

Introduction to the volume and the SAHEMS study

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The fact that South Africa supported 36 higher education institutions before 1994 was among the most obvious manifestations of the cancerous social engineering of apartheid. Ever since the passage of the infamous Extension of Universities Act of 1959, which enforced racial segregation on university admissions and staffing, a veritable plethora of institutions were either built or reshaped to accommodate specific racial and language groups. The Bantustans or 'homelands' – those particularly cruel and obnoxious fictions of apartheid – had their own institutions of higher education. In South Africa as a whole (as we know it today), English-speaking whites had the universities of Cape Town, Natal, Rhodes, and the Witwatersrand. The University of South Africa (Unisa) operated through the medium of distance education. Afrikaans-speaking whites had the universities of Stellenbosch, Pretoria, Rand Afrikaans, Orange Free State and Potchefstroom. The University of Port Elizabeth was officially bilingual in English and Afrikaans. African students were accommodated at the universities of Fort Hare, Bophuthatswana, the North, Venda, Zululand, the Medical University of South Africa (Medunsa), the Transkei and Vista University. Indian students were served by the University of Durban-Westville and coloured students by the University of the Western Cape. There was also a full, matching set of technikons – Cape Technikon, Peninsula Technikon, Border Technikon, Technikon South Africa, and so on. It is worth noting that wherever they were situated and whatever they were called, all these institutions were managed and professionally staffed overwhelmingly by white males.¹ In addition, these universities and technikons sat at the apex of an even larger post-secondary educational edifice, as the apartheid state also supported a range of education, agriculture, police and technical colleges (but these were not considered to be part of the higher education system per se).

In terms of finances and as a continuing reminder of the institutionalisation of apartheid, these higher education institutions were an enormous burden for

the new state after 1994. Numerous studies inquired into and illuminated the funding, programme and resource inequalities from which they were constituted and maintained.² The privileged institutions had a full range of disciplinary offerings, tailor-made funding, alumni with large, willing chequebooks, and easy access to third-stream research and development funding. The historically disadvantaged institutions, on the other hand, were either distorted, usually somewhat flawed versions of the privileged institutions, or were small but dedicated and creative outposts of cramped development, where a great deal was done with relatively little funding or autonomy.

The legacy of these inequalities manifested in many different ways, not least of which was the dearth of black professionals and scholars, as many individual studies and the National Commission on Higher Education (NCHE) have sketched.³ However, although South African higher education was so palpably a relic of the bad old days, and thus clearly an undesirable and probably unsustainable construction, thousands of academics, workers and students inhabited these spaces day in and day out. They either benefited from accumulated and assured privilege, or made what good they could from relatively impoverished circumstances in pursuit of the promise of higher education.

This book is the result of a research project instituted in 2002 to study the processes that were put into gear when the new South African government decided in 2001–2002 on a major and far-reaching initiative to address the legacy of ‘the geopolitical imagination of the apartheid planners’ in higher education.⁴ In 2002, it was announced that some of the 36 institutions would be merged with others in an effort to mitigate the inequities of higher education and the financial drag that these had imposed on the entire system for a protracted period. This would be a massive effort; internationally *sui generis*, it would dwarf even the Australian university mergers of the 1980s.⁵

The South African Higher Education Merger Study (SAHEMS)

In early 2002, the Education Policy Unit (EPU) of the University of the Western Cape (UWC) applied to the Carnegie Corporation of New York for a research grant to study the process of higher education mergers as a set of case study sites. The EPU was renamed the Centre for the Study of Higher Education (CSHE) shortly thereafter, and the project resulting from the successful grant application was one of its major efforts. The three-year project was named the South African Higher Education Merger Study (SAHEMS). The funding support of the Carnegie Foundation for this project and this volume is most gratefully acknowledged.

The aim of the SAHEMS project was to study the higher education mergers as they happened, and from the inside. Because the decision of the Ministry of Education to merge the institutions was so large-scale and contested,⁶ the aim of our study was, first, to gather descriptive information on the institutions themselves and the processes they were undergoing. Second, we wanted to see if we could assess whether or not the mergers were helping the sector, in the first years of policy-making and implementation, to achieve the lofty goals spelled out in the 2001 National Plan for Education. Specifically, would the mergers advance the causes of equity and of increasing student access to higher education?

Our research methodology had two key elements. First, we aimed to put into place a set of site-based observers on each campus who would bring insiders' perspectives and sensitivities to the research, collect documents that were in the public domain, attend meetings and discussions on campus, and generally keep track of merger developments. The second tier of research would be regular key informant interviewing at each case study site. Thus we hoped to be able to get under the skin of what was clearly the most major intervention in South African higher education since 1959.

Our study reflects two different levels of diversity. The first was in the training and perspectives of the main researchers of our team: an historian of gender and urban southern Africa (Teresa Barnes), an executive manager and researcher of educational methodology and curriculum development (Narend Baijnath), and a head of an institutional office of quality assurance with a background in medical technology (Kalawathie Sattar). We shared a deep curiosity for the ways in which policy was being made manifest, and we were each institutional insiders. Each of us led a small research team in our respective provinces (the Western Cape, Gauteng and Kwazulu-Natal).

The second aspect of the diversity of our study is the chosen institutions. When the dust eventually settled on the difficult process of obtaining research permission, we had a set of institutional combinations to study that were each marked by its own prior racial designation and set of educational offerings:

- in Gauteng, the merger of the University of South Africa, Technikon South Africa and the distance education arm of Vista University, VUDEC. This would be one of the new 'comprehensive' institutions, and its formation is discussed in Chapter 6.
- in Gauteng, although we did not obtain research permission from the overall new entity, we also collected documentation in the public sector on the formation of the University of Johannesburg. Chapter 9 is based on this information.

- in KwaZulu-Natal, the merger of ML Sultan Technikon and Technikon Natal into the Durban Institute (thereafter University) of Technology, as discussed in Chapters 4 and 5.
- in the Western Cape, the incorporation of the Dentistry Faculty of Stellenbosch University into the University of the Western Cape, as presented in Chapter 7.
- also in the Western Cape, the merger of two technikons, the Cape and Peninsula Technikons, as presented in Chapter 8.
- Finally, Chapter 2 is based on the perspectives of a researcher during the formation of one of the new comprehensive universities.

