

Planning, Monitoring & Evaluation Implications of the 2014 Regulations for Reporting

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Background

- In June 2014, the Minister of the (DHET) published new reporting regulations for public higher education institutions (PHEI) in terms of Higher Education Act, 1997.
- The 2014 regulations replaced the 2007 regulations for annual reporting by PHEIs in South Africa.



Philosophical Basis for the New Regulation

- Improved Accountability
- Effective spending of public funds
- Measurement of return of Investment in higher education
- Implementation of institutional strategic plans
- Linking budgets to plans
- Proactive mitigation of risks



Summary of New regulations

- Prepare (and submit) a Strategic Plan
- Prepare and submit an Annual Performance Plan
 - It must cover planning and budgeting and must be aligned to the Strategic Plan
 - Identify **core set of indicators** to monitor institutional performance
- Prepare and submit an Annual Mid-Year Performance Report
- Prepare and submit an Annual Report



What's New

- The old regulations only required an annual report
- The old regulations did not require a Performance Plan
- It did not require the inclusion of the Strategic Plan
- It did not require a core set of indicators
- It did not require a mid-year report
- It did not require a submission of the annual budget
- It did not require an alignment between the Strategic Plan, Annual Performance Plan, Annual Report, Budget and Mid-Year Performance Report.
- More reports/statements from Council than the old regulations



Implications for Strategic Planning

- Prepare a strategic plan for at least a five year period.
- It must include vision, mission, policy, priorities, situational analysis and project plans.
- It must be approved by Council.
- It must have strategic goals and objectives for the institution.
- Goals and objectives should focus on main service delivery areas.
- The Plan and its goals and objectives should be supported by the financial plan.
- It must lay the foundation for the development of the APP.



Understanding Operating Context of PHEIs

- **Time frame:** In the “business/corporate world,” strategic planning model timeframe is 2 to 3 years; at universities, it usually takes 5 or more years.
- **Consensus:** The business model is generally top down, although it is still necessary to get the support and involvement of people in the company. Because of the importance of shared governance in university management, faculty’s involvement is key, and building consensus right from the beginning becomes essential for university – based strategic planning. University faculty can’t be “directed” (i.e., command authority) in the same way as employees in a company, because of established university cultures and norms.
- **Customers:** Universities do not have a clearly defined customer as in the business world. Students, employers, the community, industries, etc. may all be considered “customers.” As a result, defining goals and measuring effectiveness consistently with the university’s mission is not as straightforward as in the business sector.
- **Context:** Change is especially difficult to accept at the universities, because by nature universities are about preservation.



Strategic Planning Framework

- Many approaches to strategic planning:
 - Porter's Five Forces Model
 - The Balanced Score-card model
 - Systems, etc
- The Minister of DHET performance agreement is based on Government-wide monitoring and evaluation system (GWMES)
- GWMES is based on the **logical framework model** introduced by the World Bank and adopted by the Government for planning, monitoring and evaluation purposes.
- The **logical framework** starts off from inputs that are made into the university's system, which lead to activities. The activities then result in certain outputs and the outputs translate into outcomes which eventually translate into the destination (Impact) which the University wants to reach.



Annual Performance Plan

- HEIs must prepare APP setting out predetermined objectives for up coming year ($n+1$). *Due Dec 15 of year n . (Exception for first submission – 15 January 2015)*
- Must Include:
 - Council commitments to minister such as
 - Enrolment targets, infrastructure projects etc
 - Standard DHET SMART KPIs:
 - First Time Entering Students, Success Rates, Throughputs rates, graduation rates, research outputs indicators
 - Mid year performance indicators
 - Financial Variables
 - Three year cash flow projections
 - Three year financial budget (show income vs exp on primary actives, student housing & other)
 - Separate budget/plan for long-term capital expenditure
 - Risk Register
- Council may not approve (3%) deficit budget, where necessary council plan for funding deficit required.



Mid-Year Reports

- Provides progress on predetermined objectives for current year n . Due 30 Nov of year n .
- Must Include:
 - Progress up to 30 June on enrolment targets
 - Progress up to 30 June on financials
- Must be approved by council

