources within the limitations of ecosystem resilience.

Their research programmes range from climate change and air quality, to biodiversity and conservation ecology.
Material matters  

By involving our students in various Green Campus initiatives, we encourage them to become responsible citizens who are aware of the importance of environmental sustainability.

These initiatives include an energy-saving competition for student residences, art exhibitions (with students using recycled material) and opportunities for students to implement innovative green ideas.

Future outlook

We plan to initiate an awareness campaign in 2019 called “Flip the Switch”. It will be launched on the three campuses during March 2019 to create awareness of energy consumption and the impact it has on the environment.

Creating this awareness will not only motivate the NWU community to save energy; it will also afford everyone the opportunity to start making a sustainable difference in their communities and surrounding areas. We believe that the establishment of an energy-conscious NWU will ultimately conserve the environment for future generations.

We hosted our annual Value your Environment campaign at the end of February 2018, creating awareness on various environmental issues that impact society.

The week-long campaign was held on the campus in Potchefstroom.

Students had the opportunity to participate by planting trees and presenting a fashion show using recyclable materials.

“The main aim of this campaign was to encourage students to reduce their carbon footprint,” says Mario Matos, Student Campus Council (SCC) member for current affairs.

Mario says that the SCC also made use of this opportunity to promote the values of the university.

“I’m very satisfied with the outcome of the event. My team and I approached the project differently this year by trying to make it more appealing to students and to encourage them to actively take part in maintaining a green lifestyle. We are also looking into taking this initiative to our sister campuses in the near future,” concluded Mario.
Our financial capital is about the funds available to us for creating value for the NWU and our stakeholders through the provision of services.

Financial capital is obtained through financing, such as state funding, debt and grants, as well as revenue generated through our operations and investments.

In other words, it is about our income and budget (our input) and how we use that during our activities to produce outputs and outcomes, while maintaining a healthy and stable financial environment.

Current financial stability and future sustainability are of the utmost importance in ensuring that the university achieves its strategic objectives as a unitary institution of superior academic excellence that empowers people to excel – to soar, as we put it throughout this report.

Excellent financial discipline in planning, managing and investing our financial capital is a prerequisite for ensuring that adequate funding is available for operational requirements and that capital expenditure needs can be met while maintaining a healthy balance sheet.

Stakeholders who will benefit

All our stakeholders benefit when the NWU’s financial capital is strong. Here are a few examples. Having a financially stable university will enable us to keep our tuition fees within reach of our current and future students and their families. It will also enable us to afford fair remuneration for our staff and reassure our donors and the DHET that we spend their donations and funding wisely and serve the national priorities for higher education.

Material matters (goals or enablers) involved

All our goals and enablers are involved, as we need money to achieve and implement them.

Risks involved

The main risks are uncertainties in the higher education sector (for instance the downward curve of state funding), demand for organisational change (for instance free education), risks related to academic matters, compliance (for instance to financial laws and regulations), risks relating to student life, IT risks, commercialisation and operational risks.

How we created value

In this section of our value creation story, we tell you how we managed our finances to maintain our sound financial position, despite numerous challenges in our external environment. (More about our sound financial position on page 77.)

Material matters

Ensure the financial sustainability of the NWU

To ensure long-term financial sustainability, we have to distribute our resources in a way that supports our core business strategies.

As in the previous year, our budget task team compiled a high-level break-even budget on a cash flow basis. The budget was shaped by the realistic prediction of income, translating to expenses that we can “afford”. This meant we paid close attention to the calculation of the key sources of revenue, taking into account all the latest, most relevant information available.
We used pre-determined ratios (expenses measured as a percentage of core business income) as a financial sustainability guideline to steer the NWU towards the ideal combination of income and expenses. The 2017 budgeted expense ratios were used as the basis for the 2018 expense budget. The result of the income calculation gave an indication of the adjustment needed in terms of the 2018 expense budget. We then did a three-year forecast, based on the same principles and certain assumptions.

We used the following ratios to guide us:

- Staff cost as a percentage of income
- Operating cost as a percentage of income
- Capital cost as a percentage of income

On the following pages we will illustrate how we financed our strategic initiatives and how we allocated our funds to achieve our goals and implement our enablers in 2018.

How we plan to finance our strategic initiatives

Using our strategic fund to allocate funds for identified strategic projects, we strengthen our efforts to align our activities and resource allocation with our overall strategy and success model.

During the budget process, managers submitted their strategic requests, together with the project charter for every strategic project, to the University Management Committee for approval.

Funds allocated per goal/enabler

<table>
<thead>
<tr>
<th>Percent</th>
<th>Goal</th>
<th>Enabler</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>29,3%</td>
<td>Goal 1</td>
<td>Enabler 4</td>
<td>R 14,6 million</td>
<td>Ensure the financial sustainability of the NWU.</td>
</tr>
<tr>
<td>14,2%</td>
<td>Goal 4</td>
<td>Enabler 4</td>
<td>R 7,2 million</td>
<td>Develop a clearly differentiated student value proposition.</td>
</tr>
<tr>
<td>14,2%</td>
<td>Goal 4</td>
<td></td>
<td>R 7,1 million</td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td>Goal 1</td>
<td>Enabler 3</td>
<td>R 4,9 million</td>
<td>Communicate, engage and develop core business capabilities to increase brand equity, leadership efficacy and community solidarity.</td>
</tr>
<tr>
<td>2%</td>
<td>Goal 5</td>
<td>Enabler 1</td>
<td>R 1 million</td>
<td>Govern, lead and manage in a sustainable and transformed way with an effective operating model.</td>
</tr>
<tr>
<td>1%</td>
<td>Goal 5</td>
<td></td>
<td>R500 000</td>
<td>Develop and retain excellent staff and create an equitable staff and student profile.</td>
</tr>
<tr>
<td>22%</td>
<td>Goal 2</td>
<td>R 10,8 million</td>
<td>Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions.</td>
<td></td>
</tr>
<tr>
<td>7,3%</td>
<td>Goal 3</td>
<td></td>
<td>R 3,7 million</td>
<td>Integrate and align community engagement with core activities and promote sustainability principles.</td>
</tr>
</tbody>
</table>
Teaching and learning

Goal 1: Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions.
- IT for teaching and learning (ITTL) on all campuses
- Open distance learning: design and develop an honours degree for distance mode of delivery
- Produce and upload videos for teaching and learning to e-Fundi
- Teaching and learning technology for classrooms
- Purchase teaching and learning equipment
- Integrate technology into the classroom
- Team-teaching training and workshops
- Develop focused support for law students
- NWU Medical School project: extension and continuation
- Development: study material production (SMP) (TRACS) system
- Unit for Continuing Education implementation
- Computer lab for Consumer Sciences

Research and innovation

Goal 2: Intensify research and innovation.
- Recruiting postdoctoral fellows
- Funding for Isotope project
- Upgrade: Dynamic Retinal Vessel Analyser (DVA) apparatus
- International Conference: BRICS Council of Exercise and Sports Science
- Strategic South African National Antarctic Programme (SANAP) funding
- Maintenance of the neutron monitor network
- Shortfall: telescope, Mafikeng Campus
- Collaborative research initiative to facilitate multi-level research capacity building
- Incentive programme: NRF-rated researchers
- Intensify innovation activities on the Mafikeng Campus

Community engagement and sustainability

Goal 3: Integrate and align community engagement with core business activities and promote sustainability principles.
- Bhive Enterprise Development Centre
- Work-integrated learning camp for BEd first years

Student value proposition

Goal 4: Develop a clearly differentiated student value proposition.
- Cross-campus student seminars
- Develop interactive electronic referencing guide in collaboration with the Centre for Academic and Professional Language Practice.
- NWU culture review and development project
- Student life culture and climate improvement project

Staff and students

Goal 5: Develop and retain excellent staff and create an equitable staff and student profile.
- Buy mobile units and equipped them with computers and WiFi to assist in online applications for admission to the NWU and for NSFAS funding.

Enabler 1: Govern, lead and manage in a sustainable and transformed way with an effective operating model.
- Finalise policies and rules for the transition to the new 2017 NWU Statute.

Communication

Enabler 3: Communicate, engage and develop core business capabilities to increase brand equity, leadership efficacy and community solidarity.
- New NWU brand roll-out
- Purchase public artworks (additional R1 000 000 already allocated from previous year’s fund)

Financial sustainability

Enabler 4: Ensure the financial sustainability of the NWU.
- NWU Integrated Energy and Energy Efficiency project
In the near future: opportunities and challenges in executing our strategy

For the 2019 academic year, the Department of Higher Education and Training (DHET) has asked for an across-the-board tuition fee increase of 5.3% (based on the consumer price index or CPI).

The challenge is that the CPI rate is not representative of the increase in cost required to operate a university.

Universities must cope with a historical subsidy increase deficit as the pace of subsidy increases has been below Higher Education Inflation for a few years, and did not allow for planned growth.

The DHET announced a block grant increase that includes the fee adjustment grant (GAP grant) that will be discontinued from 2019, with R2.76 billion being distributed to the sector’s block grant subsidy component from 2019 to partially address the block grant increase that does not cover the Higher Education Price Index (HEPI) and system volume growth. This development will put additional pressure on the financial stability of universities.

The block grant increase will only make up for the difference between the suggested 5.3% tuition fee increase and the HEPI-related increases in the short to medium term.

Future outlook: how to maintain financial sustainability

A considerable risk for the future sustainability of universities is the combination of the tuition fee increase being capped at 5.3%, the phasing out of the GAP grant and fees in essence being transferred to subsidy that increases at a lower rate than HEPI and growth.

All of these factors mean that we will have to make tough decisions to maintain our healthy financial position, and that the focus for 2019 will be to diversify our income streams and improve operating cost efficiency and effectiveness.

In the long term, the financial sustainability of public higher education institutions may be jeopardised to such an extent that some may lose their competitive edge in the market and the ability to contribute to the skills and knowledge economy of South Africa.

To prevent this from happening, we intend to participate actively in the modelling of the future funding design. We remain committed to working with the DHET to ensure not only a well-functioning and sustainable NWU, but also the stability and sustainability of the South African higher education sector.

“We are committed to maintaining financial stability, and therefore it will become increasingly important to generate our own income, review activities that are not financially viable and focus on disciplined cost.”

STATEMENT ON BORROWINGS

The NWU did not enter into any new long-term borrowing agreements in 2018
**FINANCIAL REVIEW**

The purpose of this report is to present a summary of our financial results for 2018 and to provide information about the following:

- Budgeting and budgetary control processes
- Overview of financial achievements

**Budgeting and budgetary control processes**

In the past, we used an interactive process where all levels of management took ownership and participated actively in compiling the budget for the next year, taking into account the trends of the past, risks and concerns, benchmarking, and future goals and plans.

Using an interactive process in 2018 would have been very challenging, as the restructuring process was still under way at the NWU. All managers had not yet been appointed in the new structure and those who were newly appointed were still settling into their new environments.

The Finance Committee therefore proposed and approved a budget process similar to the previous year’s process. This was to compile the 2018 budget on a high-level strategic basis, using the approved Annual Performance Plan and financial information of 2016 and 2017.

To build on the benefits of an interactive budget process, a process to revise the 2017 and 2018 budgets was also approved.

The aim of this process was to give the new management teams the opportunity to engage with their high-level budgets and to list potential risks and problems and additional budget needs regarding growth and the restructuring process. This also made a holistic view of the 2017 and 2018 budgets possible, and saved managers valuable time by using a parallel process.

More information about the budget is available under the heading: Material matter: ensure the sustainability of the NWU on page 65.

As the performance agreements of staff are linked to the Annual Performance Plan (APP), all levels of management remained involved in the management of the budget.

Throughout the year, all staff members who deal with finances remained closely involved through monthly variance reporting structures.

Quarterly variance reports were monitored up to university management level via the Management Statements that served at the University Management Committee (UMC), and were also submitted twice a year to the Finance Committee of Council. For sources of funds (SOF) 2, 3 and 5, organisational units were only allowed to spend income actually received.

During 2018 the NWU again added material value to the economy when 15 350 students received degrees and diplomas. We also maintained a sound solvency position and optimal liquidity levels during the financial year to ensure that the university remains a going concern.
Overview of financial achievements

The financial review for the year ended 31 December 2018 is presented under the following headings:

**Surplus and growth**

The total income of the university increased by 16,9% during 2018 to R4 901,5 million (2017: R4 193,5 million) and increased by 27,7% compared with 2016 (R3 838,0 million). Total expenditure of R4 090,7 million (excluding the effect of IAS19 valuations) increased by 10,9% for the 2018 financial year (2017: R3 690,4 million) and by 14,9% since 2016 (R3 560,8 million). The university’s total surplus from operations (recurrent and non-recurrent) is therefore R810,8 million for 2018 (2017: R503,1 million and 2016: R277,1 million).

The impact of IAS19 valuations on expenses is a decrease of R20,3 million for 2018 (2017: R1,8 million increase), compared to the decrease of R3,9 million for 2016.

The net surplus for 2018 as reflected in the consolidated statement of comprehensive income is R831,1 million (2017: R501,2 million and 2016: R281,0 million) and represents 17,0% of total income, compared to 12,0% for 2017 and only 7,3% for 2016, an increase of 9,7% during two financial years.

The total income of the university from recurrent activities increased by 16,9% to a total income of R4 900,3 million, while the total expenses from recurrent activities (excluding the effect of IAS19 valuations) increased by 10,0% to a total expenditure of R4 060,8 million for 2018. The surplus for the 2018 financial year from recurrent activities represents 17,1% (2017: 12,0% and 2016: 5,9%) of the total recurrent income.

The increase in the surplus from recurrent activities can be attributed to a number of factors such as:

- timing differences due to capital and macro-maintenance projects not completed during the year, which had to be postponed and carried over to 2019;
- strategic projects not fully executed due to the priority given to finalising the implementation of the NWU structure and operating model project;
- additional funding after the DHET revised block grant allocations in April 2018;
- additional NSFAS allocations which resulted in a higher number of enrolments;
- mandatory implementation of IFRS 9 – ‘Financial Instruments’, on 1 January 2018 which resulted in a change in accounting policy with a total impact of a decrease of about R40,0 million in the previous provision for doubtful debt (student and sundry debtors), which was replaced with a now expected credit loss (ECL) calculation;
- personnel remuneration savings on vacant positions, etc.