Thus, this would be a study of two advantaged/disadvantaged technikon mergers (Chapters 4, 5 and 8); two cross-resourced, tripartite university/technikon mergers (Chapters 6 and 9); and one smaller-scale grafted faculty merger (Chapter 7).

Our case studies reflect these many diversities in research methodologies and targets. The individual chapters are not immediately comparable. Instead, they reflect the different research dynamics, institutional cultures and research perspectives brought to bear in each case, each following its own trajectory. We have therefore not forced an artificial commonality on each study. We hope that our readers will get a sense of the dynamics and currents of each institution, and also of the tremendous challenges in generalising across institutions, even in one country. It is worth noting, however, that although individual institutions were in many ways quite different from each other, they had all been branded with the mark of apartheid: unjust differentiation was the common thread which ran through all the institutions. Our research repeatedly ran across this thread and the way it was tangled up in institutional procedures, expectations, histories and cultures.

Culture – a frame of reference for our study

Culture evolves over time and is the embodiment of an organisation's value system, beliefs, and the meanings which are ascribed to these. Culture refers to the 'history, norms and values' that underpin the prevailing climate in any organisation, and it is the frame of reference which helps to distinguish one group of people from another. In view of the emphasis of our research project on the socio-cultural issues that arise in an academic context, an important distinction can be made between organisational culture and academic culture as follows: 'Academic culture can be interpreted as historically transmitted patterns of meaning expressed in symbolic form through the shared commitments, values and standards of behaviour peculiar to members of the profession, as well as the

traditions, myths, rituals, language and other forms of expressive symbolism that encompass academic life and work.⁷

As will be seen in the case studies which follow, the experience of merging institutions highlights the potential for the 'potent force of different institutional cultures colliding with the merger process' to influence the process and outcomes.

The full potency of organizational culture can be seen during a merger or acquisition when two disparate cultures are forced to become one ... organizations that may appear to be highly compatible on the surface and that seemingly should be able to achieve valuable merger synergies can have underlying cultural differences that seriously threaten their integration ... Organizational members are usually so embedded in their own culture prior to major organizational changes that they rarely fully realize its influence on their behaviour.⁸

The working definition of culture used in this study is a simple one: 'the way we do things around here' in the context of academic culture as explained by Harman, above. It is important to acknowledge the different ways that things were done that were brought by each institution to its respective merger; and, consequently, how these different cultures influenced the course, outcomes and prospects of the merger planning and processes.

It is evident from our research that the impact of the socio-cultural aspects on the outcome of the mergers and the unintended consequences were never a key priority in national planning processes. Similarly, the potential impact of the human factor is not obvious when the technicalities of a merger are analysed. However, our research methodologies focused on these factors, as reflected especially in Chapters 3, 4, 7 and 8.

Culture and merger success

There is one last puzzle piece to be added to this complex picture, and that is the conceptual relationship between private and public sector mergers. There is often an unspoken assumption that the concepts of private sector merger are relevant in higher education institutions. The most suggestive commonalities occur around the concept of culture.

There is a copious literature about private sector mergers, which is both 'how-to' and – given that the starting point is the legitimacy of capitalist enterprise – analytical. To summarise this literature: corporations see mergers and acquisitions as an important part of growth strategy. A popular explanation for mergers is that the market can be in a phase where it is undervaluing solid companies, making it substantially cheaper to buy and restructure old capacity rather than to build new capacity. The entire merger process is usually kept

secret from the general public and often also from the majority of the employees at the companies involved.

Some mergers are beneficial to all shareholders, but others are not. Some examples would be the combination of a profitable company with a loss-making company in order to use the losses as a tax write-off to offset profits, while expanding the corporation as a whole. Alternatively, by merging with major competitors, a company can come to dominate their market. Another common type of merger brings together two companies that make different but complementary products.⁹

A substantial subsection of the literature argues that an often-overlooked factor that sinks many corporate mergers is cultural difference between firms. The general argument is that although the firms share basic characteristics (such as a final product), staff members from the two partners who do things differently, cannot or will not learn to work together fast enough to overcome post-merger problems. This can result in a downward profit spiral. An example that is often cited is the merger between the seemingly well-matched German and American automotive firms Daimler and Chrysler in 1998, where, 'while Daimler-Benz's culture stressed a more formal and structured management style, Chrysler favored a more relaxed, freewheeling style ... As a result of these differences and the German unit's increasing dominance, performance and employee satisfaction at Chrysler took a steep downturn.'¹⁰

It can easily be argued that analyses of private sector mergers cannot be transferred wholesale to higher education institutions. The most obvious reason is that financial profit is not the goal of public higher education, and decisions are not undertaken with increased long-term profitability as the only indicator of success. However, if one substitutes other notions such as increased levels of graduate and research output for the idea of private sector profit, immediate parallels between higher education and private sector begin to suggest themselves. Such a substitution is especially tempting given shifting paradigms for higher education. Although debatable in detail, it is generally true worldwide that marketisation is gaining an increasing hold on higher education.¹¹ Thus, for example, in a phrase repeated in many national contexts, 'the present ... government has sought to treat higher education as a form of business'.¹² The new funding models which are developed in line with this trend increasingly tie institutional allocations to improvements in graduate and research output, rendering analogies between profit and educational output appropriate.

Analogies may also be appropriate for another reason. The concept of profit itself is not always so straightforward, and is not always completely defined in terms of finances. For example, the DaimlerChrysler merger, as described above, lasted for nine years, despite the fact that the Chrysler division, the largest competitor in the United States auto market pre-merger, lost money steadily for the entire period. One explanation for this longevity in the face of constant

loss was that investors stuck because they believed the Daimler chief executive officer's assertion that the merger would eventually succeed.¹³ Thus, in business as well as non-profit institutions, the human element, personalities, and shared cultural assumptions can play important roles in defining the composition, location – and width – of the bottom line.

The two sectors do differ significantly around the concept of the public good. Higher education exists to satisfy social needs for the production and analysis of specialised, transcendent knowledge.¹⁴ Capitalist theorists also claim that the end product of a healthy capitalist system is public good; but it must, of course, first be sieved through the filter of private gain for the shareholders. In the two sectors the significant factors are therefore reversed: in the private sector, individual enrichment takes precedence over social gain, while in the public sector the opposite holds true.