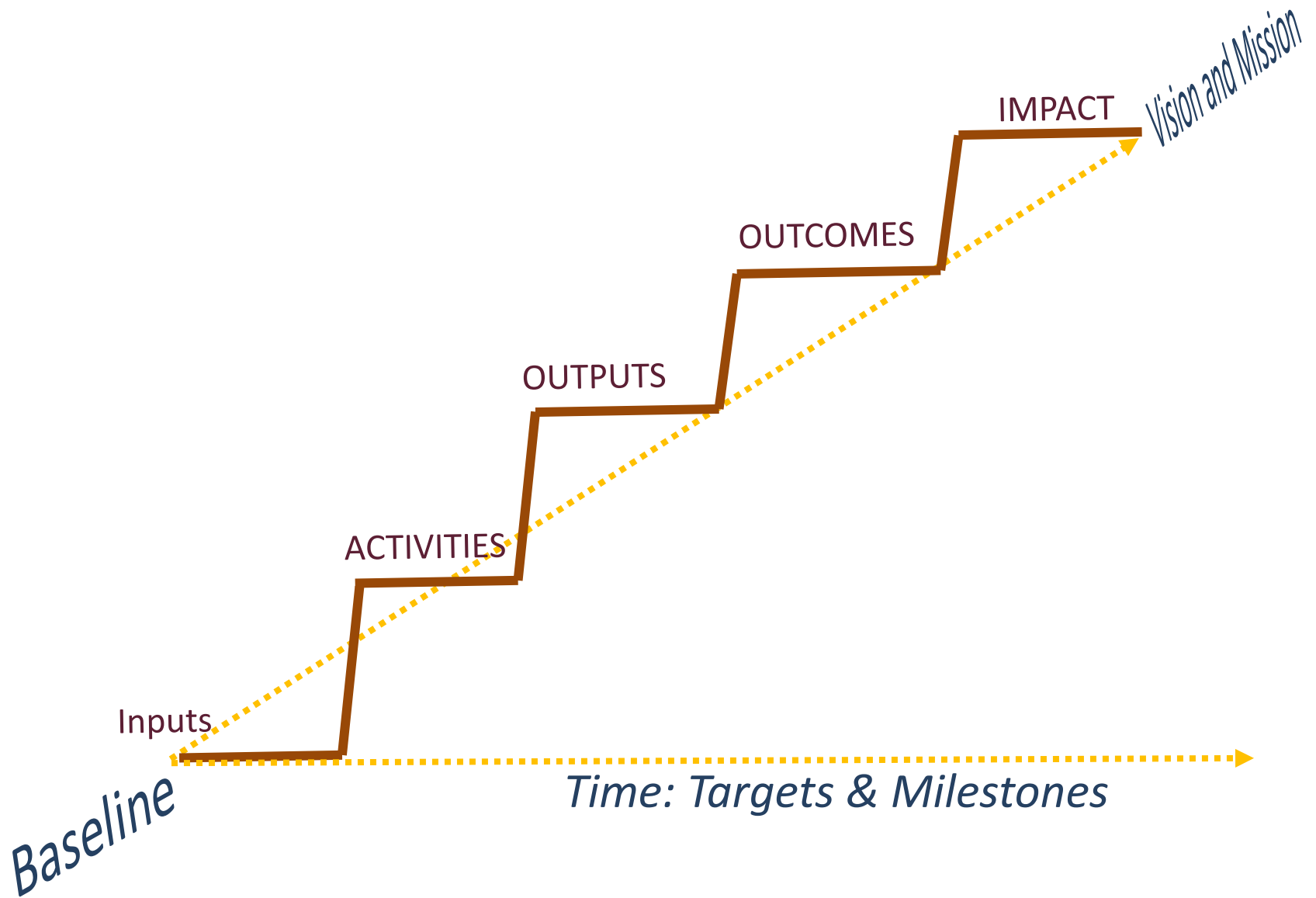


Annual Reports

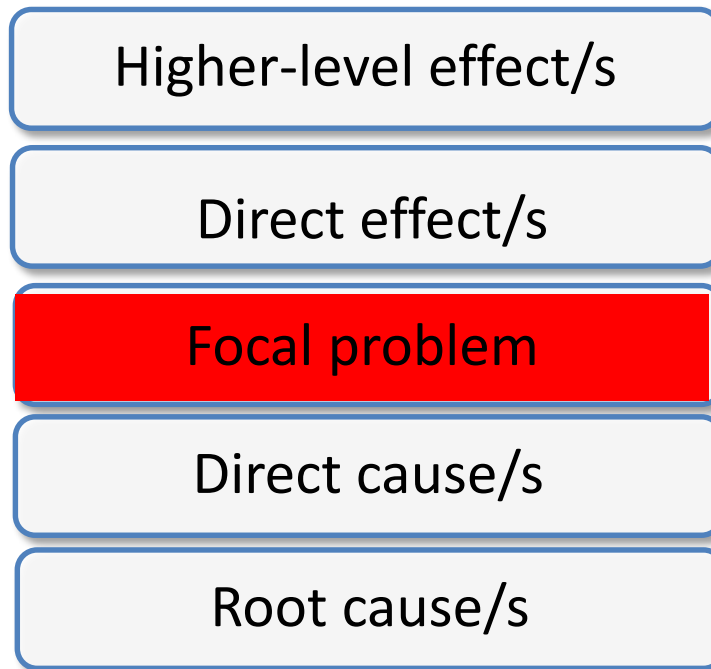
- Provides complete assessment of predetermined objectives for previous year $n-1$. Due 30 June of year n .
- Must Include:
 - Evaluation up to 31 Dec on enrolment targets for year $n-1$
 - Evaluation up to 31 Dec on financials for year $n-1$
 - In addition to current submissions include:
 - Council statement on sustainability
 - Report of audit committee
 - Report on transformation
 - Report of independent auditor on annual report
 - List of council members & constituencies, list of office bearers of council
- Must be approved by council and signed by Chairperson of Council & VC
- Failure to submit or insufficient information. DHET will call for report or additional information



