

# First Semester Review 2018



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**“With so much tumult and change in both higher education and the world of work, TSiBA’s challenge is not just to keep up, but actually to jump ahead”**

**- Leigh Meinert, Chief Executive Officer**

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# Jumping Ahead

As we detailed in our *2017 Annual Report*, a number of key strategic changes were implemented last year. We are happy to be able to report that in this first semester review of 2018 we are already realising some upside from the tough decisions that we had to make. As you will read in the financial section of this review, our actual financials at the end of June 2018 reflected a R2 459 397 net operating surplus and a total surplus of R6 754 957 after receipt of non-operational income through dividends received and investment gains.

Furthermore, the TSiBA Ignition Academy, which we have been incubating for many years now, is ready to leave our nest and become a stand-alone company that will do wonders to ensure our long-term sustainability. The difficult decision to consolidate our two campuses into one, and begin offering our non-tertiary level programmes as paid-for learnerships resulted in us re-launching the NQF Level 4 Further Education and Training Certificate: Business Administration Services (previously offered as a full-time residential programme at Eden) as an offering in both Cape Town and in Gauteng. In the first semester of 2018 alone we have reached 71 additional learners in this way, and have been able to offer our corporate partners an additional meaningful way to comply with the skills development element of the B-BBEE codes.

The real stories at TSiBA are, however, never about numbers but about real-life people. To this point, the external environment in the first half of 2018 has been challenging for many of our students. While we have been delighted to welcome students with a higher calibre of academic performance directly into our degree programme this year,

increased incidents of violent public protests, coupled with serious disruptions in the public transport system, have had a serious impact on our academic programme and results, particularly to the first year cohort, as you will read in our Academic Review.

With so much tumult and change in both higher education and the world of work, TSiBA's challenge is not just to keep up, but actually to jump ahead. Thanks to the strategic changes that we have already begun implementing, we are confident that we are on track to do so.

Our Vision2020 aims to firmly position TSiBA as an academic institution of choice, that provides our students with a high quality tertiary education that enables them to participate as active economic citizens in the fourth industrial era. To read more about this, please refer to the Looking Ahead section at the end of this review.



**LEIGH MEINERT**  
Chief Executive Officer



**The unemployment rate of 7.4% for tertiary level graduates against that of 27.9% for those with (only) a Grade 12 matriculation, as reported in the October 2017 Statistics South Africa (SSA) report affirms our commitment to enhancing our tertiary education offering.**

# Highlights

## TSiBA Students in Europe

The first semester saw a number of TSiBA students experiencing international work and study opportunities. Two of our top third-year degree academic performers, Saabirah Daya and Achmat Isaacs, were selected to represent TSiBA at the prestigious Global Business Development Summer School at Rosenheim University in Rosenheim, Bavaria, Germany in June.

Darren Wakens, a 2017 third-year student, was offered the chance to complete his four-month work internship at Vartan Aviation in Hamburg. Darren's internship was split into two parts, the first two months of which was spent at On-Site-Support at the Airbus facility in Finkenwerder. The latter part of the internship saw him working as part of a team in the quality control department at Vartan – yet another incredible opportunity to learn on a global stage.



## CEO Transition

Since bidding farewell to TSiBA co-founder and CEO Adri Marais in March this year we have welcomed fellow co-founder and board member Leigh Meinert back to TSiBA in an executive role, and specifically in the role of Chief Executive Officer.

In light of the significant changes that are underway at TSiBA, Leigh is the ideal person to lead TSiBA's evolution to Vision2020, while ensuring that we retain all that is unique and essential about our institution.



## Student Crowdfunding through Feenix™

We are pleased to announce our partnership with Feenix™. Originating from the words “feesforniks”, Feenix™ is an online crowdfunding platform that enables tertiary students in need of funding to take their education funding goals into their own hands. TSiBA has joined Feenix™ to allow our students access to an additional resource to raise funds for their sliding scale financial commitments to this institution. Since all of our degree students are required to pay a nominal percentage of their total scholarship value in the form of a sliding scale based on financial means, the platform enables them to elicit support independently to this aspect of their financial responsibility to their own education.