In the private sector, merger failure – defined as an inability to add financial value over a reasonable period of time – is common. Empirical evidence cited in 1993 noted that 'at best, only half of all mergers and acquisitions meet initial financial expectations'.¹⁵ Dissonance and conflict between the culture of merging firms is the reason most often cited as the reason for these failures: even with the basic expectation of shared interest in increasing profitability in the new organisation, if people from the two (or more) original organisations have vastly different ways of seeing and doing things, a merger is likely to run into heavy weather quite quickly.

In the case of South African higher education mergers, the most obvious correlations to private profit are the goals of public good as defined in the National Plan for Higher Education of 2001. Our study suggests that the development of a unitary ethos and institutional culture in the new institutions did not arise automatically and will, at best, take time. Meanwhile, cultural differences have repeatedly raised their head. At some institutions where detailed plans have been produced, the early signals on how such differences can be addressed are promising, and the process of translating visions (sometimes shared and sometimes simply imposed) into joint outcomes has begun. At other institutions, as of this writing, trench warfare remains the order of the day.

In a quick-fix age, our study does not answer the ultimate question: were the mergers successful? The time period of our study covered the pre-merger phases and at most one year post-merger (with the exception of the Durban University of Technology case, which has a slightly longer time frame), so our data does not permit us to draw final conclusions about success or failure. Ours were more modest goals: to make short portraits of processes in motion, to point to emerging dynamics and trends, and to suggest questions for further research. As social scientists, we offer these case studies as insights into the complex processes and dynamics that were set in play by the state's transformation

policies in higher education, and we hope that future research will carry the story of these developments forward.

Conclusion

The transformation project in South African higher education is very much a work in progress, and if the past tells us anything, it is that there are more changes to come. From the outset, the transformation of South African higher education has been marked by political determination from the top – in the personages of the ministers of education, and in the membership of task teams appointed through the Council for Higher Education (CHE), for example. It is important to remember that this determination carried the day over a great deal of initial scepticism and hostility – and the merger *events* all occurred legally on the mandated dates. Institutions around the country have all engaged with the mandate. They acquiesced to ‘the inevitable’ at worst, and worked enthusiastically towards a difficult goal at best.

Harman identified the main factors that enhance success in mergers as the following:

- A strong commitment to merger by participating institutions and their staff with strong leadership from the heads of participating institutions;
- A shared view of a threat facing the current institution and/or a shared vision of the future potential benefits from the merger;
- Wide consultation with staff and their involvement in the planning and integration process, and transparency in key decision-making processes;
- A guarantee given to staff as soon as possible about security of employment and to current students about the continuity of their courses;
- A well-conceived plan for merger negotiation and implementation of any merger agreement;
- A decision as early as possible about the name of the merged institution;
- Strong efforts to build a sense of loyalty to the new institution and a common culture.¹⁶

It is absolutely striking that the South African merger *events* happened largely without the provision of *any* of the factors cited by Harman above. Thus, subsequent merger *processes* were dogged by:

- a lack of delineation of key questions such as the precise nature of new institutional typologies, distinguishing institutional characteristics and constituent diversity;
- a lack of a framework for specific, formal instruments and processes of review, monitoring and evaluation of merger progress;
- a contested public participation process.

The operational dynamics which resulted from this loose and arguably inadequate framework are illustrated in the chapters which follow.

As noted above, our research cannot pronounce on how much tangible progress has been achieved towards the goals of a transformed, diverse and differentiated higher education system. We can record, however, a sense of disquiet. First, at a micro level, wheels have been re-invented in the new institutions in ways which may or may not be equivalent to each other. It is thus possible that in ten years time, for example, South Africa may find itself with a set of 'comprehensive institutions' which have little in common with each other – as each one will have found its own way through the policy wilderness with very different toolkits of histories, resources, dynamics and perhaps priorities. On the other hand, forces imposed from other directions, such as the developing quality assurance regime, may induce degrees of commonality.

Second, at both micro and macro levels, our research shows that the determination of the South African state to intervene in higher education came as a sledgehammer to the system. We suggest that in being hit by these blows, the strongest structures survived and the weak generally did not. This is ironic, given the fact that those whom apartheid had harmed and deformed the most were, in the institutional sense, the weakest in 1994. From the vantage point of the midpoint of the second decade following the fall of apartheid, we see that the gradual dissipation of the willpower, certainty and optimism which marked the anti-apartheid movement in higher education in the late 1980s and early 1990s left apartheid's institutional insiders better placed to survive the coming onslaughts of change (informed as they were by democratic priorities) than the more fragile networks of progressive social forces which were on the outside. Our study was never couched in the language of political economy or conceptualised as a critique of neo-liberalism, but our evidence on the cultural dynamics which arose in merging institutions following the application of a set of blunt instruments to a complex system suggests the limitations of the education transformation policies of the post-1994 South African state. We must leave to other analysts the task of explaining *why* these policies were chosen, while we present important evidence about *what* the resulting limitations were and *how* they developed.

Thus, we review and recall both the enormity and the intricacies of the tasks of restructuring the South African higher education landscape. Our study focuses on the first steps on largely un-signposted, rocky roads.

Gauteng before 2004	Limpopo before 2005	Northwest before 2004	Free State before 2003	E. Cape before 2003	West Cape before 2005	KZN before 2003
Wits Wits Soweto Unisa Pretoria RAU Vista Mam Vista Seb Vudec	Medunsa U North U Venda	Potch Vista Seb UNW	UOFS Vista Bloem Vista Welkom U Nor QQ	FH Rhodes-EL UPE Vista PE Rhodes Unitra	UWC Stell Dent UCT Stellenbosch	UNatal UDW Unizul Unizul-Uml N Tech Man. Tech MLSTech
Gauteng after 2004 Wits Unisa Unisa (2005) Vudec Pretoria Pretoria (2004) Vista Mam RAU Wits Tech Vista Sow UJhb UJhb (2005) TUT (2004) Pret Tech TNG VTTech Vista Seb VUT (2004)	Limpopo after 2005 Venda Medunsa U Limpopo (2005) U North	Northwest after 2004 Potch UNW Vista Seb NWU (2004)	Free State after 2003 UOFS UNorQQ Vista Bloem Vista Welkom UFS (2003) CUT (2004) TFS	E. Cape after 2003 Rhodes FH FH (2005) Rh-EL UPE Vista PE NMMU (2005) PE Tech Unitra Bond Tech EC Tech WSU (2005)	West Cape after 2005 UCT Stellenbosch UWC UWC (2005) Stell. Dent CPUT (2005) Cape Tech Pen Tech	KZN after 2003 Unizul UNatal UDW UKZN (2004) N. Tech DUT (2003) MLSTech UZul Um ? - Man Tech

Figure 1. The reconfiguration of South African Higher Education, 2003 – 2005, by province.