The recurrent surplus can be further analysed, taking future expectations and action into account. Surplus due to timing differences that was carried forward to 2019 amounted to R266,7 million.

Items included in the 2018 surplus that were not budgeted for amounted to R367,8 million, giving rise to a once-off deviation. These items have been included in the base for the 2019 budget process.

The impact of implementing the new IFRS standards together with other once-off income totalled R69,8 million and is not expected to recur in the next financial reporting period. Savings and actual recurrent surplus for 2018 can therefore be indicated as R135,2 million.
The university’s return from recurrent operating activities (excluding the effect of IAS19 valuations) on capital employed (total assets less current liabilities) increased to 18,1% (2017: 14,2%) and compares favourably to the 8,0% in 2016. This is mainly due to an increase in the recurrent surplus despite an increase of 31,4% in net assets.

Income from state appropriations (subsidies and grants) represents 41,0% of total income (2017: 41,4% and 2016: 40,1%), an increase of 15,8% from 2017 to 2018 – compared to the 12,4% increase received from 2016 to 2017. A significant portion of the increase can be attributed to the additional subsidy of R110,6 million received as per the revised Medium Term Expenditure Framework (MTEF) baseline allocations during April 2018. A no fee increase grant of R13,2 million was received and is also included. Total state subsidies comprise 38,1% block grant, 0,3% no fee increase grants relating to tuition fees and residence fees, 2,3% earmarked grants and 0,3% capital related subsidy. Earmarked grants in the amount of R50,1 million were deferred (2017: R35,3 million and 2016: R31,9 million).

Tuition fees increased by 8,0% for both 2017 and 2018, and by 0,0% as per the announcement by the Minister on 23 October 2015 for 2016. Student-related income was 21,6% higher than in 2017, mainly due to additional NSFAS funding that enabled a higher number of enrolments (2017: 14,1% and 2016: 6,0%). Additional gap funding of R87,6 million was received from the DHET to bridge the 8,0% fee increase for students qualifying to receive this funding. The total student-related income represents 35,1% of the total income (2017: 33,8% and 2016: 32,4%).

Other income represents 23,8% of total income (2017: 24,8% and 2016: 27,4%). This ratio includes non-current income, which may affect comparability depending on events and related amounts per year.
Total expenditure (excluding IAS19 total adjustments) increased by 10,8% (2017: 3,6% and 2016: 6,6%).

Personnel remuneration (excluding IAS19 total adjustments) increased by 9,9% compared to 5,4% for 2017 (2016: 7,3%). The increase reflects a combination of the 6,6% COLA adjustment in April of 2018 and a once-off non-pensionable cash allowance of 0,2% that was paid at the end of August 2018. A number of vacancies were filled after the finalisation of the restructuring process. The total cost of personnel expenditure for 2018 decreased to 46,2% of total income (2017: 49,1% and 2016: 50,9%), mainly due to the increase in income and the impact of the IAS19 valuations.

The total effect of IAS19 valuations amounted to a R20,3 million decrease in staff expenses (recurrent and non-recurrent) for 2018 (2017: R1,8 million increase and 2016: R3,9 million decrease). IAS19 requires an entity to recognise an expense when it consumes the economic benefits arising from services provided by an employee in exchange for employee benefits.

Operating expenditure increased by 11,1% compared to 2017. During 2017 operating expenses increased by 0,8% compared to 2016 (2016: 10,6%). Operating costs represent 33,8% of total income (2017: 35,6% and 2016: 38,6%), which is mainly due to the increase in income and therefore below the target set of 42%.

Expenses include an amount of R47,6 million (2017: R52,4 million and 2016: R37,8 million) written off as irrecoverable and doubtful student debt. IFRS 9 – ‘Financial Instruments’ introduced a new impairment model to calculate an expected credit loss (ECL) on financial assets. Applying this model to student debtors resulted in a decrease of R16,7 million in expected impairment compared to the previous impairment allowance for bad debt (2017: R51,1 million decrease and 2016: R23,4 million increase). The impact on sundry debtors was a decrease of R23,3 million in expected impairment.

Student debtors-related expenditure therefore amounts to R30,9 million for the current year, compared to the R1,3 million for 2017 and R61,2 million for 2016. Student debt ratio (before impairment) is set to be less than 20,0% for the sector. The NWU has a ratio of 15,8% for 2018 (2017: 17,1% and 2016: 18,2%).

Other expenditure relating to depreciation and finance charges, also including non-recurrent expenditure, increased by 21,3% (2017: 9,1% increase and 2016: 30,3%
decrease). Evaluating the new measurement categories of IFRS 9 – ‘Financial Instruments’, the university has elected that equity instruments that were classified as available for sale (listed shares in public companies and unlisted shares that do not qualify as an investment in equity-accounted investees) and instruments that were classified as held-to-maturity (bonds) will be measured as debt instruments under IFRS 9 and will be accounted for as financial assets at fair value through profit or loss (FVPL).

This change in accounting policy resulted in the adjustment in fair value of these instruments to be included in non-recurring items for 2018, thus having the effect of a total decrease of R26,6 million for 2018. This adjustment was previously done under other comprehensive income (OCI) in the statement of comprehensive income.

Owing to the impact of no increase in tuition fees for 2016, strict monitoring of income and expenses was implemented and tight budgetary controls resulted in a heightened awareness regarding savings.

This awareness and behaviour carried through, resulting in positive contributions towards the university’s available reserves. As mentioned above, a portion of the savings can be attributed to timing differences and will result in a spending against reserves in 2019.

### Total expenses per category (excluding total IAS19 adjustments)

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel remuneration</td>
<td>R2 265,5</td>
<td>R2 060,7</td>
<td>R1 854,3</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>R1 657,8</td>
<td>R1 491,7</td>
<td>R1 480,1</td>
</tr>
<tr>
<td>Other expenses (depreciation, amortisation, finance charges, income tax)</td>
<td>R167,4</td>
<td>R138,0</td>
<td>R126,5</td>
</tr>
</tbody>
</table>

### Equity

The university’s equity increased by 32,4% in the 2018 financial year (2017: 31,8% and 2016: 9,5%), mainly due to the higher than targeted surplus, and an increase of R32,2 million in the net asset value of employee benefits (pension fund and disability reserve fund) at 31 December 2018 – as per external actuarial valuation in terms of IAS19 (2017: R140,8 million increase and 2016: R106,8 million decrease). The unrealised fair value adjustment reserve decreased though by 19,1% during 2018, compared to the increase of 37,1% for 2017. Investment in property, plant and equipment also contributed R58,1 million to the higher percentage.

The available funds increased to 39,6% of total equity (2017: 26,2% and 2016: 17,0%), mainly due to the surplus of 17,0%, which is above the target of 3% to 6% on recurrent activities. The university retrospectively adopted and applied the new rules of IFRS 9 – ‘Financial Instruments’ and IFRS 15 – ‘Revenue from contracts with customers’ from 1 January 2018, with the practical expedients permitted under these standards.

Comparatives for 2017 have therefore not been restated. The cumulative impact was recognised directly in retained earnings and resulted in an increase of R75,4 million in available equity. Some infrastructure and other projects commenced late in 2018 and will only be completed in 2019 – thus spending against carried-forward 2018 available reserves will take place during 2019.

The sustainability ratio of equity over total expenditure for the year is 0,92 for 2018 (2017: 0,77 and 2016: 0,61). The trend, as well as the vast improvement in council-controlled reserves (which increased from R133,6 million in 2015 to R1 500,4 million in 2018), is indicative of the commitment of the NWU to achieving the DHET norm of 1,0.
Solvability

The total liabilities (R1 445,9 million) at year end for 2018 expressed over total equity (R3 779,5 million) means the University’s ratio of debt to equity is 0,38 (2017: 0,48 and 2016: 0,51).

This is the result of an increase of 32,4% in equity (2017: 31,8% and 2016: 9,5%) for the reasons explained above, and an increase of 5,9% in total liabilities (2017: 22,7% increase and 2016: 8,3% decrease). The amount of R317,2 million (including accumulated interest) relating to the previous as well as the new cycle infrastructure grants, is included in total liabilities under deferred income.

The total liabilities expressed over total assets indicate an improved ratio of 0,28 for the year (2017: 0,32 and 2016: 0,34). Thus total liabilities are covered 3,61 times by total assets (2017: 3,09 and 2016: 2,95 times).

Solvency ratios continue to indicate clearly that the university is solvent and able to meet both its long-term and its short-term obligations.
Liquidity

The working capital ratio indicates that the current liabilities are covered 0,98 times by the current assets (2017: 0,92 times and 2016: 1,04 times).

If the analysis is expressed in rand value, the current assets (excluding current portion of investments) decreased by R57,7 million for the 2018 financial year, while current liabilities for the same period decreased by R102,9 million. Current assets decreased mainly due to transfers to long-term investments whereby cash and cash equivalents decreased by R148,1 million.

The working capital ratio increased compared to 2017 mainly due to the decrease of R81,5 million in the current portion of deferred income (R87,0 million or 14,8% of total current liabilities) relating to infrastructure grants. For 2017 this portion of deferred income represented 24,4% (R168,5 million) of total current liabilities.

The net value of working capital, investments and total liabilities for 2018 improved to R1 944,9 million (2017: R1 100,3 million and 2016: R732,5 million), representing an increase of 165,5% from 2016 to 2018.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td>2 813,8</td>
<td>1 830,6</td>
<td>1 345,1</td>
</tr>
<tr>
<td>Current assets</td>
<td>577,1</td>
<td>634,8</td>
<td>499,8</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>(1 446,0)</td>
<td>(1 365,1)</td>
<td>(1 112,4)</td>
</tr>
<tr>
<td>Net investments, current assets and total liabilities</td>
<td>1 944,9</td>
<td>1 100,3</td>
<td>732,5</td>
</tr>
<tr>
<td>Capital commitments (infrastructure)</td>
<td>(128,2)</td>
<td>(65,8)</td>
<td>(67,1)</td>
</tr>
<tr>
<td>Net cash after capital commitments</td>
<td>1 816,7</td>
<td>1 034,5</td>
<td>665,4</td>
</tr>
</tbody>
</table>

The cash-flow situation is monitored closely in order to achieve an optimal balance between long-term and short-term investments to optimise investment income without compromising flow of business.
Gearing ratios

Gearing ratios analyse the extent to which long-term finance is used as a source of financing. It is a longer-term indication of liquidity.

Non-current liabilities represent 18.5% of total funds employed (2017: 19.1% and 2016: 22.6%). This ratio decreased, as equity increased by a large margin, borrowing commitments decreased and infrastructure grant amounts expected to be utilised in 2019 are transferred to current liabilities.

<table>
<thead>
<tr>
<th>Non-current liabilities: Non-current liabilities equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>R2 797.0  R552.8  R96.1  R3 530.3  R639.1  R230.2  R629.4</td>
</tr>
<tr>
<td>2016      2017     2018</td>
</tr>
</tbody>
</table>

Cash flow

The university generated a surplus of R810.8 million for the 2018 financial year (2017: R503.1 million and 2016: R277.1 million), excluding total IAS19 adjustments, and the net cash flow amount generated from operating activities was R782.2 million (2017: R582.6 million and 2016: R271.2 million). The total net cash flow decreased by R148.2 million in 2018, taking into account i.a. R217.5 million net investment income, transfers of cash and cash equivalents to longer term investments (R1 011.5 million), investment in property, plant and equipment (R179.5 million) and a R52.6 million increase in deferred grant income.

For the 2017 financial year the net cash flow increased by R105.6 million and for 2016 by R75.0 million.

The university manages and plans cash flow needs with great caution, and effective decision-making resulted in the university currently being in a viable cash-flow situation, with reference to total cash and cash equivalents and investments.

Although 81.5% of the money market’s investment portfolio has maturity dates during 2019 and is shown as part of current assets, the nature and purpose of these investments are long-term, focusing on investments with a period 12 months and longer to optimise returns. Funds are reinvested as they become available on maturity, taking cash flow needs into consideration.
**Conclusion**

With regard to the university as a tertiary institution with the core business of teaching-learning, research and implementation of expertise (including community service), the NWU again added material value to the economy, and was able to achieve its financial goals. In this regard the following can be highlighted:

- The NWU still provides affordable higher education.
- 15 350 students received degrees and diplomas during 2018.
- The university stays committed to support and enhance academic performance and awarded bursaries in the amount of R206,5 million from own funds to students.
- The cash flow investment in property, plant and equipment amounts to R179,5 million (2017: R321,0 million and 2016: R164,9 million), which is mainly attributable to DHET infrastructure and efficiency funding. (Not all projects have been completed, resulting in macro-maintenance to be carried forward to 2019). Total assets increased by 23,8% (2017: 28,7% and 2016: 9,1%).
- The increase in the available reserves to 39,7% of total equity from a very low base at the end of 2015 (although some spending against this reserve is to be expected as explained above).
- Maintaining a sound solvency position and optimal liquidity levels during the 2018 financial year to ensure that the NWU remains a going concern.

Council and management are jointly committed to managing the NWU in such a way that the sound financial position will be sustained in 2019. It needs to be pointed out that our two largest sources of income, namely state subsidy and tuition fee-related income totalling 76,1% of turnover (2017: 75,2% and 2016: 72,5%), increased during 2018 – emphasising our dependence on these income stream one funds. Income stream three revenue decreases year on year as a percentage of total income, putting pressure on the viability of the university. The university is further pressured by the wide-spread difficult and weak South African economy and conditions.