## Engaging with the Future World of Work

TSiBA's Vision2020 strategy hinges on our ability to re-position our business school as the place where you students can “future proof” careers and economic citizenship. Recognising that the “future is already here” and that “we cannot teach what we do not practice”, TSiBA's staff participated in a two-day long workshop led by **The Field Institute**.

The workshop helped us to better understand the insights, trends and principles in the future world of work and purpose-led leadership through the process of design thinking.

We are excited to continue working with The Field Institute as we apply these learnings to our new curriculum and organisational design.



To support TSiBA students to support themselves please go through the [TSiBA landing page](#).

# Academic Review

## Year 1

### Bachelor of Business Administration (BBA)



BACHELOR IN BUSINESS ADMINISTRATION 1				
YEAR	2018 S1	2017 S1	2016 S1	2015 S1
SUBJECT	PASS RATE	PASS RATE	PASS RATE	PASS RATE
Business Communication 1	86%	94%	92%	97%
Business Management 1	80%	87%	88%	96%
End User Computing 1	82%	90%	86%	*
Quantitative Business Applications 101	67%	65%	61%	72%
Research 1	83%	92%	76%	*

\*Not offered



→ The results for first semester, first-year degree courses are comparable across the three previous years shown with no significant changes.

→ As we have always been aware, Quantitative Business Applications-101 is indicative of future success in the BBA degree. While this semester's results are comparable to previous years, major plans to the support structures and processes are in planning to improve this particular result area. These are detailed in the Looking Ahead section of this review.

→ The impact of our decision to suspend new registrations into our HCBA programme was felt in the first year of the degree, as we had to grapple with gaps created by poor quality secondary schooling among the students who were admitted directly into the BBA degree this year.

→ First-year level courses remain a key indicator of the quality of schooling and student preparedness for tertiary studies. In the Management-1 course for example, the ability to apply theory to case studies has been a concern for many years. Technological advances and the availability of high-quality content to support standard curricula have provided us with opportunities to address this challenge decisively and a pilot programme will be launched in the second semester.

As we entered the new year, it was clear that 2018 held the promise of being different, more challenging and hence interesting than its predecessor. #FeesMustFall has meant that all students within a given income bracket are provided the opportunity to study at any tertiary public education institution with no financial obligations during their first year.

At TSiBA we immediately felt the impact of this in both the increased quantity and enhanced quality of new study applications. Having access to the Department of Higher Education and Training's (DHET) Central Academic Clearance House (CACH) for the first time, meant that we had access to other students who had applied at other educational institutions, without success due to capacity constraints. These were students with good matric results, for whom there was no space at application-inundated public universities.

From the shortlisting criteria we provided to the DHET, we received candidate lists of matriculants who had mostly passed mathematics as a subject, rather than mathematics literacy, and so met our minimum admissions requirement. While the socio-economic challenges faced by this group of students seem no

different to previous cohorts of our first-year degree students, early indications are that there are a number of high-performers in this group. Equally encouraging, is that this group are presenting as confident and interactive in the classroom. In the context of the increasing demand for spaces in tertiary institutions and limited spaces available, our partnership with CACH bodes well for our own student recruitment strategy and projections for the coming years.

Of great concern has been the increased incidents of violent public protests, coupled with serious disruptions in the public transport system that the majority of our students experienced in the first half of this year. Despite our best efforts to support and accommodate our distressed students during the worst periods of unsettlement, the impact on academic results became increasingly evident, especially for the students who were already experiencing academic challenges. Since most TSiBA students use public transport, the additional time spent travelling has been quite significant in the Western Cape region. For those with other means of transport, the ongoing class disruptions due to often-changing lecture times, presented additional challenges to learning.