The development of restructuring policy, with special reference to comprehensive institutions

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Because the policy framework has been such a crucial part of the story of the experience of individual institutions, this chapter explores the case for restructuring the higher education system. It examines how it was hoped that the policy objectives for a diverse and differentiated system of higher education would translate into outcomes at the institutional level. The specific rationales for the configurations of the new comprehensive institutions, where arguably the tasks involved in achieving the goals of diversification and diversity would be most complex, are discussed in detail.

The case for restructuring

The restructuring of higher education occurred within an economic and political climate that bears analysis in its own right. The government's macro-economic strategy provided the backdrop against which higher education policy choices were made and objectives determined. However, the starting point in this chapter is not to examine the ideological underpinnings of government policy, but to establish its policy intentions, with a view to examining key policy objectives and how these became translated into outcomes at the institutional level. The starting point is the first official statement of policy for the transformation of higher education in the post-apartheid era.

Restructuring was premised on a policy discourse on diversity and differentiation which has evolved in the sector since the publication of White Paper 3 on Higher Education Transformation by the Ministry of Education in 1997.¹ Diversification has been a key policy goal in the transformation of South African higher education, as expressed in White Paper as follows: 'To diversify the system in terms of the mix of institutional missions and programmes that will be required to meet national and regional needs in social, cultural and economic development.'² The goal is amplified in the document to make more explicit the envisaged outcome:

A key feature of a single co-ordinated system will be the broadening of the social base of the higher education system in terms of race, class, gender and age. The system will cater for a considerably more diverse body of learners than at present. They will become increasingly representative, at all levels of the system and in all programmes, of the racial and gender composition of the South African population.³

The White Paper goes further to indicate how some of the diversification will be achieved, indicating that the most significant conceptual change is a programme-based definition of higher education, which would affect the system in the following way: 'It will promote diversification of the access, curriculum and qualification structure, with programmes developed and articulated within the National Qualifications Framework (NQF), encouraging an open and flexible system based on credit accumulation and multiple entry and exit points for learners.'⁴

The White Paper also signals that a national plan for higher education will give expression to these and other goals for the system, after it has received advice from the Council on Higher Education (CHE). It makes plain, however, that systemic planning and management imperatives are 'to ensure diversity in its organisational form and in the institutional landscape, and offset pressures for homogenization'.⁵

Following on from this, in its submission of advice to the Minister of Education on the size and shape of the higher education system, the CHE made a bold, assertive and controversial case for the differentiation and diversification of the South African higher education system by suggesting that institutions be distinguished functionally as teaching or research institutions.⁶

The CHE saw the terms *differentiation* and *diversity* as interrelated. *Differentiation* is related to the social and educational mandates of institutions. *Diversity* on the other hand is used to refer to the specific missions of individual institution, related to the needs of differing groups of students. The way in which the two terms are connected, according to the CHE, is through mandates that provide the overall national framework within which individual institutions pursue specific institutional missions.⁷

The CHE cautioned that the quest for differentiation and diversity must not undermine the development of an integrated and 'seamless' national system. It also warned against two interrelated perils that needed to be guarded against in pursuing differentiation and diversity:

- to spread all the purposes and functions of higher education so widely that the higher education system becomes characterised by homogeneity rather than differentiation and diversity; and

- to create a new landscape that is, or perceived as, characterised by 'poor quality' and 'high quality' institutions.⁸

Based upon the above premises and cautionary note, the CHE's proposed institutional typology was driven by the desire to achieve diversity of social and educational goals, purposes, roles and outcomes; to enable different institutional mandates; to promote multi-disciplinarity and multi-functionality; and to foster diverse programme profiles.

The National Plan for Higher Education (NPHE) observed the tendency towards homogenisation between institutions in the plans submitted to the Ministry prior to the NPHE being published. It also stated that, other than a broad distinction between universities and technikons in terms of the career-oriented and technological focus of the latter, 'there is little else to distinguish between and within the aspirations of the university and technikon sectors'.⁹

The NPHE expressed a concern about the lack of diversity and imitative behaviour as central features of higher education the world over in the absence of regulatory and policy frameworks designed to ensure diversity in the higher education system.¹⁰

While the Ministry declared its support for the CHE proposal for a differentiated and diverse higher education system, it did not support the CHE's proposal that differentiation and diversity be achieved through structural differentiation between different institutional types based on a distinction between teaching and research institutions. The Ministry argued that it would not be consistent with its programme-based approach if the mission and programme mix of institutions were to be defined by a predetermined regulatory framework based on structural differentiation between different institutional types. It stated its main concern with structural differentiation as the 'element of rigidity which will preclude institutions from building on their strengths and responding to social and economic needs, in a rapidly changing regional, national and global context'. By the same token, the Ministry indicated that it was not in favour of 'an open-ended institutional framework, which leads to academic and mission drift and uniformity based on the values, priorities and practices of the major research universities'.¹¹

Having considered the CHE's advice and developed its own position on diversity and differentiation, the main strategies through which the Ministry expressed its intentions to achieve these were, in summary:

- 'mission and programme differentiation based on the type and range of qualifications offered'
- 'establishing parameters and criteria for an institution's programme mix and linking it to the funding of student places, linked to its fit with regional and national needs', based on existing programme profiles and capacities

- maintaining the distinction of universities and technikons as two distinct institutional types, while also signaling a 'loosening of the boundaries' between universities and technikons.

The Ministry declared its concern with the rapid erosion of the mission and programme differentiation between universities and technikons as being detrimental to institutional diversity, signalling that it would seek to avoid homogenisation in the system through this tendency. The Ministry's conceptual framework, in aiming to achieve diversity and differentiation in the higher education system, had neither the breadth nor coherence demonstrated by the CHE proposals, challenging affected institutions to interpret what might be intended for the objectives of diversity and differentiation.

