

VICE -CHANCELLOR'S ADDRESS AT THE FIFTH CONGREGATION OF THE MIDLANDS STATE UNIVERSITY GRADUATION CEREMONY - OCTOBER 2006

On behalf of the Midlands State University Senate, Staff and Students, I have the honour and privilege to heartily welcome you, Your Excellency and Chancellor, and all who have come to witness the conferment of degrees and diplomas of the Midlands State University.

Indeed, today is a great day on our calendar as it gives us an opportunity to showcase the products of our core business as a university, our valued graduands. It is an auspicious occasion for the 1 227 students who are graduating today, as they reap the fruits of their diligence and commitment to study. It is also a happy day for parents, guardians, spouses, our valued guests, friends of the University, and other stakeholders as they share with us in the joy of seeing how the financial and other support that they render to the institution contributes towards building the much needed human resource for this country. It is in that light, Your Excellency and Chancellor that we always greatly value and cherish the honour of your personal presence and participation at occasions such as today's graduation ceremony. We sincerely thank you for your valued time.

Your Excellency and Chancellor, as we celebrate this happy milestone in the growth of our institution, we certainly do not wish to lose sight of the fact that, in their activities, universities everywhere are increasingly under pressure to break out of the traditional mould and adjust to the ever-changing and dynamic environment. We strongly believe that, as agents of social change and positive transformation, universities have to make efforts to manage change, adapt and respond to the expanding needs of society at any given time. Thus a university can only continue to conduct business as usual at the risk of destroying its own *raison d'être*.

In my address at the second congregation of the Midlands State University in May 2003, I had the privilege to share with you our vision of how we intended to make efforts to complement some of the provisions of the national gender policy at our institution. Since then, we have not only reviewed our mission statement to reflect our commitment to gender equity and equality in student admissions and staff recruitment policies, but we have also put in place a Midlands State University gender policy which dovetails with the national one. Among other interesting facets of our policy, the fact that all departments have to admit students on a basis of at least a 50/50 gender balance has markedly increased the female student population on campus. In addition, at their second level of study, **all** our students now

have to register for a compulsory and examinable module in gender studies. It is in line with national aspirations that, as a university, we are making efforts to produce a gender sensitive graduate for the various sectors of our economy.

As has become our tradition, Your Excellency and Chancellor, and in line with the current anti-corruption initiatives and turnaround strategies that the national leadership and the Reserve Bank are spearheading, we want to take advantage of the presence of our key stakeholders to focus on certain aspects of corporate governance which we are implementing in our institutional management systems. This time around we draw our inspiration from the observations of the 2002 King Committee on Corporate governance for South Africa, that, while the 19th century was the century of the entrepreneur, the 20th, which saw a phenomenal growth of management theories and management consultants, became the century of management. Finally, now, with an increasing focus on the legitimacy and effectiveness of the wielding of power over corporate entities worldwide, the 21st century is fast becoming the century of governance. As aptly put by Sir Adrian Cadbury, in the 1999 World Bank report on Corporate Governance, “Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals... [and] the aim is to align as nearly as possible the interests of individuals, corporations and society.”

In so far as it is the expected and legitimate business of universities to be at the forefront of socio-economic transformation, we submit that these institutions of higher learning must, of necessity, take the lead in educating the societies they serve about good corporate governance and ethics. Indeed, today, any country's capacity for sustainable and positive transformation is largely judged by its ability to generate or access new knowledge, and adapt it to suit its specific circumstances. It is in that context Your Excellency and Chancellor, that universities are naturally well placed to play a critical role especially in harnessing appropriate knowledge on good corporate governance and ethics, and transferring it to students of all backgrounds who inevitably are the future captains of all sectors of the economy. As such, universities should be the training ground for students to determine and practice their personal codes of ethics, which will guide them for the remainder of their lives. To that end, Your Excellency, we believe that higher education must provide students with education in corporate governance, ethical values, including a broad view of universal ethical codes, and a sense of responsibility for others when making personal decisions. The nation can only be the better for it.

At Midlands State University, where Commerce is our niche area of excellence, it especially comes as a natural and pleasant duty for us to set the pace in higher education circles, in not only exposing all our students to corporate governance issues and ethics, but also in proactively instituting, clean, transparent, and effective systems of governance in our institution. In efforts to implement and complement some of the pronouncements and campaigns by our national leaders against corruption, the University Senate has recently approved the teaching of a module on corporate governance and the respective areas that underpin it, to which all students who pass through our institution must be exposed. We sincerely believe that knowledge of good governance at institutional and corporate levels will go a long way to minimize the incidence of corrupt and unethical behaviour in our society.

Your Excellency and Chancellor, over and above the proposed teaching of a module on corporate governance across the University, we have also made strides in the practical implementation of certain major aspects of it at institutional level. In a bid to enhance our internal governance systems, we have taken measures to improve the effectiveness of our Internal Audit Unit, through providing resources for the Department and investing in specialist internal audit training for staff. The head of our Internal Audit Unit was sent for valuable staff development training at reputable institutions both in and outside the country. We are pleased to inform you that this investment has already started paying dividends.

Firstly, following recommendations from our internal audit unit, the University has formulated a Conflict of Interest Regulatory Framework. This financial regulation describes the arrangements which apply when members of the University at every level have personal interests or are in a situation which does or might conflict with their responsibilities as university employees. Accordingly, all members of the University community have an obligation to declare any interests which they have in outside bodies which could affect, or be perceived to affect, their judgment in making decisions on behalf of the institution. We therefore maintain a full register of individual or family interests, which is open for inspection by any and all of our stakeholders. Secondly, we have instituted a structured approach to the management of risk at our institution. The University has produced a Risk Management Template through identifying and analysing possible risks in all areas of operation. The materiality of the risks has been assessed through ranking them in terms of

likelihood and severity of impact. Thirdly, all purchases for the University are now not done by individuals but by committees which are chaired by senior academic members of staff.

In line with the current initiatives in state enterprise and parastatal circles to institute Results Based Management Systems, we have rationalized and reduced our strategic and business plans into a Balanced Scorecard. The University has seen a need to benefit from this innovation, which measures the performance of the institution in terms of defined goals within a specified time frame, and improves the efficiency and effectiveness of all its employees. Finally, in a bid to create a proactive, self-correcting, less suspicious and transparent environment at our institution, the University Senate has recently adopted a proposal to implement a Tip-Off-Anonymous Whistle Blowing programme at the work place. We certainly do not claim to be angels, and hence we anticipate that the proposed programme will enhance transparency in the institution by encouraging the behaviour of individuals at all levels in the workplace to generally comply with an agreed code of ethics. In line with the University's declared core values of "honesty, integrity, hard work and the passion for excellence tempered by self-discipline and care for others", a Tip-Off-Anonymous system is going to be a tangible demonstration to our stakeholders, of the University's social commitment to promoting a culture of honesty and integrity.

In conclusion, your Excellency and Chancellor, allow me the privilege to extend, in advance, my heartfelt congratulations to our valued graduands and to wish them well in all their varied future agendas. Personally, I have no doubt that these women and men, after undergoing a whole year of work-related-learning in various institutions and organizations, are among the best trained in the country.

Makorokoto, Amhlope, Congratulations!

I THANK YOU.

Our Hands Our Minds Our Destiny