



## Annual reports shed light on transformation mechanisms and challenges

The annual reports of universities provide a source of actions taken in response to their transformation mandate.

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Given the struggles experienced by students in South Africa with regard to accessing and successfully completing tertiary education, there is a need for South African universities to be accountable and transparent with their stakeholders. This is especially true when it comes to focusing on the mechanisms that have been introduced to improve academic access and success for students from historically disadvantaged groups.

Researchers at UNISA have used their understanding of the higher education landscape and their knowledge of corporate governance and nonfinancial reporting to explore the annual financial statements of

South African public universities. The researchers have provided one of the first studies that examine how public universities give account to stakeholders for their transformation obligations within an annual report.

“Reporting effectively in annual statements enhances accountability and increases legitimacy. It enables the ability to attract funding and allows for universities to adopt mechanisms that appear to contribute to transformation,” says Sameera Abed.

The researchers do not suggest that disclosure in annual reports alone provides the platform for disseminating this information.

“Universities should use effective public awareness campaigns to inform their stakeholders of their actions, progress and challenges with regard to transformation obligations, as not all stakeholders may understand annual reporting.”

The researchers welcome collaborations with other public universities to ensure that the latest and most relevant actions are documented and published for the scientific community.

“In doing so, we aim to increase university stakeholder satisfaction and work towards the constitutional goals of social justice and equality.”

*Universities should use annual reports to report on their transformation obligations.*