Diversity and differentiation: Alternate perspectives

In order to obtain a proper purchase on what the possibilities and pitfalls are in diversifying and differentiating the higher education system, it is useful to explore these concepts in relation to international experiences.

As explained above, diversity and differentiation are closely intertwined concepts. To elaborate, diversity at the systemic level relates to different institutional types by characteristics, mission, role, functions, purpose, and qualification types. At the institutional level, diversity is expressed in the differentiation of programmes, fields of study, levels at which qualifications are offered, and programme requirements at entry and exit levels, among others.¹²

The Carnegie Foundation for the Advancement of Teaching in the United States (USA) developed a typology of higher education institutions based on classifications of:

- level of degree offered
- size
- PhD production
- research funding
- comprehensiveness of the mission.

This led to the following categories in 1994:

- Research universities
- Doctoral universities
- Master's (comprehensive) colleges and universities
- Baccalaureate (liberal arts) colleges
- Associate of Arts colleges
- Specialised institutions.¹³

This typology illustrates that there are defensibly rational bases upon which higher education institutions can be classified. In other words, these are not random designations; and institutions, based on their social mandates, strengths, capabilities and aspirations, can recognisably and accurately fit into a particular classification. Consequently, it is possible to develop a diverse set of institutions pursuing complementary or specific goals.

Within the broad rubric of diversity, however, it is possible to elaborate a detailed typology to distinguish between different *types* of diversity. Birnbaum indexed a rich and comprehensive conceptual framework as follows:

- Systemic diversity – characterised by differences in type, size and control of institutions
- Structural diversity – characterised by differences between institutions resulting from their historical and legal foundations, and the way/s in which authority is divided within institutions
- Programmatic diversity – characterised by the levels at which degrees are offered, the areas in which they are offered, missions and emphasis of programmes, and services provided by institutions
- Procedural diversity – characterised by differences in the ways that teaching, research and/or services are provided by institutions
- Reputational diversity – reflected in perceived differences between institutions, based on status and prestige
- Constituent diversity – differences between institutions, based on the students they serve, and other constituents within the institutions.

Based upon the above possible categories, and even more complex configurations of categories intersecting with each other, Birnbaum argued for the relaxing of rigid criteria for approval of new programmes and institutions, limiting state planning, and flexibility in governmental procedures. He saw centralised planning as a threat to institutional diversity, because it restricts experimental innovations of institutions in their search for fitness. He asserted that state planning does not reflect knowledge about how institutions adjust to their niches. Moreover, he argued that state-level planning leads to centralisation, which paves the way for homogenisation of norms, values and structures and thus a decrease in diversity.¹⁴ The point, then, is that centralised policy used as an instrument to achieve diversity may well have the opposite effect.

This view is echoed by Burton Clark, who argued that if we accept diversity and flexibility, we should accept greater ambiguity, more uncertainty, and a widening gap between purposes defined in simple terms and realities characterised by confusion, divergence, contradiction, and a sense that no one is in charge.¹⁵

To the contrary, Huisman argued that governmental interference does not always threaten institutional diversity. Legislative and policy action can actually stimulate diversity and arrest the tendency towards homogenisation.¹⁶

In regard to this debate in South Africa, the Ministry of Education only declared that both diversity and differentiation were desirable, and that the comprehensive institution (university plus technikon) would be a 'new organisational form [which] will result in the integration of academic and vocational programmes offered across the full qualification spectrum, allowing increased student access and mobility'.¹⁷

It is thus apparent that a wide tapestry of issues related to diversity and differentiation at the conceptual level were, at worst, simply not engaged with. At best, they were unsatisfactorily addressed in the South African higher education policy discourse. None of the pressing and complex questions about the new typology that would emerge, or the distinguishing institutional characteristics, was adequately addressed in the policy debates immediately following the announcement of the proposed mergers.

International experience in mergers

There have been a number of mergers in higher education worldwide that provide a useful lens through which to view methods and processes, as well as the identification of avoidable pitfalls. As noted in Chapter 1, while there is also a large body of published material on mergers and acquisitions in the corporate sector, their priorities are not immediately transferable to higher education due to the largely financial objectives (increased share value, cost minimisation, return on investment and post-combination efficiencies, productivity and profitability) which drive them.

Lang explored the rationalist impulsion behind many mergers – underscored by the objectives of aggregation and consolidation of resources, improved efficiency and productivity, improved inter-institutional cooperation, and cost saving, among others. He raised several questions about the basic assumptions taken as axiomatic in higher education mergers. He argued as follows:

The model of necessity suggests perhaps a different future for inter-institutional cooperation. First, to the extent that some mergers have been imposed by government as part of the rationalisation of systems of higher education, the model of consolidation also plays a role. Enforcing merger as part of such rationalisation governments often assume that merger will lead to greater efficiency and productivity. Whether or not governments have known enough about costs and institutional management to make such an assumption reliably, it too is a principle that produces few returns as systems become more rationalised through

merger, voluntary or involuntary. Given the already great extent of mergers that were either required or motivated by the reorganisation of systems of higher education, there may simply be little room left either for more mergers or for other forms of institutional cooperation. Even if there is some room remaining to realise productivity gains by deploying inter-institutional cooperation, that the means of rationalising systems of higher education, governments may still postulate greater gains than cooperation can deliver. As governments realise this they might still pursue cooperation but with cut-backs in funding and increases in fees which are more realistic in comparison to the savings that various forms of inter-institutional cooperation can actually produce.¹⁸

In Australia too, the rationalist impulsion behind the restructuring of the system is clearly apparent, but underscored by the need to be responsive to changing and burgeoning student demand, as illustrated by Harman:

Commonwealth and state governments sought mergers for a number of reasons, but principally to achieve increased economic and educational efficiency, and to enhance academic quality and student choice ... At the time, both Commonwealth and State governments recognised that continuing strong student demand was likely to result in rapid enrolment growth and that such growth would be best supported in a smaller number of multi-purpose institutions.¹⁹

The benefits anticipated from mergers are quite compelling, and invariably fuel the conviction to see through merger processes, even if they provoke considerable resistance and disequilibrium. In the case of Australian higher education, the benefits of mergers were argued in a Green Paper in 1997, as follows:

