

THE CHAIR OF THE BOARD

The HSRC: a credible and professional research institution

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The new HSRC Board, which I am privileged to chair in the interim, was appointed by the minister of science and technology from a list approved by parliament following a rigorous selection process in accordance with the statutory provisions of the Human Sciences Research Council Act of 2008 (Act 17 of 2008).

The board, which took office as of 1 November 2009, consists of highly qualified individuals with whom I am proud to serve. They bring to the board a diversity of experience and expertise that will serve as a valuable resource as well as provide nurturing leadership for the HSRC.

The new board replaced the previous board chaired by Professor Jakes Gerwel – of which I was privileged to be a part – which exercised supervision over the functioning of the HSRC for the larger part of the period covered in this annual report. It is therefore appropriate that I begin by paying tribute to Professor Gerwel and his colleagues on the board for their exemplary stewardship, enabling us to inherit a sound and vibrant organisation.

The board is also heartened by the warm welcome, the comprehensive briefing and the unstinting support it has received from Dr Olive Shisana, chief executive officer of the HSRC, and her executive colleagues as well as from the rest of the HSRC staff. We are encouraged by the collegiality, dedication and good governance that typify the HSRC's institutional culture, and look forward with confidence to continued good relations and co-operative interaction within the HSRC during the rest of the board's term.

In terms of the law and generally accepted practice, the HSRC Board is charged with fiduciary responsibility which has been defined as the duty of care. The duty of care encompasses inter alia:

- The board's obligation to be familiar with the vision, mission and statutory mandate of the organisation;
- Approving and monitoring the organisation's programmes and services, and ensuring that they remain true to the vision, mission and mandate;
- Ensuring that the organisation has adequate resources, and that these are managed effectively and in accordance with PFMA requirements;
- Ensuring that the organisation is in compliance with statutory requirements and reporting obligations;
- Helping to enhance the organisation's public image; and
- Ensuring that there are proper processes in place for assessing the performance of the organisation, including the board's own performance.

It is now my pleasure to review the state of the HSRC during 2009/10 in the context of the board's duty of care.

The HSRC's vision and mandate

The board is cognisant of the HSRC's vision to "serve as a knowledge hub where research-based solutions to human and social problems are developed" and its statutory mandate to conduct high-quality research in order to improve understanding of social conditions and the processes of social change. Following the recommendations of the 2003 institutional review and the enactment of the new HSRC Act of 2008,

this mandate has come to be understood as well in the context of conducting research “to serve the public purpose.”

In all these contexts, the HSRC has focused its research on urgent developmental issues such as poverty, employment and economic development; HIV/AIDS; education and training; and issues relating to the social and developmental challenges confronting children, youth and families. The HSRC has further focused on the investigation of public policy with a view, in the words of the act, “to inform the effective making and monitoring of policy, the evaluation of its implementation” and the facilitation of public debate. Research in this area has often been welcomed and even solicited by government departments with a public service responsibility.

A well-managed organisation

The board exercises oversight in the management of financial resources and other assets of the HSRC through its audit and risk; finance; and human resources and remuneration committees. It interrogates and approves budgets submitted by the executive management, and reviews external audits by the Auditor-General of South Africa. The board is pleased with the competent and transparent manner in which the HSRC has managed its resources, with effective and efficient internal controls, and with the attention it has given to risk management through its risk management forum and the risk management committee.

The executive management has exercised its delegated authority and functions in terms of Section 56 of the PFMA with fitting responsibility and accountability. Much as the application of PFMA requirements may sometimes seem like an unwelcome intrusion into the business of research, the PFMA remains the law of the land and is intended to protect both the institution and its staff. We are pleased that the Auditor-General of South Africa has once again given an unqualified audit opinion to the HSRC, confirming our view that the HSRC is a well-managed organisation.

Generating sufficient revenue to cover current operations as well as enable the initiation of new projects, is a constant challenge for research organisations all around the globe. The HSRC has continued to receive increasing support from parliament, thanks to the indispensable support of the minister and department of science and technology.

At the same time, the organisation has put a lot of effort into attracting external funding through national and international contracts and grants. These two income streams, along with the HSRC’s own entrepreneurial revenue from rental income – such as rendering an own cafeteria and the sales of publications – helped ensure that the HSRC remained in a sound financial position and continued to be a going concern.

During the year under review, the HSRC was managed in accordance with good corporate practice and in compliance with statutory and other agreed reporting obligations. In its operations, it adhered to the strategic and business plans approved by the board. The HSRC concluded a shareholder’s compact with the minister of science and technology as the executive authority, representing a compact between the minister and the board regarding the mutual undertakings and expectations by the respective parties. The HSRC fulfilled the undertakings, outputs and outcomes pledged to the minister with regard to its programmes and activities, and the minister and department of science and technology honoured their undertakings to the HSRC. The HSRC produced and submitted the required periodic reports, and full compliance was maintained throughout the period under review.

The HSRC’s public image and credibility

As a newly established board, we have been delighted to note the positive public image and credibility the HSRC enjoys in the professional sphere and in the public domain. One piece of evidence to the board of the high esteem the HSRC commands as a research institution, is its ability to attract an increasing number of research commissions from a wide variety of clients within South Africa and internationally. In this regard the board notes that in 2009/10, internationally-sourced funding constituted the larger part of its external non-parliamentary revenue. HSRC research is frequently featured in print and electronic media, attesting to its public credibility and social relevance. HSRC researchers are regularly sought after as speakers at national and international conferences, and as expert commentators on health, the economy and public affairs on radio and television. They are also regularly solicited as consultants and advisors to government ministers and departments, and to the Presidency. We particularly treasure the fact that our stakeholders respect us both as partners and for our rigour and critical thought.

The positive image and credibility of the HSRC can be credited not only to the professionalism and delivery of excellent human sciences research by its staff, but also to effective and inventive marketing and knowledge dissemination strategies. The HSRC engages with a broad range of stakeholders as well as the public-at-large through the diverse efforts of its corporate communications department, to convey research output in an accessible form in order to promote the public understanding of scientific evidence. On the professional side, the HSRC Press – the largest non-commercial academic press in South Africa and arguably on the African continent – publishes books by HSRC and non-HSRC researchers that are distributed globally. HSRC Press publications are also published for free online, and audits show that the electronic versions reach a large and growing global readership.

Institutional performance

The HSRC monitors its institutional and research programme performance according to a set of indicators approved by the board and agreed with the minister in terms of the shareholder's compact. The HSRC has reporting obligations on performance to the board; the department of science and technology; and the National Advisory Council on Innovation. The board has reviewed the performance outcomes for the year 2009/10, and is pleased to note that the HSRC either achieved or exceeded the majority of the targets agreed in the business plan. The details of the achievements are reflected elsewhere in this annual report, but the board is pleased to note that staff attrition, a worrying indicator in the preceding years, is showing signs of slowing down. The board congratulates the HSRC on its overall performance over the years.

I would like to conclude by expressing my appreciation to the parliamentary portfolio committee and the minister of science and technology for deeming us fit to be appointed to serve on the board of this important organisation. I would also like to express my gratitude to the donor community for its support; to Dr Olive Shisana, HSRC CEO, for facilitating a smooth transition from the old to the new board; and to the HSRC staff and all those who have contributed to a successful year for the council.