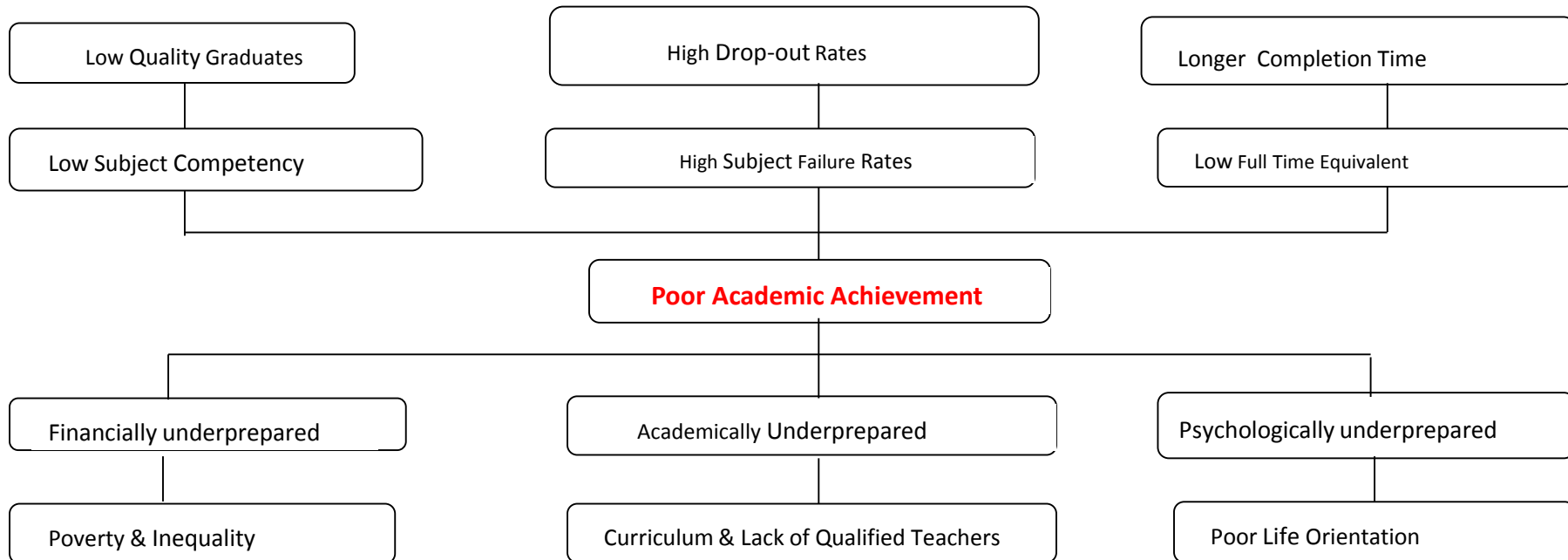
M&E Implications: Understanding M&E Result Chain