- For students, they offer a wider range of educational offerings, greater scope for transfer between disciplines, the maximum academic credit, better facilities such as libraries and computing centres, and better student services.
- For staff, the wider range of courses and programmes enhances professional contacts, provides more flexibility in apportionment of teaching and research loads, and broader promotional opportunities;
- For institutions, they provide greater scope to develop an effective research infrastructure and offer substantial efficiencies of scale.²⁰

Strong similarities are visible in the case made for higher education mergers in Wales:

It is inevitable that governments of whatever hue will continue to seek further economies. The present Chancellor of the Exchequer has made it clear that, in return for the substantial public investment being made

in higher education, value for money will have to be demonstrated by institutions. Assessment of teaching and research and the application of continued efficiency gains will remain features of the present system, together with the application of a range of performance indicators made publicly available in the next couple of years. These indicators will become more pervasive, encompassing measurements of the quality of student intake, the dropout and progression rates, graduate employability, to name but a few. They will focus a very public scrutiny on those institutions which may have difficulties or ostensibly poor track records in these areas.²¹

Other significant forces seen to be providing the impetus behind the restructuring of higher education are those of globalisation and digitisation.²² These forces have impelled governments to look critically at influences on higher education organisation, learning delivery and student support that promise fundamentally to change the way in which higher education is conceptualised and delivered. Unrestricted by geographical location, and unfettered by the constraints of time, in the global village, higher education opportunities may be sourced anywhere at a time convenient to the student. Arguably, these forces have begun inexorably to change how learning is organised, higher education labour divided, learning facilitated and how students and lecturers relate to each other.

In Canada, too, the benefits of university mergers – particularly regarding the goal of financial sustainability – were clearly seen, even though the mergers were asymmetrical (involving institutions of differing types), and serious reservations were expressed by staff about their after-effects on staff and students:

Not that support staff, students, librarians and faculty don't welcome a wealthier university. After all, this could mean greater support for academic programmes, affordable tuition for students, salary adjustments which match the cost of living and secure pensions. However, this is not how things are working out. This year the University decided to raise student tuition by 25% and the administration is planning to ask faculty and staff to take further pay cuts and losses to inflation which add up to about 16% by the year 2000.²³

International experiences in mergers in higher education suggest clearly that governments have responded with alacrity to pressing internal and external imperatives for change in their higher education systems. Internal forces have included: perceived needs for efficiency and productivity gains, aggregation of resources to leverage better outcomes for higher education, and economies of scale to be made possible through larger institutions. External forces have

included developments in technology and increasing globalisation – forces that could not be ignored, given their potency to transform higher education for the better, or to provide new opportunities for cross-border delivery.

We turn now to an analysis of the restructured higher education landscape in South Africa.

The restructuring of the South African higher education landscape

To realise its goals of ensuring diversity in the higher education institutional landscape and building new institutional identities and organisational forms, as well as to give expression to related goals expressed in White Paper 3 and the NPHE, the South African Cabinet decided in December 2002 that a new institutional landscape flowing from the restructuring would be:

- Eleven universities, two of which would be expected to develop career-focused technikon-type education
- Five universities of technology
- Six comprehensive institutions, three of which would be established through the merger of technikon/s and a university and one through the redevelopment and refocusing of an existing university
- Two National Institutes for Higher Education.²⁴

The resultant landscape would see fewer higher education institutions (22 of them) and the two institutes. The majority of the institutions affected directly in the reconfiguration of the landscape ended up as part of larger enterprises. For reasons not entirely made public, one of the former technikons – Mangosuthu Technikon – did not become a university of technology like the other former technikons earmarked for this change. Twenty-three higher education institutions and the two National Institutes now exist in the new higher education landscape.

The broad objectives of the restructuring were to achieve the goals of the NPHE. However, if – to take a few hypothetical examples – the restructured landscape were to result in a smaller cohort of formerly disadvantaged students; or higher tuition fees across the board; or a vastly increased national higher education budget – could the mergers be deemed successful? There has been no official clarification on such issues. Instead, legal mergers were promulgated inside the framework of the Higher Education Act and its amendments in statements of principles and guidelines – but without much clarity on what would concretely constitute long-term merger success.

Comprehensives: A completely new institutional type

An example of this vagueness is the birth of the new comprehensive institution in South African higher education as a result of the restructuring.

Jansen draws particular attention to the general paucity of theorising in mergers where different kinds of institutions are brought together:

While there have clearly been mergers of different kinds of institutions in higher education over the past century ... recent mergers tend to be 'mergers of institutions with complementary missions and strengths'... Nevertheless, research has not paid sufficient attention to the comparative process and effects of institutional combination when very *different kinds of institutions* are merged in the same social context. It is assumed, rather, that the forces governing mergers, and the effects that flow from them, are institution-blind.²⁵

The analysis below identifies some of the key features of each restructuring proposal with a view to illuminating how it was proposed that the policy goals of a differentiated and diverse system would be realised. Here, we focus on four of the mergers resulting in comprehensives as an institutional type, in order to examine the logic of the proposals and the extent to which diversity is thereby achieved. The National Working Group (NWG) proposal for each restructuring is given and the Ministry's subsequent response is compared. The resultant institutional type and its immediate post merger characteristics are then examined. The wide diversity over the new landscape is clearly shown.

Port Elizabeth (PE) Technikon and the University of Port Elizabeth (UPE) are merged and the PE campus of Vista University is incorporated into the merged institution to create a comprehensive institution offering both technikon- and university-type programmes:

Table 1. The reconfigurations of PE TECH/UPE/VISTA PE

NWG proposal	<ul style="list-style-type: none"> • PET & UPE merge; Vista PE incorporated.
NWG rationale	<ul style="list-style-type: none"> • Geographical proximity • Programme compatibility • Undergraduate diploma and certificate focus • Programme diversity strengthened • Financial viability • Rationalisation potential • Synergy through pooled research
Ministry's proposal	<ul style="list-style-type: none"> • Endorsed NWG
Ministry's rationale	<ul style="list-style-type: none"> • Supported NWG rationale
Final institutional type	<ul style="list-style-type: none"> • Comprehensive • Multi-campus • Multi-level • University/Techikon/distance mix • Distinction maintained at programme level
Post-merger characteristics	<ul style="list-style-type: none"> • Roughly half university/half technikon; • 15 000–18 000 contact students: 45% UG; 40% bachelors; 15% PG; 30% SET; 30% business management; 40% education and humanities. • 15 000 DE students
<p>Source: Adapted from National Working Group, 'The Restructuring of the Higher Education System in South Africa: Report of the National Working Group to the Minister of Education, 2001', <i>Government Gazette</i> No. 23549, 21 June 2002, pp. 20–2.</p>	

In Gauteng central, it is proposed Rand Afrikaans University (RAU) and Technikon Witwatersrand (TWR) are merged to form a comprehensive institution, incorporating the East Rand and Soweto campuses of Vista University.