The biggest challenge for the NWU and the higher education sector as a whole remains the accommodation of students referred to as the “missing middle”, who cannot afford their studies but who are also not eligible for study loans, without compromising the quality of our education.
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2018

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2018 R'000</th>
<th>%</th>
<th>2017 R'000</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>2 694 231</td>
<td>51,6</td>
<td>2 922 667</td>
<td>69,3</td>
</tr>
<tr>
<td>Property, plant and equipment (PPE)</td>
<td>1 409 422</td>
<td>27,0</td>
<td>1 360 752</td>
<td>32,2</td>
</tr>
<tr>
<td>Investment properties</td>
<td>18 831</td>
<td>0,4</td>
<td>19 328</td>
<td>0,5</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>950</td>
<td>0,0</td>
<td>950</td>
<td>0,0</td>
</tr>
<tr>
<td>Investments</td>
<td>858 580</td>
<td>16,4</td>
<td>1 168 428</td>
<td>27,7</td>
</tr>
<tr>
<td>Equity-accounted investees</td>
<td>1 098</td>
<td>0,0</td>
<td>107</td>
<td>0,0</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>130</td>
<td>0,0</td>
<td>119</td>
<td>0,0</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>405 220</td>
<td>7,8</td>
<td>372 983</td>
<td>8,9</td>
</tr>
<tr>
<td>Current assets</td>
<td>2 531 212</td>
<td>48,4</td>
<td>1 296 911</td>
<td>30,7</td>
</tr>
<tr>
<td>Inventories</td>
<td>52 084</td>
<td>1,0</td>
<td>24 907</td>
<td>0,6</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>299 514</td>
<td>5,7</td>
<td>236 277</td>
<td>5,6</td>
</tr>
<tr>
<td>Income tax receivable</td>
<td>37</td>
<td>0,0</td>
<td>0</td>
<td>0,0</td>
</tr>
<tr>
<td>Current portion of investments</td>
<td>1 954 079</td>
<td>37,4</td>
<td>662 071</td>
<td>15,7</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>215 269</td>
<td>4,1</td>
<td>365 427</td>
<td>8,6</td>
</tr>
<tr>
<td>Non-current assets classified as held for sale</td>
<td>2 520 983</td>
<td>48,2</td>
<td>1 286 682</td>
<td>30,5</td>
</tr>
<tr>
<td>Total assets</td>
<td>5 225 443</td>
<td>100,0</td>
<td>4 219 578</td>
<td>100,0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EQUITY AND LIABILITIES</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>3 779 482</td>
<td>72,3</td>
<td>2 854 461</td>
<td>67,6</td>
</tr>
<tr>
<td>Accumulated funds</td>
<td>3 778 670</td>
<td>72,3</td>
<td>2 853 725</td>
<td>67,6</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>812</td>
<td>0,0</td>
<td>736</td>
<td>0,0</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1 445 961</td>
<td>27,7</td>
<td>1 365 117</td>
<td>32,4</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>859 599</td>
<td>16,4</td>
<td>675 849</td>
<td>16,0</td>
</tr>
<tr>
<td>Borrowings - interest bearing</td>
<td>11 033</td>
<td>0,2</td>
<td>22 570</td>
<td>0,5</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>618 365</td>
<td>11,8</td>
<td>557 143</td>
<td>13,2</td>
</tr>
<tr>
<td>Deferred grant income</td>
<td>230 201</td>
<td>4,4</td>
<td>96 136</td>
<td>2,3</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>586 362</td>
<td>11,3</td>
<td>689 268</td>
<td>16,4</td>
</tr>
<tr>
<td>Current portion of borrowings - interest bearing</td>
<td>12 227</td>
<td>0,2</td>
<td>11 471</td>
<td>0,3</td>
</tr>
<tr>
<td>Current portion of employee benefits</td>
<td>36 601</td>
<td>0,7</td>
<td>37 050</td>
<td>0,9</td>
</tr>
<tr>
<td>Current portion of deferred grant income</td>
<td>87 036</td>
<td>1,7</td>
<td>168 499</td>
<td>4,0</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>359 232</td>
<td>6,9</td>
<td>295 595</td>
<td>7,0</td>
</tr>
<tr>
<td>Income received in advance</td>
<td>56 610</td>
<td>1,1</td>
<td>176 295</td>
<td>4,2</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>34 314</td>
<td>0,7</td>
<td>0</td>
<td>0,0</td>
</tr>
<tr>
<td>Income tax payable</td>
<td>342</td>
<td>0,0</td>
<td>358</td>
<td>0,0</td>
</tr>
</tbody>
</table>

Total equity and liabilities  | 5 225 443| 100,0  | 4 219 578  | 100,0  |
# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2018

<table>
<thead>
<tr>
<th></th>
<th>2018 R'000</th>
<th>% of total income</th>
<th>2017 R'000</th>
<th>% of total income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RECURRING ITEMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>4 900 330</td>
<td>100.0</td>
<td>4 191 819</td>
<td>100.0</td>
</tr>
<tr>
<td>State appropriations - subsidies and grants</td>
<td>2 009 698</td>
<td>41.0</td>
<td>1 736 018</td>
<td>41.4</td>
</tr>
<tr>
<td>Tuition and other fees</td>
<td>1 724 152</td>
<td>35.1</td>
<td>1 417 592</td>
<td>33.8</td>
</tr>
<tr>
<td>Income from contracts (research and other)</td>
<td>233 209</td>
<td>4.8</td>
<td>214 449</td>
<td>5.1</td>
</tr>
<tr>
<td>Residence and catering services</td>
<td>348 441</td>
<td>7.1</td>
<td>302 823</td>
<td>7.3</td>
</tr>
<tr>
<td>Sales of goods and services and other income</td>
<td>313 451</td>
<td>6.4</td>
<td>293 558</td>
<td>6.9</td>
</tr>
<tr>
<td>Private gifts and grants</td>
<td>47 491</td>
<td>1.0</td>
<td>62 871</td>
<td>1.5</td>
</tr>
<tr>
<td>Investment income</td>
<td>223 888</td>
<td>4.6</td>
<td>164 508</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td>4 039 921</td>
<td>82.4</td>
<td>3 691 456</td>
<td>88.0</td>
</tr>
<tr>
<td>Personnel remuneration</td>
<td>2 265 505</td>
<td>46.2</td>
<td>2 060 667</td>
<td>49.1</td>
</tr>
<tr>
<td>IAS19 - adjustments (employee benefits)</td>
<td>(20 327)</td>
<td>(0.4)</td>
<td>1 838</td>
<td>0.0</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>1 657 763</td>
<td>33.8</td>
<td>1 491 712</td>
<td>35.6</td>
</tr>
<tr>
<td>Depreciation</td>
<td>129 908</td>
<td>2.7</td>
<td>128 722</td>
<td>3.1</td>
</tr>
<tr>
<td>Finance charges</td>
<td>7 072</td>
<td>0.1</td>
<td>8 517</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>NON-RECURRING ITEMS</strong></td>
<td>1 153</td>
<td>0.0</td>
<td>1 649</td>
<td>0.0</td>
</tr>
<tr>
<td>Income</td>
<td>51</td>
<td>0.0</td>
<td>1</td>
<td>0.0</td>
</tr>
<tr>
<td>Profit on disposal of property, plant and equipment</td>
<td>697</td>
<td>0.0</td>
<td>1 058</td>
<td>0.0</td>
</tr>
<tr>
<td>Profit on investments</td>
<td>0</td>
<td>0.0</td>
<td>87</td>
<td>0.0</td>
</tr>
<tr>
<td>Share of profit of equity-accounted investees</td>
<td>405</td>
<td>0.0</td>
<td>503</td>
<td>0.0</td>
</tr>
<tr>
<td>Other non-recurrent income</td>
<td>29 822</td>
<td>0.6</td>
<td>225</td>
<td>0.0</td>
</tr>
<tr>
<td>Loss on disposal of property, plant and equipment</td>
<td>154</td>
<td>0.0</td>
<td>225</td>
<td>0.0</td>
</tr>
<tr>
<td>Share of loss of equity-accounted investees</td>
<td>106</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Fair value loss on financial assets through profit and loss</td>
<td>29 562</td>
<td>0.6</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Net surplus before income tax</strong></td>
<td>831 740</td>
<td>17.0</td>
<td>501 787</td>
<td>12.0</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>592</td>
<td>0.0</td>
<td>531</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Surplus for the year (note 1)</strong></td>
<td>831 148</td>
<td>17.0</td>
<td>501 256</td>
<td>12.0</td>
</tr>
<tr>
<td><strong>OTHER COMPREHENSIVE INCOME</strong></td>
<td>18 430</td>
<td></td>
<td>187 155</td>
<td></td>
</tr>
<tr>
<td>Pension fund - (deficit)/surplus</td>
<td>(869)</td>
<td></td>
<td>129 679</td>
<td></td>
</tr>
<tr>
<td>Disability reserve fund - surplus</td>
<td>5 404</td>
<td></td>
<td>4 755</td>
<td></td>
</tr>
<tr>
<td>Health care (medical) - surplus</td>
<td>13 895</td>
<td></td>
<td>10 865</td>
<td></td>
</tr>
<tr>
<td>Net fair value gain on available-for-sale financial assets</td>
<td>0</td>
<td></td>
<td>41 856</td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>849 578</td>
<td></td>
<td>688 411</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE 1:**

To illustrate the effect of IAS19 valuations regarding employee benefits

Surplus for the year from normal operating activities - before total IAS19 adjustments | 810 821 | 16.6 | 503 094 | 12.0 |
Employee benefits - IAS19 total adjustments | 20 327 | 0.4 | (1 838) | (0.0) |
Surplus for the year | 831 148 | 17.0 | 501 256 | 12.0 |
Our manufactured capital can be described as our tangible infrastructure that supports our core business activities and helps us to provide services to our stakeholders, thereby creating value for them and our other capitals.

For example, our lecture halls and laboratories, together with the technology and equipment that our staff use, enable us to teach our students (increasing our intellectual and human capital) and do research (finding solutions for society’s problems and increasing our social and relationship capital).

Except for our building and infrastructure programmes, we also regularly buy, develop and maintain our IT systems and infrastructure, our teaching and learning technology and our research equipment. In other words, our manufactured capital is about all the physical resources and assets needed for executing our core business and bringing our strategy to life.

Stakeholders who will benefit from our manufactured capital

Our staff and students are the main stakeholders who benefit from our manufactured capital. However, through our building and maintenance projects we also create business and jobs for people outside the university community. Our donors and the DHET also have stakes in our manufactured capital, as they fund many of our projects.

Material matters (goals or enablers) involved

Uncertainties in the higher education sector (for instance state funding), demand for organisational change (equity of resources), and risks related to academic matters, compliance (for instance with building regulations), IT and operational risks.

Risks involved

Uncertainties in the higher education sector (for instance state funding), demand for organisational change (equity of resources), and risks related to academic matters, compliance (for instance with building regulations), IT and operational risks.

How we created value

In this section we show you how we created value for our stakeholders and increased our manufactured capital through our various building and maintenance programmes and IT infrastructure.

The majority of our infrastructure projects are aimed at promoting teaching and learning, research and our student value proposition.

Infrastructure development

The following table shows how we spent a total of R210,54 million from DHET and our own funding in 2018 across the university on capital works, macro maintenance and minor works.

<table>
<thead>
<tr>
<th>Projects across campuses</th>
<th>Rmillion</th>
<th>Potchefstroom Campus</th>
<th>Mafikeng Campus</th>
<th>Vaal Triangle Campus</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHET</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus funds 2012-2015</td>
<td>R15,65</td>
<td>R9,47</td>
<td>-</td>
<td>-</td>
<td>R14,63</td>
</tr>
<tr>
<td>Funding 2015-2016</td>
<td>R7,28</td>
<td>R12,06</td>
<td>R29,09</td>
<td>-</td>
<td>R48,43</td>
</tr>
<tr>
<td>Funding 2016-2017</td>
<td>R12,30</td>
<td>R1,63</td>
<td>-</td>
<td>R8,15</td>
<td>R22,08</td>
</tr>
<tr>
<td>Funding 2017-2018</td>
<td>R9,75</td>
<td>-</td>
<td>R1,81</td>
<td>R1,77</td>
<td>R13,33</td>
</tr>
<tr>
<td>Capital works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New</td>
<td>R15,65</td>
<td>R8,87</td>
<td>R0,83</td>
<td>-</td>
<td>R25,35</td>
</tr>
<tr>
<td>Upgrade</td>
<td>R35,14</td>
<td>R11,44</td>
<td>R3,78</td>
<td>R8,81</td>
<td>R59,17</td>
</tr>
<tr>
<td>Macro maintenance</td>
<td>R17,98</td>
<td>R2,75</td>
<td>R3,11</td>
<td>R2,35</td>
<td>R26,19</td>
</tr>
<tr>
<td>Minor works</td>
<td>R1,06</td>
<td>R0,10</td>
<td>R0,10</td>
<td>R0</td>
<td>R1,36</td>
</tr>
<tr>
<td>Total</td>
<td>R104,32</td>
<td>R46,32</td>
<td>R38,72</td>
<td>R21,18</td>
<td>R210,54</td>
</tr>
</tbody>
</table>
Accommodation for our students

Student housing on the campuses consists of 45 university-owned residences for 10 763 students, whose wellbeing is the responsibility of 101 residence officers and house parents.

By making sure our students have safe accommodation on or around our campuses, we strengthen our student value proposition and consequently our human capital.

Complying with norms and standards

For the past three years, the focus of residence management at the NWU has been on the alignment of facilities across the university. This included the alignment of residences and residence fees.

With alignment largely achieved, management attention is turning to the task of ensuring that all residences comply with the national policy on norms and standards for public universities in South Africa. These norms and standards deal with residence staffing levels, location, health and safety, governance, professional development of residence staff, policies and procedures, and student discipline.

Management is finalising a plan for the phasing in of minimum standards where these do not currently comply. The intention is to submit the plan to Council in 2019.

The university is also in the process of developing its strategy to increase the percentage of residence places available for new first-year students to at least 30% of the total residence capacity.

Construction and refurbishment

During 2018 we refurbished several student residences and started constructing an additional residence on the Vaal Triangle Campus, for completion in 2019.

Through a joint initiative by the NWU and the DHET, we are going to build additional residences on the Mafikeng Campus to accommodate up to 1 400 more students. This will be part of possible public-private infrastructure and related partnerships. Planning in this regard will continue during 2019.

Large projects completed during 2018

The biggest project completed on the Mafikeng Campus was the refurbishment of spaces in Building A1 (NWU capital funding of R6 million was made available). The two largest projects finalised on the Potchefstroom Campus were for the conversion of a church into lecture rooms, and providing facilities for Occupational Hygiene. This entailed NWU capital funding of R9,8 million for each.

Construction work relating to eleven other projects with a project value above R5 million each were completed in 2018.

Macro maintenance projects completed

Addressing deferred maintenance remained a priority during 2018. Major refurbishment work at a total cost of R113 million was completed on the Mafikeng and Potchefstroom campuses.