# Year 2

BACHELOR IN BUSINESS ADMINISTRATION 2				
YEAR	2018 S1	2017 S1	2016 S1	2015 S1
SUBJECT	PASS RATE	PASS RATE	PASS RATE	PASS RATE
Financial Management 2	83%	81%	88%	77%
Human Resource Management 2	97%	96%	93%	99%
Marketing Management 201	100%	97%	76%	*

\*Not offered

→ There were no significant changes in the year-on-year results for this second-year level in the degree.

→ We are pleased with the pass rate in Financial Management-2, especially as this course acts as a gateway to the quantitative stream further into the degree.

→ External moderators were satisfied with the level and quality of all programmes offered in the first semester and the performance of students in general. This comment refers to all BBA 2 first semester courses with the exception of Entrepreneurship (ENT-2) and Leadership and Self-Development (LSD-2) which are both full-year duration courses and will be reported on in the second-semester review document.



## Post Graduate Diploma in Small Enterprise Consulting (PG Dip Sec)

The TSIBA Post Graduate Diploma in Small Enterprise Consulting, first run in 2013, continued from strength to strength in the first semester of this year. This programme is offered to a pool of students from varied backgrounds and skill-sets in the enterprise development and associated spaces. The Programme works creatively with international partners B360 in Zurich, Human Facts AG in St Gallen and B-Companion GMBH in Luzern, who actively consult in both the academic and innovative entrepreneurial space. PG Dip Sec students were busy with modules in Business Communication, Global Environment of Business and Legal Environment of Business in semester 1, all of which will continue with an experiential learning capstone project called Small Enterprise Consulting in the following semesters.

# Year 3

BACHELOR IN BUSINESS ADMINISTRATION 3				
YEAR	2018 S1	2017 S1	2016 S1	2015 S1
SUBJECT	PASS RATE	PASS RATE	PASS RATE	PASS RATE
Corporate Finance 3	89%	80%	64%	77%
Individual Industry Practical Project 3	60%	87%	81%	100%
Innovation & Knowledge Management 3	97%	94%	*	100%
Investment Management Administration 3	100%	100%	92%	85%
Leadership 3	100%	97%	100%	98%
Marketing 3	100%	100%	100%	100%
Strategic Management 301	97%	93%	93%	98%
Strategic Management 302	78%	95%	80%	100%

\*Not offered

→ The Strategic Management-301 teaching team reported that this particular pre-internship cohort responded very well to the course facilitation, and that our students were engaged and committed, as is evident in an increase in all results. Lecturers were also pleased that students in this cohort insisted on regular feedback. The external moderators were also exceptionally helpful in ensuring that the content and assessment of the course was on par with peer institutions.

→ Despite the commitment shown by the pre-internship students, the contrasting performance of the interns was particularly concerning. The results that are shown are a reflection of the large number of non-submissions for the two courses, Individual Industry Practical Project-3 and Strategic Management-302. Since the majority of this cohort is made up of students who are beyond the minimum time to engage on their internships, the results of the 2018 group are not typically

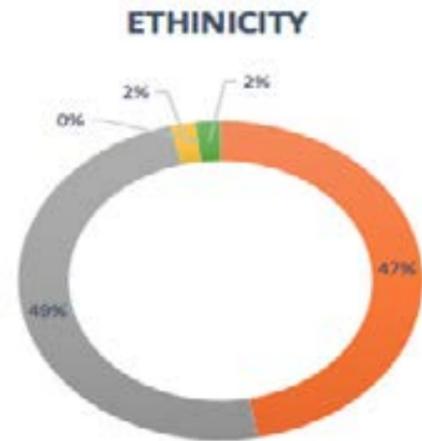
comparable to minimum-time students. A far better group result was achieved by students who registered for the course semester 1 and passed on the first instance viz a viz: 85%.