Table 2. The reconfigurations of RAU/TWR/VISTA-East Rand, Soweto

<i>NWG proposal</i>	<ul style="list-style-type: none"> • Keep RAU and TWR separate • Fate of Vista ER and Soweto to be decided by proposals from RAU, TWR and Wits Univ.
<i>NWG rationale</i>	<ul style="list-style-type: none"> • RAU (slow decline) and • TWR well administered • Both financially viable • Both have enrolment stability • Will ensure large-scale provision of vocational and technological programmes for central Gauteng • Programme diversity • Well established programmes • High research outputs and graduation rates
<i>Ministry's proposal</i>	<ul style="list-style-type: none"> • Merge RAU and TWR • Incorporate Vista ER and Soweto campuses
<i>Ministry's rationale</i>	<ul style="list-style-type: none"> • Stronger institution results • High quality comprehensive • Programme strengths • Programme complementary (RAU in humanities and Wits Tech in SET) • Both strong in business management • Promote student equity through combined capacities and facilities • Staff synergies
<i>Institutional type</i>	<ul style="list-style-type: none"> • Comprehensive • University/ technikon/ distance mix • Multi-campus • Multi-level • Distinction maintained at programme level
<i>Post-merger characteristics</i>	<ul style="list-style-type: none"> • Roughly half univ/half tech, • 20% DE • Mix of degrees: UG diploma (47%), bachelors (35%) and PG (18%)
Source: Adapted from Department of Education, 'Press Statement', pp. 15-16.	

In KwaZulu-Natal, it is proposed that the University of Zululand (Unizul) should refocus its mission and become a comprehensive institution, offering technikon type programmes, as well as a limited number of relevant university type programmes:

Table 3. The reconfigurations of Unizul

NWG proposal	<ul style="list-style-type: none"> • Unizul captive to apartheid origins • Rural location a disadvantage • Low and unstable enrolment • Financial uncertainty • Performance outputs as university below national averages • Merged University of Natal and University of Durban-Westville a further threat • Potential to support growth in Richards Bay region
NWG rationale	<ul style="list-style-type: none"> • Unizul transformed into comprehensive institution with focus on technological skills training and workforce preparation programmes • Incorporate nursing and agricultural colleges in the region • Revitalise as HE institution to serve northern KZN • Staff development to reskill and train staff
Ministry's proposal	<ul style="list-style-type: none"> • Unizul to refocus mission to become comprehensive institution offering technikon type programmes, as well as limited number or relevant university type programmes • Future growth linked to Richards Bay area
Ministry's rationale	<ul style="list-style-type: none"> • Supports NWG
Institutional type	<ul style="list-style-type: none"> • Comprehensive – mostly technikon programmes • Limited university type programmes • Even fewer PG
Post-merger characteristics	<ul style="list-style-type: none"> • 6 000–7 000 students • Largely tech: 66.6% tech; 33.3% univ • Majority at UG diploma and professional bachelors level • Rest in 3-year bachelor's • Small PG cadre • 70% in SET, business and commerce
<p>Source: Adapted from National Working Group, 'Restructuring of Higher Education System', pp. 40–1.</p>	

The merger of Technikon SA (TSA), the University of South Africa (UNISA) and the distance education arm of Vista (VUDEC) into a single dedicated distance education institution (SDDEI):

Table 4. The reconfigurations of TSA/UNISA/VUDEC

NWG proposal	<ul style="list-style-type: none"> • Endorses NPHE proposal to establish SDDEI
NWG rationale	<ul style="list-style-type: none"> • Supports NPHE • Proposes limits to contact institutions offering DE programmes • Concerned with threat to SDDEI • Proposes regulation and screening of DE programmes at residential institutions without curtailment of high quality DE programmes at contact institutions
Ministry's proposal	<ul style="list-style-type: none"> • NPHE proposes SDDEI through merger of TSA and UNISA and • Incorporation of VUDEC
Ministry's rationale	<ul style="list-style-type: none"> • Maintain and expand opportunities for students in Africa and rest of world • Clear focus and strategy for role of DE • National and regional development goals • National network of centres of innovation • National network of learning centres – enhanced learner support • Economies of scale and scope • Harnessing ICT possibilities • Pooling of resources • Rationalisation of duplicated programmes and facilities • Programme compatibility
Institutional type	<ul style="list-style-type: none"> • Open Learning/DE institution • Comprehensive institution with university bias
Post-merger characteristics	<ul style="list-style-type: none"> • Largely university (70%) • Technikon (30%) • Multi-level from UG certificate to PG
<p>Source: Adapted from National Working Group, 'Restructuring of Higher Education System', pp. 40–1.</p>	

Following the acceptance by Cabinet of the first proposals for restructuring the higher education landscape in May 2002, a period followed during which affected

institutions and organisations made further representations to the Ministry on the proposals. After due consideration of the comments and submissions, two important changes (in relation to the proposed cohort of comprehensives) were made to the May configuration.