These projects included the upgrading of the Kayelitsha residence on the Mafikeng Campus and Kom en Gaan and Oppirif residences on the Potchefstroom Campus. Other projects included academic buildings, laboratories and the Ferdinand Postma Library.

A total of R14,6 million was spent on roads on all three campuses. In addition, 16 small to medium-sized macro maintenance projects were completed across the university, worth R9,5 million.

Committed to social justice and an ethic of care – as set out in our NWU strategy and dream – we spent R4 million to upgrade various buildings on our campuses to accommodate people with disabilities.

Unscheduled projects completed during 2018

We had to execute 10 small, unscheduled projects (ad hoc requests) in various faculties and departments across the university, mainly financed from our reserves. These projects placed considerable pressure on the resources of the Facilities Department and affected the scheduling of the new DHET projects for 2018 to 2021.

The largest unscheduled project was to refurbish space as offices for the Faculty of Education in Building B5 on the Potchefstroom Campus.

Projects carried over to 2019

Seven projects on the Mafikeng Campus, 15 on the Potchefstroom Campus and three on the Vaal Triangle Campus were carried over from 2018 and are scheduled for completion in 2019. The new student housing complex on the Vaal Triangle Campus was carried over from 2017.

IT infrastructure and developments

We supply valuable information and technology infrastructure to enable optimal, cutting-edge IT support across the university.

For instance, this infrastructure plays a valuable role in the value chains of teaching and learning, and research and also in the student life cycle from student access through to continuous professional development. In this way, the IT infrastructure strengthens our intellectual and human capital.

Here are some of the 2018 highlights: our IT department did several technology and hardware upgrades, equipped 22 new video conference venues, implemented an internal
An IT infrastructure grant of R97 million from the Department of Higher Education and Training helped us achieve our goals.

We offer uncapped, unshaped internet services to staff and students at a speed not matched by most universities in South Africa – the NWU is also the biggest consumer of bandwidth among these institutions.

The following graph illustrates the NWU’s monthly consumption of the total international bandwidth, compared to other big South African universities.

When it comes to national bandwidth consumption on the South African National Research Network (SANREN), the result is much the same.

With regard to distance learning, IT was the key role player in motivating a R12 million grant from the Rural Campus Connectivity Project to equip 26 remote delivery sites with acceptable internet connections. This project will be handed over early in 2019.

Plans for the future

Looking to the future, we will remain focused on addressing deferred maintenance on academic buildings and services infrastructure as part of our 10 Year Macro Maintenance plan.

We will also embark on several major capital projects on all three campuses during 2019 and 2020. These include the construction of a new administration building and lecture room complex on the Vaal Triangle Campus, as well as moving the main entrance gate to a new position as instructed by the Emfuleni Municipality.

On the Potchefstroom Campus, we will start planning new laboratory spaces for the Faculty of Education and on the Mafikeng Campus, planning is under way for a new building for Psychosocial Health.

"Our investment in IT infrastructure, support and teaching and learning solutions will determine the NWU market share in the teaching and learning value chain, as well as in the student life experience.’’

Note: An IT infrastructure grant of R97 million from the Department of Higher Education and Training helped us achieve our goals.

Statement on Additional Investments in Infrastructure

“There were no additional investments in infrastructure at the NWU during 2018.”

Statement approval obtained from the NWU Council on 20 June 2019
Material matters

Govern, lead and manage; communication, marketing and stakeholder engagement; financial sustainability

The performance around our manufactured capital also relates to material issues that are not necessarily part of our core business, but support it.

It demonstrates for example how we supply the necessary infrastructure to enable governance (for instance by making sure that Council and its committees have suitable infrastructure for their meetings) and management (by supplying the infrastructure and systems equipment management requires to effectively lead the university).

All infrastructure (buildings as well as technology and systems) forms the basis for the assistance that departments such as Corporate Relations and Marketing provide to support our core business.

In addition, our value creation story highlights how our infrastructure programmes, in particular our 10 Year Macro Maintenance Plan, focus on maintaining future financial stability. Through regular maintenance of our current assets, we are ensuring that future generations will not be burdened by the unaffordable expense of repairing dilapidated infrastructure.

DR BISMARK TYOBEKA
CHAIRPERSON OF COUNCIL

PROF DAN KGWADI
VICE-CHANCELLOR

Telescope reveals the mysteries of the universe

The Minister of Science and Technology, Mmamoloko Kubayi-Ngubane, launched the Mahikeng Astronomical Observatory on the Mafikeng Campus on 7 September 2018.

The observatory houses a 16 inch Meade LX200 GPS telescope. It is used for bright star research 60% of the time, allowing astronomers at the campus in Mahikeng to study the interiors of stars and their evolution.

The rest of the time it is used for outreach to the public and schools.

The user-friendly telescope can be operated remotely to allow learners and educators to access it from anywhere in the country.

“All that teachers need is a software program called TeamViewer, which can be downloaded for free from the internet. Then we can send them our ID and password to access the telescope,” says Prof Thebe Medupe, Mahikeng Astronomical Observatory programme leader.
GOVERNANCE: SUPPORTING AND PRESERVING VALUE

The role and function of Council and its committees

The NWU Council is the overall custodian of good corporate governance, which is a prerequisite for the creation of value.

As Council we take our oversight and guidance role seriously in setting strategy, ensuring proper governance, driving compliance and risk management and monitoring the material activities of the university.

Our role is also to establish an ethical culture at the university, provide strategic leadership, monitor the performance of the management team and ensure the establishment of effective controls, in order to ensure long-term growth and sustainability.

We do this in strict accordance with the stipulations of the Higher Education Act and the NWU Statute that was promulgated on 24 March 2017.

In 2018, the NWU continued to adhere to high governance standards, while creating a value-driven governance landscape. A key milestone was the effective implementation of the new NWU Statute, paving the way for the implementation of governance in line with the new university strategy.

The composition of our Council is in accordance with the guidelines provided by the Higher Education Act and the university’s Statute.

<table>
<thead>
<tr>
<th>Council members externally elected or designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministerial appointees</td>
</tr>
<tr>
<td>Donors</td>
</tr>
<tr>
<td>Convocation</td>
</tr>
<tr>
<td>Community leaders</td>
</tr>
<tr>
<td>Specific expertise</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Council members internally elected or designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management: vice-chancellor and vice-principal</td>
</tr>
<tr>
<td>Senate</td>
</tr>
<tr>
<td>Academic staff</td>
</tr>
<tr>
<td>Support staff</td>
</tr>
<tr>
<td>Student Representative Council</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Of the 30 Council members, 60% are external and 40% internal, ensuring independence in the governance environment.
Council has a number of committees to advise it on important governance matters and to provide the necessary oversight and guidance in order to enhance its accountability.

The majority of the committees (except the Executive Committee of Council, Audit, Risk and Compliance Committee and the Remuneration Committee) meet twice a year and report to Council twice a year.

The Executive Committee of Council, the Audit, Risk and Compliance Committee, Tender Committee and the Remuneration Committee meet four times a year. During 2018, it was also resolved that the Transformation Oversight Committee would meet four times a year as from January 2019.

The following new members joined the Council during the year under review:

- Prof HH Janse van Vuuren – elected by Senate
- Prof D Balia – elected by Senate
- Prof W du Plessis – elected by academic staff members
- Prof JD van Romburgh – elected by academic staff members
- Mr L Nene – designated by the SRC
- Ms D D’Assonville – designated by the SRC
- Mr L Maphosa – designated by the SRC
- Ms T Semane – appointed by the Minister
- Mr C Mabe – appointed by the Minister
- Mr C Mulder – elected by the Convocation

**Council training**

All new members of Council joining in a particular year must attend an induction workshop. At the induction programme on 28 March 2018 we covered the following four topics:

1. **What is expected of Council and Council members.**
2. **Introducing the NWU, in particular its strategy.**
3. **Overview of important pieces of legislation and other regulations, including the Higher Education Act and the university’s Statute.**
4. **House rules, including honoraria payable to external members, travel claims and contact people.**

In addition, all Council members had to attend a training session on 27 March (about governance of ethics), a workshop on 28 March (about the NWU climate and culture survey), and another one on 20 June 2018 (about language within the NWU’s teaching-learning space).
Code of Conduct and declarations of interest

All our Council members are required to adhere to a Council Code of Conduct and, after a revised code was approved by Council in March 2018, all Council members signed it.

Council members must also make a full declaration of other directorships and all interests to ensure that they do not use their positions on Council to benefit themselves or any third party.

At each ordinary meeting of the Council Exco, its members review the declarations of interest and engage on these. Council Exco, in its capacity as Council Membership Committee, also scrutinises the transactions between the NWU and companies in which Council members declared (or did not declare) a direct or indirect interest.

Exco noted on 23 August 2018 that the NWU made a payment in 2018 to an entity in which a Council member had previously indicated an interest. It turned out that the Council member had not renewed this interest declaration, and the oversight was consequently corrected.

In another case a Council member previously declared several interests during his first term of office, but not in his second term. The Council member indicated that this was an oversight, and it was corrected.

In October 2018, the registrar followed up four outstanding declarations of interest from Council members. By December 2018, all Council members had made the necessary declarations.

Meet our Council members

1. PROF ND KGWADI
   (50)
   Vice-Chancellor
   Qualifications: BScEd (University of North West), MSc (physics) (Ball State University, USA), MPhil (environmental law and management) (North-West University), PhD (physics education) (Potchefstroom University for Christian Higher Education – PU for CHE), PhD (management – honoris causa) (Hanseo University, South Korea); appointed for a six-year term from 2014 to 2020
   Council committee and total years of service: All Council committees | Four years into term
   Number of committee meetings and average attendance: 55 - 69%
   Directorships: None
   Directorships: Christelike Uitgewersmaatskappy | Pro Reformando Trust

2. PROF JJ JANSE VAN RENSBURG
   (66)
   Vice-Principal
   Qualifications: BA (majors: Greek, Latin, philosophy), HonsBA (Greek), MA (Greek), ThB, four-year ministry candidate certificate TSP, ThM, ThD (New Testament hermeneutics) (all from the PU for CHE); appointed for a one-year term from January to December 2018
   Council committee and total years of service: Council Exco | One year, six months into term
   Number of committee meetings and average attendance: 34 - 85%
   Directorships: None

3. PROF HH JANSE VAN VUUREN
   (55)
   Elected by Senate
   Qualifications: MCom (accountancy), BComHons – CTA, BComHons (cost and management accounting), BCom (accounting), (all from the NWU); appointed for a three-year term from 2018 to 2021
   Council committee and total years of service: Student Oversight Committee | Honorary Awards Committee | Social and Ethics Committee | Nine months into first term
   Number of committee meetings and average attendance: 11 - 91%
   Directorships: None

The register of all these declarations is kept by the registrar and is considered on a regular basis by our Council Executive Committee (Council Exco).
Meet our Council members

4. PROF D BALIA
(58)
Elected by Senate

Qualifications
DLitt et Phil (public administration) (University of South Africa), senior executive programme (Harvard Business School), Certificate of Advanced Professional Studies (Pacific School of Religion, Berkeley) Master of Theology (ethics) (Princeton Theological Seminary), doctoral research and German language (University of Hamburg, Germany), BTh, MTh, DTh (University of Durban-Westville); appointed for a three-year term from 2018 to 2021

Council committee and total years of service
Honorary Awards Committee | People and Culture and Employment Equity Committee | Nine months into first term

Number of committee meetings and average attendance
11 - 100%

Directorships
None

5. PROF HJ VAN DER MERWE
(56)
Elected by the Senate

Qualifications
BSc, BScHons (University of Pretoria), MEd (Rand Afrikaans University), PhD (Unisa), higher education diploma (University of Pretoria); elected for a three-year term from 2015 to 2018

Council committee and total years of service
Honorary Awards Committee | Technology and Information Governance Committee | Two years and one month into first term

Number of committee meetings and average attendance
10 - 90%

Directorships
International Association for Mobile Learning (IAmLearn) | Innovation Highway Enterprises | IntSys (speech technology) | CUTE (Centre for the Utilisation of Technology in Education)

6. PROF JD VAN ROMBURGH
(41)
Elected by academic staff members

Qualifications
Chartered Accountant (South Africa) (CA(SA)), MCom (management accounting) (NWU); appointed for a three-year term from 2018 to 2021

Council committee and total years of service
Transformation Oversight Committee | Social and Ethics Committee | Nine months into first term

Number of committee meetings and average attendance
9 - 100%

Directorships
RomLab Consultants CC | Adams and Adams Forensic Investigation Services Pty Ltd | Moerlands Span Boerdery Pty Ltd | Limestone Fountain Pty Ltd | Isebe The Branch Pty Ltd | Van Romburgh Familietrust

7. PROF W DU PLESSIS
(60)
Elected by academic staff members

Qualifications
BJur, LLB, MA (environmental management), LLD (NWU), appointed for a three-year term from 2018 to 2021

Council committee and total years of service
Student Oversight Committee | Five months into first term

Number of committee meetings and average attendance
2 - 50%

Directorships
None
Meet our Council members

8. MR AF AYOB
   (54)
   Elected by support staff members

   **Qualifications**  
   BA (criminology and sociology) (University of Durban Westville), advanced diploma: labour, Hons in business management (Southern Business School); appointed for a three-year term from 2016 to 2019

   **Council committee and total years of service**  
   Transformation Oversight Committee | Two years and three months into first term

   **Number of committee meetings and average attendance**  
   9 - 100%

   **Directorships**  
   None

9. MR DJC STOOP
   (55)
   Elected by support staff members

   **Qualifications**  
   BEng (electrical and electronic), MEng (electronics) (PU for CHE); appointed for a three-year term from 2016 to 2019

   **Council committee and total years of service**  
   People and Culture and Employment Equity Committee | Two years and nine months into first term

   **Number of committee meetings and average attendance**  
   9 - 100%

   **Directorships**  
   Sole member, Dantron CC

10. MS D’ASSONVILLE
    (24)
    Student Representative Council

   **Qualifications**  
   LLB (NWU), diploma in management with business administration (NWU)

   **Council committee and total years of service**  
   Student Oversight Committee | Three months into one-year term

   **Number of committee meetings and average attendance**  
   4 - 100%

   **Directorships**  
   None

11. MR L MAPHOSA
    (22)
    Student Representative Council

   **Qualifications**  
   LLB (NWU)

   **Council committee and total years of service**  
   Student Oversight Committee | Three months into one-year term

   **Number of committee meetings and average attendance**  
   6 - 50%

   **Directorships**  
   None
Meet our Council members

12. MR L NENE
(22)
Student Representative Council

Qualifications
BA (law studies) (NWU), Hons (political studies) (NWU)