Understanding the Problem



Conceptual Problem Analysis: Poor Academic Achievement

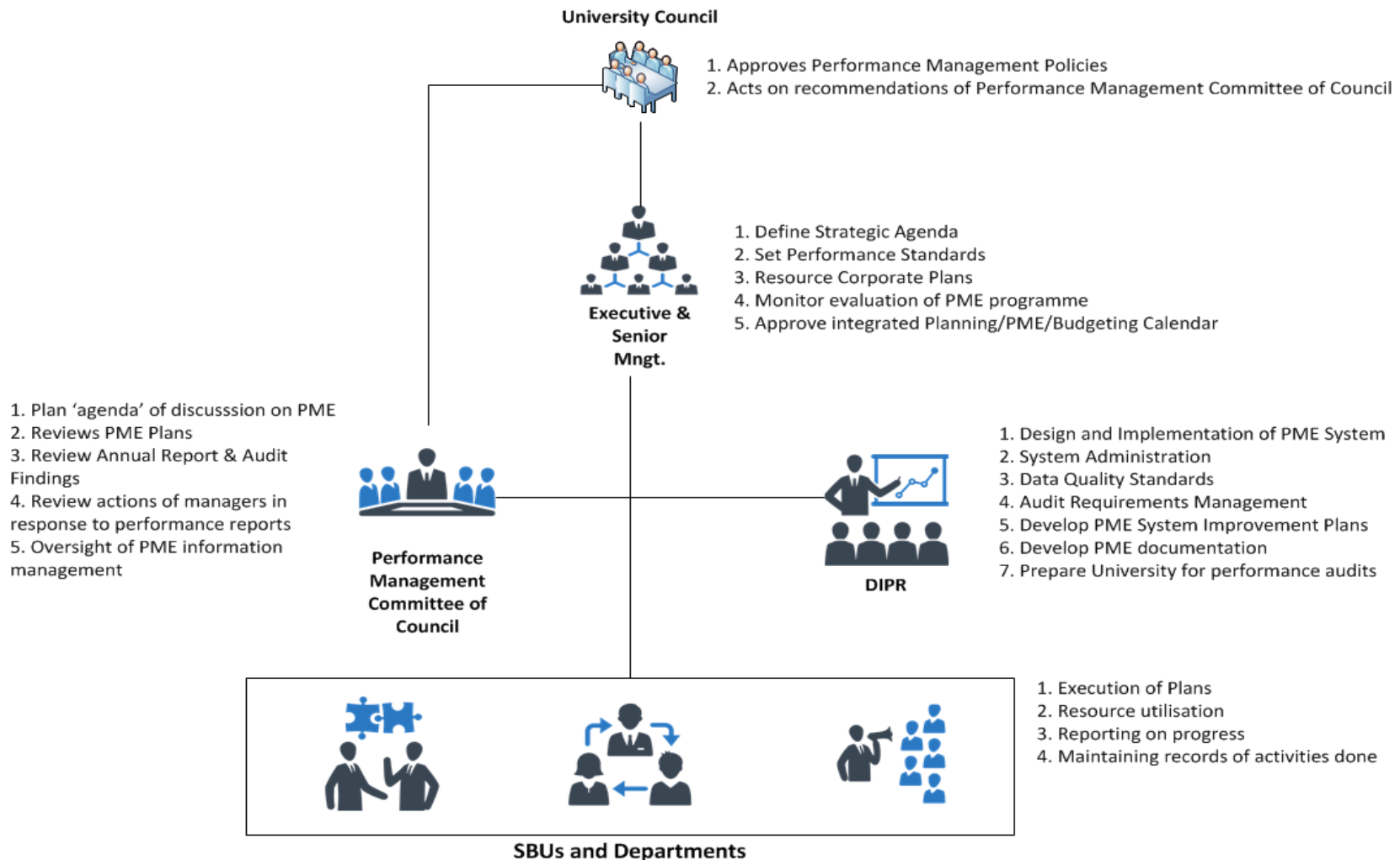


Understanding Result Levels & Setting Realistic KPIs

Result Level	Indicator Example	Relevant Plan	Reporting Time line
Impact	Improved graduation rate	Strategic Plan	Strat plan duration
Outcome	Improved success rate	Strategic plan	Yr, strat plan duration
Output	Number of lecturers trained	APP	Mid yr, yr
Activities	Operational activities, e.g. training of lecturers	Internal Plans	Quarterly, Mid yr, yr
Input/s	Linking budget to plan. e.g. cost of professional development of lecturers	Strategic plan, APP, Internal plans	Quarterly, Mid-yr, yr, Strat plan duration



Clear Roles and Participation Framework



Clear KPI Information

Results Level	Indicators	Derivation	Data source	Collection Method	Collection Frequency	Who collects	Who Analyses	Who Reports	Who Uses



Recommendations

- Six year strategic planning (two cycles of enrolment plan)
 - Impact Evaluation Reports at the end
- APP for Monitoring Strategic Plan
 - Input/Output/Outcome Monitoring Reports mid yr & annual
- Set realistic KPI linked to correct result level and time frame
- Avoid mere compliance, keep plans simple and actionable
- Use of technology



Thank you.