→ The same scenario plays out in MGT-302, where 100% of first time enrolments on the course passed, compared to a group pass rate of 78%. It was therefore particularly difficult to support this mixed cohort who seemed to struggle with balancing their intern and academic responsibilities.

→ Following this experience, measures have subsequently been put into place to assist these students in semester 2 and we are looking forward to graduating this cohort on 13 October 2018. Their experiences have served as key learnings for the teaching and support teams, and importantly, for the students preparing for internships in the next semester.

# BBA Student Demographics

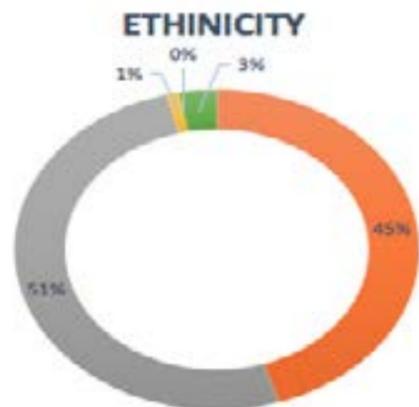
2017



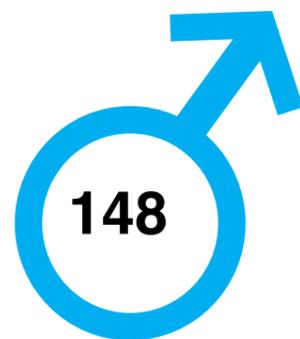
African Coloured Indian White Foreign National



2018



African Coloured Indian White Foreign National



## Notes to Student Demographics

Our student demographics are in line with our historical trend which has seen us attracting more or less an equal amount of students from the two main race groups in the Western Cape.

The student demographic on gender at TSiBA has also historically been an almost equal split between male and female students.

The delta in student numbers between the 2017 and 2018 academic years is the result of the closing of the Eden Campus at the end of last year.

The decision to suspend our Higher Certificate in Business Administration while we conduct a full review of that programme, has further reduced the numbers this year.

Our longer-term strategy, which is detailed in the Looking Ahead section, is to build the number of students in our academic programmes back up, following a review period. We also aim at increasingly realising scale and impact through the offerings of the TSiBA Ignition Academy, which we will launch as a stand-alone entity in the second half of this year.

The numbers reflected above exclude the 71 learners enrolled during the first semester in the Further Education and Training Certificate: Business Administration Services described in the Jumping Ahead section of this review.

Cape Town and Johannesburg Learnerships		
Ethnicity		
African	56	79%
Coloured	14	20%
White	1	1%
<b>Total</b>	<b>71</b>	<b>100%</b>
Disability		
Disabled	27	38%
Not Disabled	44	62%
<b>Total</b>	<b>71</b>	<b>100%</b>
Gender		
Female	43	60%
Male	28	40%
<b>Total</b>	<b>71</b>	<b>100%</b>



# Financial Performance



# A TSiBA Story of Perseverance

(Source: June 2018 ASISA Academy Newsletter)

## Financial Statements: Year-To-Date: October 2017 - June 2018

With a significant net surplus in hand, our financial performance for the year to end-June has been very positive. The surplus follows the consolidation of our two campuses into one campus, early receipt of forecast donor funding and the implementation of two early shifts to our broader strategy. These shifts entailed offering our non-tertiary level programmes as “paid-for” Learnership programmes and receipt of significant subsidised support for these programmes from international partners.

After two years of incubation within our non-profit company, our income generation activities are now sufficiently set up to be spun out into a separate for-profit company. This entity, TSiBA Ignition Academy (Pty) Ltd, will be wholly owned by the TSiBA Education Trust, whose sole mandate is to contribute significantly to the financial sustainability of the academic institution that is TSiBA Education NPC. As an entity with full empowerment credentials, TSiBA Academy Centre will also qualify as an Enterprise and Supplier Development beneficiary, providing bespoke and accredited short learning interventions for young people and emerging businesses.