Council committee and total years of service
Student Oversight Committee | Three months into one-year term

Number of committee meetings and average attendance
5 - 80%

Directorships
None

13. MR OE MONGALE
(47)
Appointed by the Minister of Higher Education and Training

Qualifications
Studying towards a master’s of Philosophy in conflict transformation, (Nelson Mandela Metropolitan University, postgraduate diploma in management (NWU), master’s in industrial psychology (NWU), honours in industrial psychology (UniBo), bachelor’s in administration (UniBo); appointed for a three-year term from 2017 to 2020

Council committee and total years of service
Tender Committee | Finance Committee | One year and three months into first term

Number of committee meetings and average attendance
13 - 62%

Directorships
Hub Farming | Sego Programme | The Hub People | Monohwa Investment

14. MS T SEMANE
(42)
Appointed by the Minister of Higher Education and Training

Qualifications
Postgraduate diploma in business administration (GIBS), BCom (accounting), studying towards a master’s degree in industrial psychology; appointed for a three-year term from 2018 to 2021

Council committee and total years of service
Technology and Information Governance Committee | Social and Ethics Committee | Finance Committee | Five months into first term

Number of committee meetings and average attendance
4 - 50%

Directorships
Linea Pty Ltd

15. MR C MABE
(40)
Appointed by the Minister of Higher Education and Training

Qualifications
BCom (University of North West), Dip AIBM (finances), diploma in financial management (Business Management College of Southern Africa), certificate in managing the employment process (Unisa), MBA (NWU), appointed for a three-year term from 2018 to 2021

Council committee and total years of service
Finance Committee | Remuneration Committee | Five months into first term

Number of committee meetings and average attendance
5 - 100%

Directorships
NH 2606 Pty Ltd | CM 2510 Pty Ltd | Jepa Resources | Dilemo Business Planning House | Jepo 321 Pty Ltd | CBus Consulting | Tapologo HIV AND AIDS Programme
Meet our Council members

16. **MR TC KGOMO**  
(51)  
Appointed by the Minister of Higher Education and Training  
**Qualifications**  
BCom (University of North West); appointed for a three-year term from 2017 to 2020  
**Council committee and total years of service**  
People and Culture and Employment Equity Committee | Executive Committee of NWU Council | Transformation Oversight Committee | Honorary Awards Committee | Innovation Highway Advisory Board | Senate | Senex | One year and three months into second term  
**Number of committee meetings and average attendance**  
13 - 100%  
**Directorships**  
Hentjen Petroleum | Tshepi Investments | RR Travel | Tshabanelo Trading

17. **MR MSJ THABETHE**  
(44)  
Appointed by the Minister of Higher Education and Training  
**Qualifications**  
National diploma in information technology (TWR), BTech in information technology (TWR), MCom in information systems (University of the Witwatersrand), appointed for a three-year term from 2017 to 2020  
**Council committee and total years of service**  
Technology and Information Governance Committee | Audit, Risk and Compliance Committee | Social and Ethics Committee | One year and three months into first term  
**Number of committee meetings and average attendance**  
14 - 100%  
**Directorships**  
Sihlasi Technologies CC

18. **MR S DE BRUYN**  
(66)  
Elected by the Board of Donors of the university  
**Qualifications**  
BCom (accounting science), BLLR, LLB (PU for CHE); appointed for a three-year term from 2018 to 2021  
**Council committee and total years of service**  
Audit, Risk and Compliance Committee | Tender Committee | Senate | Six months into second term  
**Number of committee meetings and average attendance**  
11 - 100%  
**Directorships**  
None

19. **MR A VAN ROOY**  
(50)  
Elected by the Board of Donors  
**Qualifications**  
BSc (chemistry, biochemistry) (NWU), BPoc (Unisa), Patent Examination Board, qualified as a patent attorney, admitted as an attorney  
**Council committee and total years of service**  
Innovation Highway Enterprises Advisory Board | One month into first term  
**Number of committee meetings and average attendance**  
No meetings during 2018 as he was only appointed in November 2018.  
**Directorships**  
DM Kisch Inc | Kisch Africa Inc | Sederkrans Familie Boerdery

20. **VACANT**  
Elected by the Board of Donors
Meet our Council members

21. MR A SORGDRAGER
(59)
Designated by the Convocation

Qualifications
BIuris and LLB (PU for CHE), international executive programme (INSEAD Business School); appointed for a three-year term from 2017 to 2020

Council committee and total years of service
Remuneration Committee | Executive Committee of Council | Audit, Risk and Compliance Committee | Investments Committee | Student Oversight Committee | Institutional Forum | One year and six months into first term

Number of committee meetings and average attendance
29 - 72%

Directorships
Yellowstone Trust | Vaalrivier Steiltes | Pegasus Alumni Trust | Erf 549 (Edms) Bpk

22. PROF AL COMBRINK
(73)
Designated by the Convocation

Qualifications
BA, BAHons in English, MA in English, DLitt in English (PU for CHE) and higher education diploma (Unisa); appointed for a three-year term from 2018 to 2021

Council committee and total years of service
Student Oversight Committee | Two months into second term

Number of committee meetings and average attendance
8 - 75%

Directorships
None

23. MR W HUMAN
(32)
Designated by the Convocation

Qualifications
BA Communication Studies (NWU), BSc IT (NWU)

Council committee and total years of service
Technology and Information Governance Committee | Assets Committee | Innovation Highway Advisory Board | One year and six months into first term

Number of committee meetings and average attendance
11 - 91%

Directorships
Skole Ondersteuning

24. MR C MULDER
(33)
Member designated by the Convocation

Qualifications
Matric, marketing management (incomplete), marketing certificate (IMM), brand strategy training (LMVH Brand Training); appointed for a three-year term from 2017 to 2021

Council committee and total years of service
Transformation Oversight Committee | Senate | Assets Committee | Student Oversight Committee | Social and Ethics Committee | Independent Student Electoral Committee | Senate | One year and six months into first term

Number of committee meetings and average attendance
4 - 100%

Directorships
None

25. MR LN ZIBI
(38)
Designated from the ranks of the university’s community leaders

Qualifications
Matric, marketing management (incomplete), marketing certificate (IMM), brand strategy training (LMVH Brand Training); appointed for a three-year term from 2017 to 2021

Council committee and total years of service
Transformation Oversight Committee | Senate | Assets Committee | Student Oversight Committee | Social and Ethics Committee | Independent Student Electoral Committee | Senate | One year and six months into first term

Number of committee meetings and average attendance
22 - 95%

Directorships
Amahlubi Chairman’s Foundation | Khayakhulu Holdings | Indlela Training | Indlela Distribution | Indlela Renewables
### Meet our Council members

<table>
<thead>
<tr>
<th>Council member</th>
<th>Qualifications</th>
<th>Council committee and total years of service</th>
<th>Number of committee meetings and average attendance</th>
<th>Directorships</th>
</tr>
</thead>
</table>
| **26. REV CANON DP DINKEBOGLE**  
64 | Diploma in theology (St Peters College), master’s in Christian education (MACE) (USA-Virginia Theological Seminary); appointed for a three-year term from 2016 to 2019 | People and Culture and Employment Equity Committee | 17 - 94% | None |
| **27. MR I KLYNSMITH**  
68 | Blur et Comm and LLB (PU for CHE), diploma in human rights (University of Johannesburg); appointed for a three-year term from 2016 to 2019 | Executive Committee of Council | 20 - 95% | None |
| **28. DR MB TYOBEKA**  
44 | BScEd and MSc (applied radiation science and technology) (University of North West), MSc and PhD (nuclear engineering) (Penn State University, USA), MSc (management) (Colorado Technical University, USA); appointed for a three-year term from 2017 to 2020 | Executive Committee of Council | 25 - 88% | None |
| **29. MR A REDELINGHUIS**  
69 | MCom (PU for CHE), CA (SA); appointed for a three-year term from 2016 to 2019 | Audit, Risk and Compliance Committee | 18 - 94% | ATKV Sake (Edms) Bpk |
| **30. VACANT** | | | | |

Designated from the ranks of the university’s community leaders

Designated from the ranks of the university’s community leaders

Appointed by Council for specific expertise

Appointed by Council for specific expertise
Diversity of skills and experience

Our Council members boast various skills and experience. Their fields of expertise are depicted below:

Exco established a Skill Set Task Team to indicate to membership groupings the skills set and demographics that should be taken into consideration when nominations to Council are made.

During November 2018, Council resolved that the following was the required skills set to be represented by NWU Council (the coloured blocks represent skills to be emphasised):

- General legal expertise
- Environment, land and indigenous law
- Global engagement expertise
- Statistics expertise
- Audit and accounting expertise
- Investment expertise
- Fundraising expertise
- Finances and business (medium to macro enterprise) expertise
- Business administration and/or strategy
- Governance and ethics expertise
- Corporate communication expertise
- Information technology
- Technology transfer expertise
- High positive public profile – science
- High positive public profile – community engagement
- Arts/people management

Council decisions impacting value creation

The following pages gives an overview of the key decisions that Council took in 2018 in creating value, and also indicates how these decisions might have an effect on future value to be created.

Key governance decisions taken by Council during 2018

New NWU strategy (2015 to 2025) and the resultant structure

In June 2018 we, as Council, requested a report on all costs related to the restructuring process undertaken during 2017. We noted that costing could only be shown in Rand and Cents, but not in benefits to the institution. The total cost of the restructuring was R40 193 436.61.

How these decisions affect value creation

As Council we are confident that the implementation of the new strategy, structure and brand will shape the NWU’s short, medium and long-term operations and efficiency. It will also contribute to the realisation of the strategic agenda of the NWU, while the revised Statute will provide an enabling environment.

The average age of our Council members is 49, with 57% of them older and 43% younger than 49. A total of 82% of the members are male and 18% female.
### Key governance decisions taken by Council during 2018

#### Policies and rules

A Policy Refinement Committee was established to finalise the drafting of policies and rules for our approval as a result of the new Statute. Ensuring compliance with national directives and mitigating possible risks facing the university, we approved 19 policies (either revised or new).

**How these decisions affect value creation**

The NWU’s success model indicates that the university is committed to employing responsible and risk embracing strategies and transformational practices. In line with this undertaking, and in adherence to the prescripts of the Statute, the university continuously draft and revise policies and rules.

### Key governance decisions taken by Council during 2018

#### Financial matters

- We, as Council, approved the Audited Financial Statements for 2017, the Financial Overview 2017, and the Infrastructure and Efficiency Funding application that the DHET had called for.
- In respect of the de-risking of the NWU Pension Fund, we approved the following in-principle decision:
  - That the conversion assets be hedged against a decline in real yields; and
  - the Employer Surplus Account be used to achieve the conversion results
- We approved the budget for 2019, noting that there was a significant risk following the indication by the Department of Higher Education and Training (DHET) that the 2019/2020 budget funding would not include gap funding. A submission to the DHET had been made to retain the gap funding for two to three years to assist the university.

**How these decisions affect value creation**

We are confident that the right decisions were taken in the short term to enable the university to realise the goals in the Annual Performance Plan and to continue pursuing its strategic agenda.

However, Council is on record that it expressed concerns on the medium to long-term effects of the national uncertainties – particularly in respect of the funding of public higher education – on the sustainability of South African higher education.

### Key governance decisions taken by Council during 2018

#### Approval of tenders

- Council approved the tender awarded to Amorispan for 576 beds at a cost of R54,636,762.55 including escalation.
- The contract with Ciaratouch for phase 1 for 360 beds was extended at a total cost of R29 451 239.87 including escalation, subject to further price negotiations.
- A tender was approved for Tsebo Solutions Group (Pty) Ltd for one year (renewable for a further two years) at a total cost of R42,491,179.72 including VAT, but excluding escalation.
- Council approved that project “MAIN04 17/18 – Upgrade internal services, laboratory workspaces, internal finished at building G16 on Potchefstroom Campus” be funded by an additional R6 million.
- The ageing Student Information System needed to be replaced. Council subsequently approved the 2019 budget for the development and maintenance of the administrative ecosystem (OpenCollab) of R 14,4 million.

**How these decisions affect value creation**

As Council we ensure that the university procures services by means of a process that is fair, equitable, transparent and cost-effective, while also ensuring the realisation of transformation objectives.

We are confident that the tenders that were awarded adhered to the principles laid down in relevant legislation.
Key governance decisions taken by Council during 2018

Appointment of office bearers

We steered the process of appointing senior office bearers:

- The term of Prof JJ Janse van Rensburg as vice-principal was extended from 1 July 2018 to 31 December 2018.
- A mediation process between the NWU and the executive director for people and culture was concluded and a settlement agreement signed by the parties on 11 July 2018.
- We approved the timeline for the nomination and election of a chancellor for the NWU, as the term of the current chancellor comes to an end in September 2019.
- We steered the establishment of and nominations for a selection panel for the appointment of executive director for student life, as the current executive director resigned at the end of December 2018.
- Furthermore, we approved the appointment of:
  - Prof DM Balia as deputy vice-chancellor for assigned functions and campus operations, Potchefstroom Campus, for a period of five years (extendable) commencing 1 January 2019.
  - Dr M Singh as executive director for people and culture for a period of four years, commencing 1 January 2019.
  - Prof Linda du Plessis as vice-principal for the period 1 January 2019 to 31 August 2020.

How these decisions affect value creation

We made sure that the appointment of these office bearers was informed by the new Strategy 2015 to 2025 and the approved Statute. We believe that the calibre of the employees and managers we appoint is key to achieving the NWU’s strategic objectives.

Key governance decisions taken by Council during 2018

Governance matters

- On 21 September 2018, we approved the process for the refinement of the nomination and election process of Council members in accordance with paragraph 4.2 of the Statute.
- We also approved the reviewed terms of references of 11 Council committees.
- PricewaterhouseCoopers (PWC) was appointed as external auditors for the NWU, renewable annually for a maximum period of five years.
- Mr TC Kgomo was elected as deputy chairperson of Council on 21 September 2018.
- We agreed to the recommendation by Exco regarding decision-making by Council. The Exco interpreted the rule of “general consensus” as disallowing the recording of minority dissension. If recording of minority dissension were to be required, the chairperson would put the matter to the vote by means of open voting (show of hands).

