# Corruption and fraud currently increasing at HEIs in South Africa(?)

The importance of HE to society

Placing students at the centre

The impact of the Audit Society

#### Universities are social institutions

- 1. They are conceived, established and sustained by society.
- They are regarded as being central to the effective functioning of political economies (and the deepening of democracy?)
- 3. They are special social institutions in that they are knowledge intensive.
- 4. They are special knowledge intensive institutions in that they have students.
- 5. This makes them pivotal in the sustainable functioning of society
- 6. But this also makes them potentially complicit in the reproduction (and even deepening) of inequality.
- 7. In this light universities are mirrors of the societies they are in. The question is how do universities (and society) relate to to these reflections.

#### THE PURPOSE OF UNIVERSITIES

Creating new generations of intellectuals

Recreating humanity

Addressing inequality through social mobility

Producing new knowledge about humanity and the universe

Applying knowledge

Solving problems

Placing Students at the Centre

## **HE and Society**

Produces >200,000 graduates per annum.

Unemployment rate of graduates about 10%.

R100 billion industry

Contributes >R500 billion per annum to the fiscus.

By gross-value added 4<sup>th</sup> largest contributor to GDP.

Produces social mobility

Contributes to deepening democracy and social coherence (or does it?)

### What we see around us......

stagnant economy

>35% unemployment

violent poverty/growing inequality

erosion of democracy/a slide towards anti-intellectualism

the degradation of ethical society

escalation of political violence/constructing 'the other'

rapid changes in the world of work

public health challenges – including mental health issues

EDUCATION IS AN ABSOLUTELY FUNDAMENTAL SOCIAL INGREDIENT TO ADDRESS THESE

## Three forces that shape higher education

A lens through which to understand the changes

Politicisation

Democratisation

Decolonisation

Universities are multibillion rand enterprises

Targets for fraud and corruption

## We must think of universities as complex, living organisms

Low value corruption and fraud – internal and external.

High value corruption and fraud – internal and external.

Academic corruption – internal (and maybe external)

appointments promotions exam/graduation fraud

STRIKING AT THE CORE OF THE UNIVERSITY

Institutionalised versus Non-Institutionalised Corruption

Besides the financial cost all can have a lasting debilitating impact on the psyche of an institution

## Universities are complex systems

are highly composite

made up of large numbers of mutually interacting subunits whose repeated interactions result in rich, collective behaviour that feeds back into the behaviour of the

individual parts

Addressing corruption requires us to think of universities as complex institutions

#### INSTITUTIONAL AUTONOMY

institutional autonomy & accountability

institutional autonomy & state steering

institutional autonomy & relevance

Academic freedom

social institutions – multiple stakeholders each with own vision

governing councils — fiduciary responsibility with internal contradictions

managerialism – applying reductionist approaches where they can't succeed

complex academic communities — interesting but unnatural hierarchies

multiple products – private goods and public goods

'customers' - who are also 'owners'

multiple knowledge(s) and systems – epistemic access

#### **Design for Complexity**

Strong foundations

Intelligent pliability

Integration



Organisational learning – based on individual learning

The 'soft touch' – the nudge

#### **CONSERVATION OF COMPLEXITY!!**

designdesigndesignforforforcomplexityintegrationlearning

for simplicity of experience

for simplicity of governance

for simplicity of agency

## How to deal with corruption and fraud

#### THE NEW TECHNOLOGY MOMENT

Understanding the shift in technological (and production) systems – in particular the increased integration of human-technology systems.

artificial intelligence

machine learning/deep learning

robotics

blockchain

data and data analytics

Cybersecurity

Impact of human-machine interfaces

## How to deal with corruption?

#### **CULTURE CHANGE**

- Building institutional resilience by creating a learning organisation
- Making audits institution-wide instead of residing in particular portfolios
- Addressing the negative tick-box approach of audits
- Shifting audits away from being mechanical exercises to being a cultural ones
- Expanding beyond financial audits

• Address the issue of the impact of whistleblowing on the culture of institutions

#### SOME THOUGHTS ON ROLE OF A&R SPECIALISTS

- Move beyond A&R related to non-core business
- 2. For example, address the issue of enrolments IEP, PQM, capacity.
- 3. What about teaching quality?
- 4. What about research quality and quantity?
- 5. Get involved in the business of Senate and its subcommittees.
- 6. Move beyond a compliance culture a tick-box culture.
- 7. Quality of student experience?
- 8. Understand and work with an academic culture it is after all the core business of universities.

# Thank you for listening

I trust that this is helpful