Notwithstanding the financial performance to end-June, with a traditionally cost heavy final quarter to follow, and the bulk of large donor funding received, we anticipate at least an operational break-even result at year end, if not an operating surplus (before non-operational income).

In the light of the difficult decisions that we have had to implement to enable our long-term financial sustainability, a break-even or slightly better performance at our financial year-end in September will provide firm affirmation that we are on the right track.

<b>SUMMARY: INCOME AND EXPENSES (ZAR)</b>	
<b>INCOME</b>	
Monetary Donations	11 194 473
Non-Cash Donations	1 795 372
Direct Costs of Funding	(203 202)
Gross Revenue from Donor Funding	12 786 643
Gross Revenue: Business Development	4 236 804
Gross Revenue (Other)	2 782 262
<b>GROSS OPERATING INCOME</b>	<b>19 805 709</b>
<b>OPERATING EXPENSES</b>	
Administration	580 834
Marketing	377 095
Campus Infrastructure	2 483 081
ICT and Communication	1 412 918
Human Resources	10 552 404
Travel	350 769
Educational Costs	1 219 639
Depreciation	369 573
<b>TOTAL OPERATING EXPENSES</b>	<b>(17 346 312)</b>
<b>NET OPERATING SURPLUS (DEFICIT)</b>	<b>2 459 397</b>
<b>NON-OPERATIONAL INCOME</b>	
Interest on investments and received dividends	4 295 560
<b>NET SURPLUS / (DEFICIT)</b>	<b>6 754 957</b>

June is always an anxious month for our Investment Management (IMACS@TSiBA) candidates as they wait for the results of their final examinations, which determine whether they get to take up their internships with sponsoring ASISA members in July.

And truth be told, it is an anxious time for the Academy team as well, because sometimes dreams shatter and it is extremely painful to witness. It made us think back to 2016, when a devastated Nokuthula Siswana failed one of her examinations and sobbed as she thought she had to say goodbye to her dream of working at Allan Gray.

But sometimes second chances are granted as a reward for refusing to give up when everything seems lost. This is Nokuthula’s inspiring story.

### The power of second chances

“In my years of recruiting for Allan Gray I have seen straight A graduates struggle in the workplace and I have witnessed recruits with average grades thrive, simply because hardship has taught them to persevere.”

This is the response from Norman Petersen, Manager of Shared Services at Allan Gray, when asked why he decided to give Nokuthula a second chance at an Allan Gray internship,

after the TSiBA Education student failed one of her final TSiBA examinations in 2016. Nokuthula was raised in Khayelitsha by a single mother who earns a living as a seamstress. “We were not a rich family, but my mother managed to put us through school. I was very fortunate in that I was given the opportunity to study at TSiBA Education, which means I did not have to pay for my education.”

When Nokuthula heard of the IMACS@TSiBA programme, a dynamic partnership between the ASISA Academy and TSiBA Education to identify and attract graduates who have what it takes to build a career in the financial services industry, she jumped at the opportunity.

In terms of the partnership, TSiBA students in their second year of studying towards their Bachelors in Business Administration (BBA) degree can apply to participate in ASISA Academy’s programme.

On successful completion of their mid-year exams in their third year, these students embark on five-month internships at sponsoring ASISA member companies towards the completion of their Bachelor of Business Administration degrees.

Each year the sponsoring companies interview TSiBA students who have applied

for the IMACS@TSiBA programme and pick their preferred candidates. Norman first met Nokuthula during the interviews for the 2016 intake. “While academic performance is important, endurance and perseverance are non-negotiable personality traits if you want to build a career at Allan Gray. I can teach you how to do the job, but I cannot teach you how to endure and survive.”

Norman says for this reason he looks at more than just grades when scouting talent for Allan Gray. He recognised these traits in Nokuthula when he first interviewed her. And when a devastated Nokuthula e-mailed him with the news that she had failed, Norman informed her that Allan Gray was prepared to wait for her to pass.