How these decisions affect value creation

Through sound governance principles and practices, we ensure an ethical environment in which the NWU can realise its strategy.

Remuneration of externally elected Council members

In 2009, we (as Council) resolved to pay an honorarium to external members of Council, Council committees, and other statutory bodies. The honorarium is considered a token of the NWU’s gratitude for the member’s time and efforts.

The honorarium fee is paid twice a year, in August and December. The fee is linked to the university’s annual cost-of-living adjustment (COLA) process, which the Remuneration Committee approves before implementation.

The table on the right shows the honoraria paid for each meeting attended.

<table>
<thead>
<tr>
<th>Role</th>
<th>Honorarium Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Council member</td>
<td>R3 090</td>
</tr>
<tr>
<td>Council-appointed external expert in a structure, but not a Council member</td>
<td>R3 890</td>
</tr>
<tr>
<td>Chairperson of a Council committee</td>
<td>R3 890</td>
</tr>
<tr>
<td>Deputy chairperson of Council</td>
<td>R3 890</td>
</tr>
<tr>
<td>Council chairperson</td>
<td>R5 700</td>
</tr>
<tr>
<td>Council chairperson or deputy chairperson as an ordinary member of the structure</td>
<td>R3 090</td>
</tr>
</tbody>
</table>
King IV as guiding framework for value creation through governance

King IV came into effect on 1 April 2017 and resulted in an internal process of alignment with the necessary requirements to ensure compliance, as indicated below:

<table>
<thead>
<tr>
<th>KING IV requirement</th>
<th>&lt;IR&gt; content element</th>
<th>Relevant governance structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership and ethics</td>
<td>Stakeholder engagement and relationships; governance</td>
<td>▶ Council</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Social and Ethics Committee</td>
</tr>
<tr>
<td>Performance and reporting</td>
<td>Strategy and resource allocation; performance; outlook</td>
<td>▶ Executive Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Finance Committee</td>
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<tr>
<td></td>
<td></td>
<td>▶ Senate</td>
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<tr>
<td></td>
<td></td>
<td>▶ Council</td>
</tr>
<tr>
<td>Governance structure and delegation</td>
<td>Governance and remuneration</td>
<td>▶ Audit, Risk and Compliance Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Senate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Council</td>
</tr>
<tr>
<td>Risks and opportunities</td>
<td>Stakeholder engagement and relationships; risk and opportunity</td>
<td>▶ TI Governance Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Audit, Risk and Compliance Committee</td>
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<tr>
<td></td>
<td></td>
<td>▶ Executive Committee</td>
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<tr>
<td></td>
<td></td>
<td>▶ Council</td>
</tr>
<tr>
<td>Technology and information</td>
<td>Governance, risk and opportunity; strategy and resource allocation</td>
<td>▶ Remuneration Committee</td>
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<tr>
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<td>▶ Honorary Awards Committee</td>
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<tr>
<td></td>
<td></td>
<td>▶ Council</td>
</tr>
<tr>
<td>Compliance</td>
<td>Governance</td>
<td>▶ Audit, Risk and Compliance Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Council</td>
</tr>
<tr>
<td>Remuneration</td>
<td>Stakeholder engagement and relationships; remuneration</td>
<td>▶ Audit, Risk and Compliance Committee</td>
</tr>
<tr>
<td></td>
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<td>▶ Finance Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Senate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Council</td>
</tr>
<tr>
<td>Assurance</td>
<td>Governance; basis of preparation and presentation</td>
<td>▶ People and Culture and Employment Equity Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Transformation Oversight Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▶ Student Oversight Committee</td>
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<tr>
<td></td>
<td></td>
<td>▶ Institutional Forum</td>
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<td></td>
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<td>▶ Student Representative Council</td>
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<td></td>
<td>▶ Convocation</td>
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<td></td>
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<td>▶ Board of Donors</td>
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<td></td>
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<td>▶ Council</td>
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<tr>
<td></td>
<td></td>
<td>▶ Social and Ethics Committee</td>
</tr>
<tr>
<td>Stakeholder relationships</td>
<td>Stakeholder engagement and relationships</td>
<td>▶</td>
</tr>
</tbody>
</table>
Governance structures of the NWU

Body of decision makers

- Council committees
  - Executive Committee
  - People and Culture and Employment Equity Committee
  - Remuneration Committee
  - Transformation Oversight Committee
  - Audit, Risk and Compliance Committee
  - Finance Committee
    - Tender Committee
    - Investment Committee
    - Assets Committee
  - Honorary Awards Committee
  - Student Oversight Committee
  - Technology and Information (TI) Governance Committee
  - Social and Ethics Committee

- Senate
  - Executive Committee
  - Faculty boards
  - Teaching-learning committees
  - Research, innovation and technology committees
  - Admission Requirements Committee
  - Appeals Committee

- Student Representative Council (SRC)
  - Student campus councils and their substructures

- Convocation
  - Graduates, alumni

- Institutional Forum
  - Internal and community members
The Council governs the NWU through the adoption of purpose and value statements, strategic plans and policies, as well as the Statute, the rules, processes and delegations of authority. Furthermore, Council monitors the operational performance of management and establishes committees and, together with Senate, joint committees, to ensure that the NWU achieves its purpose and values.

- **Executive Committee**: The Executive Committee deals with important governance matters between meetings of the NWU Council and also acts as a Council membership committee.
- **People and Culture and Employment Equity Committee (P&CEE)**: The People and Culture and Employment Equity Committee (P&CEE) advises Council on all matters relating to people and culture (human resources) and employment equity.
- **Remuneration Committee**: The Remuneration Committee assists Council in carrying out its responsibilities regarding a fair and responsible remuneration philosophy and its implementation.
- **Transformation Oversight Committee**: The Transformation Oversight Committee advises Council on the implementation of the transformational aspects of the Annual Performance Plan.
- **Student Oversight Committee**: The Student Oversight Committee advises Council on all relevant student matters.
- **Finance Committee**: The Finance Committee advises Council on financial and investment matters and on long-term infrastructure development at the NWU (also through obtaining specialist advice from the Assets, Tender and Investment subcommittees).
- **Audit, Risk and Compliance Committee**: The Audit, Risk and Compliance Committee advises Council on the safeguarding of the NWU’s assets, the maintenance of adequate accounting records, the development and maintenance of an effective system of internal control, overseeing management’s role in creating and maintaining a proper risk management process, and authorising the annual audit fee of the external auditors. It also provides a channel of communication between Council, management, the internal audit function and the external auditors.
- **Social and Ethics Committee**: The Social and Ethics Committee provides oversight and guidance in assisting Council to develop an understanding of management and oversight with regard to the positioning of the NWU as an integral part of the society in which it functions.
- **Student Representative Council**: The Student Representative Council is the duly elected body within Student Life that oversees the management of organised student life and represents students on various governance structures.
- **Senate**: The Senate is responsible for regulating all teaching-learning, research and academic support functions, as well as for determining academic policies and rules.
- **Technology and Information Governance Committee**: The Technology and Information Governance Committee assists Council with the governance of all information technology aspects at the NWU.
- **Convocation**: The Convocation is the body of alumni that is constituted with the aim of creating a link between the university and its corps of alumni. It also designates four members to serve on Council.
- **Institutional Forum**: The Institutional Forum advises Council on the implementation of the Higher Education Act and national higher education policies, as well as on the fostering of a university culture that promotes tolerance, respect for human rights and an environment conducive to learning, teaching and research.
Value creation through Council committee work

As indicated earlier, the Council committees assist us with our performance as Council.

All these committees are formally constituted, have terms of reference and consist of a majority of Council members who are neither employees nor students of a public higher education institution. They are chaired by external independent members with the necessary expertise and skills.

The most prominent of these committees are the Audit, Risk and Compliance Committee, the Finance Committee and the Remuneration Committee.

Sustainability as value add

“At the NWU we define sustainability as the ability of NWU to create value in the short, medium and long term by promoting a stakeholder-inclusive approach to developing a strategic response to the risks and opportunities faced by the university. We consider material matters, whether these be financial or non-financial in nature. Refer to page 1 for our materiality determination process.”

Statement approval obtained from NWU Council on 20 June 2019

Material matters of a social and environmental nature are as important as financial and economic issues in determining the overall value created by the NWU.

The five-year strategic plan and the business plan for implementing the strategy are integral to the value creation process and to ensuring our sustainability. The five long-term goals and the four enablers of the NWU Strategy 2015 to 2025 (as referred to on page 42) substantiate the commitment of the university in this regard.

Ethics in action at NWU

“The NWU Code of Ethics commits the university to the highest standards of integrity, behaviour and ethics in dealing with all its stakeholders and society at large.

We expect Council members and staff to observe the NWU’s ethical obligations in order to conduct its business through the use of fair commercial competitive practices.

The values statement in the NWU Strategy 2015 to 2025 determines that the NWU will foster engaged and caring staff and students and will embed the following foundational values that are based on the constitutional values of human dignity, equality and freedom:

► Ethics in all endeavours
► Academic integrity
► Academic freedom and freedom of scientific research
► Responsibility, accountability, fairness and transparency
► Embracing diversity.”

Statement approval obtained from NWU Council on 20 June 2019

Refer to Annexure 2 on page 108 for meeting dates and attendance, and Annexure 3 on page 109 for the composition of the committees.
Ethical leadership and corporate citizenship

In line with our values statement, the university’s leadership at all levels of governance and management is based on integrity.

While we remain fairly confident that all governance and management structures at the NWU continue to strive for sustainable economic, social and environmental performance, we are also aware that negative consequences might arise from decisions taken at the university.

In order to create an environment conducive to countering any possible negative outputs with regard to financial, societal and environmental practices, the necessary policies and rules have been approved and are implemented in order to assist us in managing such challenges.

Behavioural manual for staff

The NWU is committed to harmonious workplace relations, fair labour practices, mutual respect, fairness and effective operations. To give effect to this, the NWU has a Behavioural Manual which is governed by the Behavioural Policy.

What happened

Disciplinary action was taken against 48 employees across the NWU. 34 cases were of such a serious nature that university hearings were held where dismissals could be the appropriate sanction. Only five employee’s services were summarily terminated while mutual separation agreements were reached with three employees who resigned.

Another three employees were found not guilty. In the rest of the cases finalised, written warnings were imposed.

Fifteen CCMA cases were dealt with successfully.

Three cases of sexual harassment were reported and disciplinary action was taken against the employees. One employee was dismissed and two were found not guilty.

Ombud office for language

The approach of the Language Directorate is to resolve language matters directly or as close as possible to where they originate and not to allow them to escalate.

Reporting can be done to the Ombudsman in the Language Directorate via any of the NWU reporting channels or directly via e-mail to the Ombud. Reported matters are investigated, resolved and reported on.

What happened

There were no matters that were escalated to official language Ombud complaints, although a number of queries were resolved, mostly by informing the party(ies) concerned of the objectives and implementation of our functionally multilingual language plan.

Most notable of these was an enquiry from the National Public Prosecutor regarding aspects of the NWU language policy, which were responded to.

Dealing with sexual harassment

The NWU is committed to creating a safe working environment free from the fear of sexual harassment.

What happened

No sexual harassment matters were referred to the ombudsperson for sexual harassment during the course of 2018, but the NWU Human Rights Committee dealt with one such case.

Matters reported by employees or the public

In line with the Policy on the Reporting of Maladministration and Irregularities and the Protection of Disclosure, a number of reports were received via reporting boxes placed on the campuses.

What happened

For six of these reports, an official case was opened in each instance for further investigation by Internal Audit. This compares to six cases opened in 2017 after reports of alleged irregularities. The others were received via internal requests and/or referrals.

Ongoing investigations

Internal Audit plays an important role in the ongoing investigation of suspected irregularities.

What happened

Of the investigations reported in 2017, eight were completed, while 22 were in progress. In 2018 five investigations were completed and 23 were in progress.

NOTE

The effect of these policies on matters of ethical governance and management is described here:
**Fighting fraud**

Internal Audit handed several investigations over to prosecuting authorities after verification of facts, and various fraud awareness sessions took place on the campuses.

**What happened**

During the past two years, investigations about personal expenditure/misrepresentation of invoices were handed over to the South African Police Service (SAPS). The amount/estimate was R43 218 in 2017 and R655 959 in 2018. In another development in 2018, investigations about misappropriation of funds were also handed over to the SAPS (amount/estimate: R498 833).

In line with the university’s Anti-Fraud Strategy, various anti-fraud awareness sessions were held on all three campuses.

A new email channel for reporting fraud, report-fraud@nwu.ac.za, has also been implemented.

**Compliance with laws and regulations**

The Compliance Committee, which is a subcommittee of the University Management Committee (UMC) coordinates and reports on all compliance activities. The UMC then submits reports to the Audit, Risk and Compliance Committee whose duty it is to report accordingly to Council.

**What happened**

During a compliance assessment in 2017, compliance to the following pieces of legislation was self-assessed: the National Student Financial Aid Scheme Act, Employment Equity Act, Intellectual Property Rights from Publicly Financed Research and Development Act, Broad-Based Black Economic Empowerment Act, Higher Education Act, National Health Act and the Electronic Communications and Transactions Act.

A staff member monitors compliance at an ongoing basis, and Exclaim compliance software is being used for compliance assessment and monitoring. A compliance policy was drafted and tabled at the Compliance Committee for input.

**Promotion of Access to Information Act requests**

The NWU subscribes fully to the Promotion of Access to Information Act (PAIA).

**What happened**

The information manual was updated for the 14th time in January 2018 and copies were sent to the South African Human Rights Commission (SAHRC).

As per the Act, the manual is available in three languages (English, Afrikaans and Setswana) and published on an NWU web page. The manual provides information about the promotion of access to information and the protection of personal Information.

The compulsory section 32 report was also delivered to the SAHRC.

The report covered the period April 2017 to April 2018, during which 96 requests were received and 82 granted in full. Nine requests were refused in full, and in all nine instances of refusal, this decision was based on section 63, concerning mandatory protection of a third party that it is a natural person.

**Providing integrated assurance**

A Combined Assurance Forum (CAF) has existed at the university since 2012 and has aligned its functioning with King IV. The intention of the committee is to manage and limit the risk exposure of the university, and to provide assurance.