The first was that the University of Venda was to be retained separately as a comprehensive university focusing on technikon-type programmes, together with a range of university-type programmes. The second was that Border Technikon, Eastern Cape Technikon and the University of Transkei were to merge to form a comprehensive offering a mix of technikon and university programmes, including a medical school. These adjustments to the restructuring proposals were accepted by the national Cabinet (the President of South Africa and the national ministers) at its meeting of 9 December 2002.²⁶

From the analysis above, it is instructive to examine the key drivers behind each of the mergers proposed to result in comprehensives. Internationally, Rowley developed the following analytical framework to identify the drivers behind mergers. She distinguished between primary drivers and secondary drivers. Among the primary drivers she indicated the following:

- Academic compatibility
- Complementarity, long-term vision of the direction
- Survival
- A good fit
- Main higher education provider in a geographical area
- Enhancement of portfolio
- Entering new markets
- Responding to long-term changes in higher education sector

The secondary drivers Rowley identified were the following:

- Changes in the funding superstructure
- Industry going through a major change, and a changing market
- Long-term aim to balance portfolio
- Responsibility towards the region
- Increasing demands for local higher education provision
- Cost efficiencies
- Economies of scale.²⁷

Viewed through the prism of key primary drivers, programme complementarity in some instances and diversity (potential) in others weave common threads throughout the rationale for the comprehensive mergers in the South African restructuring proposals. However, the bias in the proposals for the South African comprehensive mergers is plainly towards the secondary drivers. The idea of responsiveness of higher education to regional needs in some instances

and national or continental needs in others pervades the main rationale for the mergers. The desire to develop an appropriate mix between postgraduate and undergraduate programmes, and a balance between the main disciplines, is also prevalent. Overall, however, the imperatives of cost efficiency and economies of scale dominate the rationales for the mergers.

However, there is a very critical sense in which the concept of 'the comprehensive university' did not receive adequate attention in South African policy discourses. This relates to the diverse needs of *students*. A useful entry into the argument is through the reflections of Pedley, who – in advocacy of the 'comprehensive principle' as it related to British higher education, that he first articulated in 1969 – made the following case:

We need to provide appropriately for the tremendous variety of individual differences; and in order to do this, which involves giving to each person the attention and resources he requires, it is necessary to *value* all people equally ...

It is impossible to achieve these basic aims if we separate people from the start into categories and institutions formed on such restricted bases as social class or academic prowess. A comprehensive school, college or university is required to provide for the community in its area such variety of studies and activities as are appropriate to meet the multitude of individual needs, and it can only have the flexibility and resources to do so if it operates within a basic unity.²⁸

The one corollary to this argument is that addressing diverse student needs in a single institution makes it possible for students to progress along, between and across tracks of learning without impediment. Another is that it is possible to address regional needs for highly skilled personnel.

What is particularly pertinent in the post-apartheid higher education milieu is that significant numbers of students entering the higher education system still do so from impoverished backgrounds. This is even as the racial profile of the student cohort has dramatically changed towards greater consonance with the national demographic profile, due to a complex of reasons not necessarily precipitated by actual policy. Greater emphasis was placed (in higher education policy) upon diversity at systemic, programmatic and typological levels, and less on constituent diversity. Therefore, constituent diversity is a dimension of diversity that remains to be adequately addressed.

As of this writing, in the post-merger context, relative equilibrium has returned to the higher education system. Newly merged institutions have begun to take shape, redefine their roles, and reposition themselves in the new landscape. In particular, the architecture and main features of the new institutional type – comprehensive institutions – are taking shape. However, a key weakness of the restructuring process remains the absence of any formal, specific monitoring

and evaluation functions to establish the extent to which the declared policy outcomes have been achieved, intended efficiency and transformation gains have been made, and unintended consequences ameliorated. A wide range of possibilities in programmatic configurations, levels, fields, mixes, and relationships to research remains, even within the comprehensive type.

Against this backdrop, it is impossible to gauge whether or not the policy rationales for change were correctly conceptualised.

Conclusion: The acute need for continuing institutional research

Now that the mergers have moved fully into their implementation phases, it is sometimes difficult to remember the breathlessness and excitement with which the transformation proposals were awaited, the combinations of pleasure and dismay that were elicited by the announcements in 2002 and 2003, and the wide range of institutional and individual responses.

Reactions ranged from enthusiasm and zeal on the one hand to scepticism and hostility on the other. In all institutions, management had to grapple with new issues that had a potentially negative impact both on themselves and all other institutional employees. A pervasive climate of ambiguity and uncertainty quickly developed in the merging institutions, especially among the junior partner/s in an asymmetrical merger. Employees began to worry about their futures, new reporting relationships, and a host of other issues. A great deal of vagueness built up, communication deteriorated, productivity declined and the intended transformational impetus behind the merger was somewhat diluted. In addition, productive energies often went into merger planning and management issues that were tangential to the daily maintenance of the going concerns.

A key feature of the mergers analysed in this book is that the case for each was informed largely by a rationalist impulse – described by Jansen as the ‘rational imperative’: ‘how to create a streamlined, efficient, and effective higher education system.’²⁹ This entailed the desire to establish economies of scale and create critical mass (resources, personnel and infrastructure), to promote programme complementarity, ensure financial viability, and make possible rationalisation of duplicated programmes.

Savings from such rationalisation will potentially liberate resources that can be used to fund development activities associated with redefined missions, respond to capacity development and quality improvement challenges, invest in new programme development, effect improved learner support, and make possible investments in information technology (IT). However, it will be some years before the savings are tangible, and planning must be sophisticated enough

to steer individual institutions towards leveraging savings for these purposes – difficult when such sophisticated capacity is still under development at the institutional and systemic levels.

At some stage in the near future, the HE sector must examine the efficacy of not having a structured and defined typology for the system as a whole – as ideal types that individual institutions can aspire towards, and evaluate themselves against; and which can have performance benchmarks, against which they may be evaluated by the Ministry and quality assurance bodies. It can make it difficult for an institution to position itself in the higher education landscape when it is uncertain what benchmarks need to be met to establish itself as a particular type of institution.

The concerns about mission drift (an institution's programmes evolving in an unregulated fashion towards programmes of other kinds) remain as palpable now as they did prior to the restructuring process. The efficacy of current instruments – the planning, funding and quality assurance to prevent such drift – must be evaluated.

Many questions remain open. Institutions need to assess whether or not they would have been served better by greater self-determination on their missions and role and less on their academic programme mixes, or alternatively by a stronger definition of institutional missions and types, but with greater flexibility on their programme mixes. Nonetheless, institutional missions will be directed considerably by what the new configurations have brought together in terms of resources, programmes and personnel, and their utilisation for post-merger consolidation and integration. Whether or not the reconfigured landscape will – within a reasonable time frame – deliver on the promise of a more diverse and differentiated system, remains to be seen.