Nokuthula admits her incredulity. “Their belief in me made me more determined to finish strong and to prove that I was worth the wait.”

Nokuthula seems to have achieved just that. She completed her five months internship with Allan Gray and was awarded her degree last year.

Her biggest reward for persevering and chasing her dream came on 14 February this year, when she received a call from Norman offering her a full time position at Allan Gray.

# Looking Ahead

TSiBA Education is a member of United Nations Principles for Responsible Management Education (UN PRME)

[www.unprme.org](http://www.unprme.org)

As mentioned at the beginning of this review, TSiBA's current challenge is not just to keep up with the significant changes in both higher education and the world of work, but to jump ahead. We have already implemented a number of important strategic shifts and more are coming under the banner of Vision2020. This year we have been engaged in careful planning for the following key changes and enhancements to the TSiBA offering.

**New degree:** We want to be ready to implement a new Bachelor of Commerce (BComm) degree from January 2020 that will prepare agile economic citizens and leaders for the fourth industrial age. Towards this, TSiBA has commissioned one of our former board members, Professor Martin Hall, to design a futuristic business curriculum that our Dean, Pearl Pugin, has conceptualised. The TSiBA BComm degree will have a particular focus on preparing students for the new world of work, with an increasing emphasis on digital systems and technology and it will retain our core focus on developing leaders with "the right attitude" which is a hallmark of what our graduates are known for.

It is our intention to submit this new degree to the Council on Higher Education in September (2018) and to offer this degree in parallel with our BBA degree once it is approved. Students who are still enrolled in our BBA programme in 2020 and wish to articulate across to the BComm degree, will be provided with the opportunity to do so as far as possible.

**New brand:** We are preparing to migrate our brand to being a "challenger brand" in the tertiary education space that positions TSiBA an aspirational institution of choice for prospective students. This is a deliberate strategy to appeal to a wider student audience than we have previously, although most of our seats will continue to be funded by scholarships that we raise funds for. Students are likely to be selected on the basis of academic aptitude,

graduate attributes and personality factors, as well as their demonstrable commitment to paying-it-forward and social change.

**New campus:** In support of our plans to reposition TSiBA as an aspirational tertiary educational institution, we will relocate to a new campus in Woodstock by January 2020. We are in the last stages of finalising our new address and it is our intention that this new facility will support the specific technical requirements of our new degree and our new aspirational brand. The new campus will go a long way to distinguishing and locating TSiBA as a business school of choice.

**New company:** After two years of incubation within our non-profit company, our income generation activities are now robust and successful enough to be spun out into a separate for-profit company. The new company, to be called TSiBA Ignition Academy (Pty) Ltd, will be operational by October 2018 and able to contribute significantly to TSiBA's financial self-sufficiency.

**New ways of working:** We recognise that we cannot teach a new way of working in a digital world if we as staff do not practice this ourselves. As a staff body we are comprehensively reviewing our ways of working, as well as the IT and management systems that will support this in the future.

TSiBA aims to be an innovation learning community and the changes that we are implementing are all in support of this.

We remain grateful that you are a part of our unique community and we hope that you will remain engaged and involved as a new and improved TSiBA emerges in the coming years.

**LEIGH MEINERT**  
Chief Executive Officer



**Join us in the second semester!**

**Annual Graduation Ceremony**  
Saturday 13 October 2018

**Annual Appreciation Event**  
Wednesday 14 November 2018



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Directors: Prof. F Abrahams (Chairperson), L Meinert (CEO), P Pugin (Dean), L Muzame (COO), G Whitehead, D Pillay, D Msibi, Y Scholtz, Prof. E Smit, R Hendricks. TSiBA Education NPC is registered & accredited with the Department of Education as a Private Higher Education Institution No:2007/HE08/001 Company Reg 2004/005126/08 | PBO No:930014613 | NPO No:043-720-NPO | B-BBEE Level 1