**What happened**

CAF provided an adequate and effective control environment and ensured the integrity of reports for better decision-making, while also establishing an assurance model.

The forum also assisted the Audit, Risk and Compliance Committee to fulfil its responsibility in giving assurance to the Council. Specifically, it provided assurance that the university’s risk management, risk control and governance processes are adequately addressed.

In addition, CAF contributed to optimising the risk assurance coverage obtained from the various assurance providers. These include management and specialised functions within the university, as well as Internal Audit and external assurance providers (such as external audit function and statutory bodies).

One of these session took place in October 2018 in support of Fraud Awareness Week.
Institutional Forum: custodian of good governance

Together with Council, the Institutional Forum serves as custodian of good governance and by advising and assisting Council, the forum helps to safeguard stakeholder value creation.

The Institutional Forum may have up to 25 members representing a broad range of stakeholder constituencies. Members include representatives from Council, the University Management Committee, Senate, academic staff, a recognised union, support staff, the campus student representative councils, the NWU Convocation and members with special expertise.

What happened


The forum (as a whole or represented by individual members) advised on the appointment of three institutional management members.

They are Prof L du Plessis (vice-principal for 2019), Dr Mala Singh (executive director for people and culture) and Prof D Balia (deputy vice-chancellor for assigned functions and campus operations in Potchefstroom).

The forum also advised the selection panels constituted to consider the appointment of executive deans and deputy deans of seven NWU faculties, whose appointment was a key step in the implementation of our strategy.

Human rights matter

The NWU Human Rights Committee dealt with five reported cases: three possible instances of racism, one of cyber-bullying and one of sexual harassment.

The Institutional Forum discussed several human rights activities and noted that human rights awareness projects will form part of the 2019 Registration and Orientation Programme. They suggested that the same concept be included in the induction programme for new staff members.

“It is of the utmost importance to appoint individuals in governance bodies who are properly equipped, and that ethical values and good corporate governance principles remain core aspects of how these bodies conduct their business.”

Council chair presides over international nuclear convention

Council chairperson and nuclear safety expert, Dr Bismark Tyobeka, earned South Africa great honour in the nuclear field.

He did this by presiding over the International Atomic Energy Agency’s (IAEA) sixth Joint Convention Review Meeting on the Safety of Spent Fuel Management and the Safety of Radioactive Waste Management. The meeting was held from 21 May to 1 June 2018 in Vienna, Austria.

Bismark, who is an alumnus of the NWU’s campus in Mahikeng, is the chief executive officer of the South African National Nuclear Regulator. He was elected as president of the sixth IAEA Joint Convention Review Meeting in May 2017 and presided over the Vienna meeting in this capacity.

The Institutional Forum’s full report can be accessed here:
We regard our human capital – and specifically our staff – as one of our greatest assets. Without motivated, high-performing employees, we cannot realise our strategy and create value for ourselves and our stakeholders.

One way of motivating our staff to perform is to offer them attractive incentives and in that way create value for them too. Through fair and sustainable incentivisation, we create a compelling employee value proposition for attracting and retaining high-calibre talent.

We create an environment that motivates and reinforces superior performance and use an integrated performance management approach in acknowledging superior organisational, team and individual performance.

Remuneration mix

We use an appropriate remuneration mix (variable and fixed elements) to attract and retain scarce and critical skills, which includes monetary and non-monetary rewards. We also align all the components of remuneration to our strategy, business-specific value drivers and the NWU values.

When it comes to guaranteed pay, we have an annual benchmarking process to ensure continued competitiveness. An employee contribution of 7.5%, along with their choice of employer contribution, makes up the total contribution to the pension fund. (Employees may choose between an employer contribution of 12%, 15%, 17, 5% or 20%.)

We use variable pay to monitor and encourage performance, employing instruments such as performance bonuses and individual remuneration reviews and various other value-adding allowances.

Remuneration governance and management

The NWU Council executes its oversight function for remuneration through the Remuneration Committee. This committee remains aware of how the income differentials affect fair and responsible remuneration, and that it is a priority in positioning our university as a value-adding institution for employees, as well as other stakeholders.

On the remuneration management side, we developed principles to implement the outcome of the job alignment process that was concluded in 2017.

In addition, we are constantly moving towards parity to achieve equal pay for equal value. In 2018 we made sure that all identified positions were aligned across the university.

The following table depicts the outcome of the job alignment emanating from the restructuring.

<table>
<thead>
<tr>
<th>Total headcount</th>
<th>Number of aligned positions</th>
<th>Number of upgrades</th>
<th>Number of downgrades</th>
<th>Vacancies</th>
<th>Outstanding positions to be aligned</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 831</td>
<td>218</td>
<td>169</td>
<td>49</td>
<td>403</td>
<td>30</td>
</tr>
</tbody>
</table>
We also revised the principles for individual remuneration reviews, prioritising scarce and critical skills. In an effort to sustain value and ensure a high-performing organisation, we optimised the performance bonus process.

Management approved an across-the-board increase of 6,6% in the annual cost of living (COLA), with an additional 0,2% once-off cash component.

The Remuneration Committee of Council approved a draft Remuneration Philosophy, which will further guide our incentivising initiatives and make it clear how we should position ourselves to attract key talent.

**Executive contracts**

In line with our Statute, Council drives the process to appoint our senior office bearers, namely the vice-chancellor, deputy vice-chancellors, the registrar, executive directors and deputy vice-chancellors for assignable functions and campus operations.

The following appointments were made in 2018:

<table>
<thead>
<tr>
<th>Position</th>
<th>Appointment date</th>
<th>Incumbent</th>
<th>Reason for vacancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director: People and Culture</td>
<td>1 October 2018</td>
<td>Dr Mala Singh</td>
<td>Previous incumbent resigned</td>
</tr>
<tr>
<td>Deputy Vice-Chancellor: Assigned Functions and Potchefstroom Campus Operations</td>
<td>1 January 2019</td>
<td>Prof Daryl Balia</td>
<td>Previous incumbent retired</td>
</tr>
</tbody>
</table>

**Current year incentives: University Management Committee**

Annualised gross remuneration to university management (excludes exceptional payments - exceeding an annual aggregate of R249 999)

<table>
<thead>
<tr>
<th>Name</th>
<th>Office held</th>
<th>Basic salary</th>
<th>Employment benefits</th>
<th>Other payments / allowances</th>
<th>Total costs to NWU 2018</th>
<th>Total costs to NWU 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof ND Kgwadi</td>
<td>Vice-Chancellor and Principal</td>
<td>2 792</td>
<td>306</td>
<td>433</td>
<td>3 532</td>
<td>3 562</td>
</tr>
<tr>
<td>Prof JJ Janse van Rensburg</td>
<td>Vice-Principal and Deputy Vice-Chancellor: Campus Operations (Potchefstroom)</td>
<td>2 232</td>
<td>26</td>
<td>206</td>
<td>2 463</td>
<td>2 670</td>
</tr>
<tr>
<td>Prof MM Verhoef</td>
<td>Registrar</td>
<td>1 865</td>
<td>305</td>
<td>251</td>
<td>2 421</td>
<td>2 443</td>
</tr>
<tr>
<td>Ms E de Beer</td>
<td>Executive Director: Finances and Facilities</td>
<td>1 916</td>
<td>238</td>
<td>230</td>
<td>2 384</td>
<td>2 419</td>
</tr>
<tr>
<td>Prof LA du Plessis</td>
<td>Deputy Vice-Chancellor: Planning and Campus Operations (Vaal Triangle)</td>
<td>1 846</td>
<td>254</td>
<td>202</td>
<td>2 302</td>
<td>2 237</td>
</tr>
<tr>
<td>Mr KJ Oagile *</td>
<td>Executive Director: People and Culture</td>
<td>1 604</td>
<td>295</td>
<td>323</td>
<td>2 223</td>
<td>2 079</td>
</tr>
<tr>
<td>Prof RJ Balfour #</td>
<td>Deputy Vice-Chancellor: Teaching and Learning</td>
<td>1 611</td>
<td>316</td>
<td>282</td>
<td>2 208</td>
<td>2 274</td>
</tr>
<tr>
<td>Prof ME Phaswana-Mafuya #</td>
<td>Deputy Vice-Chancellor: Research and Innovation</td>
<td>1 816</td>
<td>192</td>
<td>105</td>
<td>2 113</td>
<td>1 913</td>
</tr>
<tr>
<td>Prof BMP Setlalentoa</td>
<td>Deputy Vice-Chancellor: Campus Operations (Mafikeng)</td>
<td>1 657</td>
<td>184</td>
<td>252</td>
<td>2 094</td>
<td>0</td>
</tr>
<tr>
<td>Mr NC Manoko</td>
<td>Executive Director: Corporate Relations and Marketing</td>
<td>1 477</td>
<td>173</td>
<td>285</td>
<td>1 935</td>
<td>1 850</td>
</tr>
<tr>
<td>Dr V Singh *</td>
<td>Executive Director: People and Culture</td>
<td>1 532</td>
<td>275</td>
<td>86</td>
<td>1 893</td>
<td>0</td>
</tr>
<tr>
<td>Prof LL Lalendale #</td>
<td>Executive Director: Student Life</td>
<td>1 364</td>
<td>159</td>
<td>349</td>
<td>1 871</td>
<td>1 959</td>
</tr>
<tr>
<td>Prof F van Niekerk #</td>
<td>Deputy Vice-Chancellor: Research and Innovation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2 515</td>
</tr>
<tr>
<td>Prof MJ Oosthuizen #</td>
<td>Deputy Vice-Chancellor: Teaching and Learning</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2 348</td>
</tr>
<tr>
<td>Prof M Davhana-Maselesele #</td>
<td>Deputy Vice-Chancellor: Campus Operations (Mafikeng)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2 329</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>21 712</td>
<td>2 723</td>
<td>3 004</td>
<td>27 439</td>
<td>30 598</td>
</tr>
</tbody>
</table>

* Management member not in service for full year - 2018. Remuneration annualised.
# Management member not in service for full year - 2017. Remuneration annualised.

These include annual remuneration, levies, bonuses and in the case of the vice-chancellor, housing benefits.

Number of senior staff members 2018: 11 (2017: 11).
External members’ fees

External members of Council, Council committees and other statutory bodies receive an honorarium as a token of our gratitude for their time and efforts. The honorarium, paid in August and December, is linked to our annual cost of living adjustment (COLA) process and approved by Council’s Executive Committee.

Members received the following honoraria for each meeting they attended:

- Council member: R3 090
- Council committee chairpersons: R3 890
- Council chairperson: R5 700

The following honoraria payments (gross remuneration to Council members) were made in 2018:

<table>
<thead>
<tr>
<th>Title</th>
<th>August 2018</th>
<th>December 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof AL Combrink</td>
<td>R15 450</td>
<td>R6 180</td>
</tr>
<tr>
<td>Mr S de Bruyn</td>
<td>R15 450</td>
<td>R18 540</td>
</tr>
<tr>
<td>Rev DP Dinkebogile</td>
<td>R24 720</td>
<td>R24 720</td>
</tr>
<tr>
<td>Mr DA Foster</td>
<td>R7 780</td>
<td>R -</td>
</tr>
<tr>
<td>Mr XV Hadebe</td>
<td>R7 540</td>
<td>R -</td>
</tr>
<tr>
<td>Mr W Human</td>
<td>R18 540</td>
<td>R12 360</td>
</tr>
<tr>
<td>Mr I Klynsmith</td>
<td>R28 610</td>
<td>R31 700</td>
</tr>
<tr>
<td>Mr AM Mashilo</td>
<td>R19 340</td>
<td>R -</td>
</tr>
<tr>
<td>Mr S Mohapi</td>
<td>R19 210</td>
<td>R7 780</td>
</tr>
<tr>
<td>Mr OE Mongale</td>
<td>R15 450</td>
<td>R10 870</td>
</tr>
<tr>
<td>Mr A Redelinghuis</td>
<td>R32 500</td>
<td>R24 030</td>
</tr>
<tr>
<td>Mr LE Seliane</td>
<td>R19 210</td>
<td>R7 780</td>
</tr>
<tr>
<td>Mr MSJ Thabethe</td>
<td>R27 810</td>
<td>R22 430</td>
</tr>
<tr>
<td>Dr JG Tehifularo</td>
<td>R54 130</td>
<td>R -</td>
</tr>
<tr>
<td>Dr BM Tyobeka</td>
<td>R62 700</td>
<td>R91 200</td>
</tr>
<tr>
<td>Dr K van der Walt</td>
<td>R7 780</td>
<td>R3 890</td>
</tr>
<tr>
<td>Mr LN Zibi</td>
<td>R47 260</td>
<td>R41 770</td>
</tr>
<tr>
<td>Mr CS Mabe</td>
<td>R -</td>
<td>R17 850</td>
</tr>
<tr>
<td>Mr C Mulder</td>
<td>R -</td>
<td>R12 360</td>
</tr>
<tr>
<td>Ms T Semane</td>
<td>R -</td>
<td>R6 180</td>
</tr>
<tr>
<td>Mr A Sorgdrager*</td>
<td>R -</td>
<td>R -</td>
</tr>
<tr>
<td>Mr F Strydom*</td>
<td>R -</td>
<td>R -</td>
</tr>
</tbody>
</table>

Organisational culture

Organisational culture is a key strategic imperative for the NWU and a vital enabler in supporting its strategy to transform and position the university as a unitary institution of superior academic excellence, with a commitment to social justice.

An organisational culture survey commenced in 2018 to gain insights into the extent to which staff and students are aligned with the NWU’s vision of a welcoming, inclusive and enabling culture, as well as to identify areas for enhancement and serve as a tool to promote the “NWU Way”.

It is envisaged that through this process, which will continue in 2019, the behaviour of staff and students will be congruent with our commitment to social justice and an ethic of care.

“Competition for talent will intensify and therefore a comprehensive talent-management strategy will be critical. This should include an employee-value proposition that increases engagement and belonging, competitive compensation and a programme for the recruitment and retention of special scarce skills.”
APPENDIX 1: Performance Assessment

Performance vs targets
The following performance indicators link to the relevant goals in the Annual Performance Plan.

Goal 1: Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2018</th>
<th>Actual 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Contact student success rate</td>
<td>86%</td>
<td>85%</td>
<td>85%</td>
</tr>
<tr>
<td>2 Contact undergraduate, graduation duration factor</td>
<td>1,15</td>
<td>1,2²</td>
<td>1,13</td>
</tr>
<tr>
<td>3 International student enrolment</td>
<td>5,15%</td>
<td>5,86%³</td>
<td>4,27%</td>
</tr>
<tr>
<td>4 Headcount enrolments</td>
<td>62 558</td>
<td>71 292</td>
<td>61 212</td>
</tr>
<tr>
<td>5 First-time entering enrolments</td>
<td>11 824</td>
<td>14 298</td>
<td>12 127</td>
</tr>
<tr>
<td>6 Graduates</td>
<td>16 004</td>
<td>16 235</td>
<td>15 350</td>
</tr>
<tr>
<td>7 Graduation rate</td>
<td>25,6%</td>
<td>22,8%</td>
<td>25,1%</td>
</tr>
</tbody>
</table>

We maintain an excellent pass rate and reached our target. Our future commitment in the enrolment plan is to maintain this pass rate.

The target (upper limit) for the qualification duration factor is 1,2 and any number below that indicates that the graduates completed their qualifications in a shorter time period, which is better than expected. Exceeding our performance in this target can be attributed to enhanced strategies for student support, early identification of at-risk students and improved NSFAS funding with provision for books and accommodation.

The drastic drop in distance enrolments, which includes our largest component of foreign students, had a detrimental impact on the percentage of foreign students. This drop in distance students can be attributed to the phasing out of distance programmes in education.

Our enrolment targets are set for a three-year cycle and we experienced a drop in our distance numbers due to the Advanced Certificate in Education, the NPDE and the BEdHons phasing out faster than anticipated, and the approval of our new distance offering taking longer than expected.

There was an over-enrolment in contact first-time entering students. At the same time there was a drop in the first-time distance enrolments. The lack of approval of new distance offerings greatly hampered growth in distance first-time entrants and thus total first-time entrants. This did not affect us negatively since our funding is based in FTE’s and not headcount enrolments.

We have not reached our graduates target due to a lower number of distance enrolments and graduates.

We have exceeded our target in terms of the graduation rate. This is mainly due to a lower total enrolment count while maintaining a high contact graduate count.

---

1 A deviation of 2% is allowed on either side of target for achievement of the KPI
2 A deviation of 0,05 is allowed on either side of target for achievement of the KPI
3 A deviation of 1% is allowed on either side of target for achievement of the KPI
Goal 2: Intensify research and innovation

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2016</th>
<th>Target 2017</th>
<th>Actual 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 Publications per permanent academic staff member</td>
<td>0,92</td>
<td>1,16²</td>
<td>0,86</td>
</tr>
</tbody>
</table>

The restructuring process took additional commitment for academic staff, while affording us the opportunity to strategically reposition the academic environment to reach our strategy. Our focus has also moved from purely quantity to quality and high-impact journals.

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2017</th>
<th>Actual 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 Weighted research output</td>
<td>2 609,64</td>
<td>2 682¹</td>
<td>2 605,507</td>
</tr>
</tbody>
</table>

We delivered a record number of 235 doctorates in 2017, resulting in a good weighted research output. Unfortunately low article equivalents caused the NWU to not reach the target.

Goal 4: Develop a clearly differentiated student value proposition

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2018</th>
<th>Actual 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Student: academic staff FTE ratio</td>
<td>31,51 : 1</td>
<td>26.4 : 1²</td>
<td>32,22 : 1</td>
</tr>
</tbody>
</table>

The over enrolment in contact students – which led to a marked increase in enrolled FTE’s – caused an increase in this ratio. Our ratio is also influenced by the fact that contact and distance students are included in the calculation of the ratio.

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2018</th>
<th>Actual 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 First-time entrant dropout rate for contact degrees (as on 24 May 2019)</td>
<td>11,11%</td>
<td>Below 15%</td>
<td>9%</td>
</tr>
</tbody>
</table>

This sharp improvement is due to the availability of funding for returning students, therefore they are not dropping out due to financial reasons.

Goal 5: Develop and retain excellent staff and create an equitable staff and student profile

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2018</th>
<th>Actual 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Student mix: NWU contact and distance; all campuses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>African (%)</td>
<td>66,3%</td>
<td>62%</td>
<td>65%</td>
</tr>
<tr>
<td>Coloured (%)</td>
<td>4,5%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Indian (%)</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>White (%)</td>
<td>28,3%</td>
<td>32%</td>
<td>29%</td>
</tr>
<tr>
<td>Female (%)</td>
<td>65,9%</td>
<td>69%</td>
<td>65%</td>
</tr>
<tr>
<td>Male (%)</td>
<td>34,1%</td>
<td>31%</td>
<td>35%</td>
</tr>
</tbody>
</table>

Due to the increase in NSFAS funding, as well as better funding for private accommodation and the accreditation of private accommodation, our student profile deviates from the original submitted and approved enrolment plan.

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2018</th>
<th>Actual 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 Staff mix</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>African (%)</td>
<td>39,6%</td>
<td>33,6%</td>
<td>35,9%</td>
</tr>
<tr>
<td>Coloured (%)</td>
<td>4%</td>
<td>6,3%</td>
<td>6,3%</td>
</tr>
<tr>
<td>Indian (%)</td>
<td>1,2%</td>
<td>1,3%</td>
<td>1,3%</td>
</tr>
<tr>
<td>White (%)</td>
<td>55,2%</td>
<td>57%</td>
<td>56,5%</td>
</tr>
<tr>
<td>Female (%)</td>
<td>57,9%</td>
<td>56,5%</td>
<td>56,8%</td>
</tr>
<tr>
<td>Male (%)</td>
<td>42,1%</td>
<td>43,5%</td>
<td>43,2%</td>
</tr>
</tbody>
</table>

Our recruitment strategy paid off and we made positive progress in attracting professional and academic staff from designated groups.

<table>
<thead>
<tr>
<th>Relevant performance indicator</th>
<th>Actual 2017</th>
<th>Target 2018</th>
<th>Actual 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Permanent academic staff with PhDs</td>
<td>52,38%</td>
<td>58%¹</td>
<td>52,04%</td>
</tr>
</tbody>
</table>

A stretch target was set for staff members with PhDs and we have not achieved the target as yet. The university’s challenge is twofold: to support staff members to improve their qualifications and then to retain those staff members in a very competitive environment.

---

4 2017 final approved research publication units are reported, as the approved 2018 publications are only received from the DHET later in this year

5 A deviation of 3 is allowed on either side of target for achievement of the KPI
## ANNEXURE 2: List of committee meetings

<table>
<thead>
<tr>
<th>Committee</th>
<th>List of meetings</th>
<th>% attendance 2015</th>
<th>% attendance 2016</th>
<th>% attendance 2017</th>
<th>% attendance 2018</th>
<th>Self-evaluation undertaken</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council</td>
<td>28 March 2018 (ordinary meeting)</td>
<td>91%</td>
<td>80%</td>
<td>80%</td>
<td>88%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>21 June 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>27 September 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>22 November 2018 (ordinary meeting)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Council Executive Committee (Exco)</td>
<td>8 February 2018 (ordinary meeting)</td>
<td>96%</td>
<td>91,8%</td>
<td>85%</td>
<td>92%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>10 May 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20 June 2018 (extraordinary meeting)</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>27 July 2018 (extraordinary meeting)</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>23 August 2018 (ordinary meeting)</td>
<td></td>
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<tr>
<td></td>
<td>27 September 2018 (extraordinary meeting)</td>
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<tr>
<td></td>
<td>22 October 2018 (ordinary meeting)</td>
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</tr>
<tr>
<td></td>
<td>22 November 2018 (extraordinary meeting)</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Finance Committee</td>
<td>10 May 2018 (ordinary meeting)</td>
<td>100%</td>
<td>55%</td>
<td>80%</td>
<td>64%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>5 November 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformation Oversight Committee</td>
<td>15 May 2018 (ordinary meeting)</td>
<td>71%</td>
<td>91,7%</td>
<td>67%</td>
<td>73%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>31 October 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Oversight Committee</td>
<td>28 May 2018 (ordinary meeting)</td>
<td>79%</td>
<td>86,7%</td>
<td>64%</td>
<td>70%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>17 October 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>25 October 2018 (extraordinary meeting)</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>People and Culture and Employment Equity Committee</td>
<td>16 May 2018 (ordinary meeting)</td>
<td>82%</td>
<td>83,3%</td>
<td>67%</td>
<td>92%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>30 October 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tender Committee</td>
<td>3 May 2018</td>
<td>63%</td>
<td>62,5%</td>
<td>71%</td>
<td>64%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>14 June 2018</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>14 August 2018</td>
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<tr>
<td></td>
<td>9 October 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorary Awards Committee</td>
<td>17 October 2018 (ordinary meeting)</td>
<td>100%</td>
<td>60%</td>
<td>100%</td>
<td>100%</td>
<td>✓</td>
</tr>
<tr>
<td>Audit, Risk and Compliance Committee</td>
<td>6 March 2018 (ordinary meeting)</td>
<td>80%</td>
<td>81,3%</td>
<td>75%</td>
<td>91%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>5 June 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>2 August 2018 (ordinary meeting)</td>
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</tr>
<tr>
<td></td>
<td>22 October 2018 (ordinary meeting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remuneration Committee</td>
<td>26 March 2018 (ordinary meeting)</td>
<td>80%</td>
<td>81,8%</td>
<td>88%</td>
<td>89%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>5 June 2018 (ordinary meeting)</td>
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<tr>
<td></td>
<td>2 August 2018 (extraordinary meeting)</td>
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<tr>
<td></td>
<td>22 October 2018 (ordinary meeting)</td>
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<tr>
<td></td>
<td>21 November 2018 (ordinary meeting)</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Assets Committee</td>
<td>11 May 2018 (ordinary meeting)</td>
<td>83%</td>
<td>100%</td>
<td>83%</td>
<td>88%</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>16 October 2018 (ordinary meeting)</td>
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</tbody>
</table>
### Composition of the Finance Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairperson</td>
<td></td>
</tr>
<tr>
<td>Mr C Mabe</td>
<td>External member of Council</td>
</tr>
<tr>
<td>Standing members</td>
<td></td>
</tr>
<tr>
<td>Mr I Klynsmith</td>
<td>External member of Council</td>
</tr>
<tr>
<td>Dr BM Tyobeka</td>
<td>External member of Council and chairperson of Council</td>
</tr>
<tr>
<td>Ms T Semane</td>
<td>External member of Council</td>
</tr>
<tr>
<td>Mr OE Mongale</td>
<td>External member of Council</td>
</tr>
<tr>
<td>Prof ND Kgwadi</td>
<td>Vice-Chancellor</td>
</tr>
<tr>
<td>Prof M Verhoef</td>
<td>Registrar (ex officio secretary)</td>
</tr>
</tbody>
</table>

**In attendance**

- Ms E de Beer | Executive Director: Finance and Facilities

### Composition of the Audit, Risk and Compliance Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairperson</td>
<td></td>
</tr>
<tr>
<td>Mr A Redelinghuis</td>
<td>External member of Council</td>
</tr>
<tr>
<td>Standing members</td>
<td></td>
</tr>
<tr>
<td>Mr S de Bruyn</td>
<td>External member of Council</td>
</tr>
</tbody>
</table>

### Composition of the Remuneration Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairperson</td>
<td></td>
</tr>
<tr>
<td>Mr C Mabe</td>
<td>External member and chairperson of the Finance Committee</td>
</tr>
<tr>
<td>Standing members</td>
<td></td>
</tr>
<tr>
<td>Dr MB Tyobeka</td>
<td>External member and chairperson of Council</td>
</tr>
<tr>
<td>Rev D Dinkebogile</td>
<td>External member and chairperson of P&amp;CEE</td>
</tr>
</tbody>
</table>
## Composition of the Tender Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chairperson</strong></td>
<td></td>
</tr>
<tr>
<td>Mr OE Mongale</td>
<td>External member: Auditor’s firm</td>
</tr>
<tr>
<td><strong>Standing members</strong></td>
<td></td>
</tr>
<tr>
<td>Mr S de Bruyn</td>
<td>External member: Council</td>
</tr>
<tr>
<td>Vacant</td>
<td>External member: Council</td>
</tr>
<tr>
<td>Prof ND Kgwadi</td>
<td>Vice-Chancellor</td>
</tr>
<tr>
<td>Prof M Verhoef</td>
<td>Registrar (ex-officio secretary)</td>
</tr>
<tr>
<td><strong>In attendance</strong></td>
<td></td>
</tr>
<tr>
<td>Ms E de Beer</td>
<td>Executive Director: Finance and Facilities</td>
</tr>
</tbody>
</table>

## Composition of the TI Governance Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chairperson</strong></td>
<td></td>
</tr>
<tr>
<td>Mr MJS Thabethe</td>
<td>External Council member</td>
</tr>
<tr>
<td><strong>Standing members</strong></td>
<td></td>
</tr>
<tr>
<td>Mr W Human</td>
<td>External Council member</td>
</tr>
<tr>
<td>Ms T Semane</td>
<td>External Council member</td>
</tr>
<tr>
<td>Prof HJ van der Merwe</td>
<td>Internal Council member</td>
</tr>
<tr>
<td>Mr XV Hadebe</td>
<td>Independent external IT expert</td>
</tr>
<tr>
<td>Vacant</td>
<td>Independent external information expert</td>
</tr>
<tr>
<td>Prof ND Kgwadi</td>
<td>Vice-Chancellor</td>
</tr>
<tr>
<td>Prof M Verhoef</td>
<td>Registrar (ex officio secretary)</td>
</tr>
<tr>
<td><strong>In attendance</strong></td>
<td></td>
</tr>
<tr>
<td>Prof R Phaswana-Mafuya</td>
<td>Deputy Vice-Chancellor: Research and Innovation</td>
</tr>
<tr>
<td>Mr CE Pretorius</td>
<td>Chief Director: Information Technology</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

INTEGRATED REPORT TASK TEAM
Prof Marlene Verhoef, Prof Linda du Plessis, Robert Kettles, Amanda van der Merwe, Jacoline Jansen van Vuuren, Nelia Engelbrecht, Jan-Hendrik Viljoen

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This publication is also available in Afrikaans.