



THE PRIVATE SECTOR'S ROLE IN SA'S EDUCATION CHALLENGES

ZOM CHIZURA | HEAD OF IMPACT FUNDS

ABOUT THE AUTHOR

Zom is responsible for Old Mutual's Impact Funds, which invest in affordable housing, schools, retirement accommodation and SMME financing. Previously, he was Chief Executive of Old Mutual West Africa.

For us, as one of the largest private alternative investment managers in Africa, responsibility for our country meeting its potential does not just lie with the state. The President, in his State of the Nation Address, and Finance Minister Mboweni, in his Budget Speech, both recognised the increased role of the private sector in our economy. Indeed, there is much that the private sector can do to alleviate the pressure on Treasury when it comes to the funding of urgent requirements across the economic spectrum. For us, none is more important than education. To borrow from Kofi Annan, a Nobel Peace Prize recipient: "Knowledge is power. Information is liberating. Education is the premise of progress, in every society, in every family."

We believe by working in partnership with Government, independent education providers can play a greater role to secure additional investment to improve education.



KEY TAKEOUTS



- INVESTING IN AFFORDABLE, QUALITY EDUCATION FOR CHILDREN FROM LESS ADVANTAGED COMMUNITIES
- PUPILS ARE INDEPENDENTLY TESTED TO ASSESS LITERACY AND NUMERACY LEVELS
- PARTNERSHIP WITH GOVERNMENT AND INDEPENDENT PROVIDERS IS KEY

THE STATE OF OUR CLASSROOMS

When the 2018 national matric results were published in January, they showed a small overall improvement in pass rates, rising from 75.1% in 2017 to 78.2% for 2018. While the headline figures looked encouraging, a significant amount of investment is still required to further improve the nation's education system and here both Government and the private sector have to be involved.

South African classroom sizes are growing ever larger as our country's population rapidly expands. Today, many primary school class sizes are around 45 learners, and in some places nearer 50, which is putting even more strain on a system that is on an improvement trajectory. However, what was clear from Minister Tito Mboweni's Budget Speech earlier this year is that the country has no surplus money to allocate towards improving both standards in and access to basic education while it copes with the repercussions of a shrinking economy and directs resources at other urgent areas of need.

This begs the question: how do we address the need for increased investment in education when there simply aren't readily available extra funds to improve the quality and access to education?

AN INDEPENDENT SOLUTION?

Currently, there are many excellent school operators in the independent sector which are state regulated although privately governed. Their schooling is often geared around particular religious principles or learning philosophies and many cater for parents with generous budgets. There is an increasing need for improvement in not only the quality of schools, but also for affordability and access for so many less privileged children across the country. This is where we believe the private sector can truly offer value in South Africa's ongoing education investment challenge.

This is where we are focused. The schools we invest in through the Schools and Education Investment Impact Fund of South Africa (Schools Fund) provide quality, affordable and accessible education for children from less advantaged communities. Indeed, over a third of our students are from the very toughest backgrounds in the country, including many from single parent households.

Our schools are consistently producing very encouraging matric and bachelor pass rates. For example, last year our schools collectively achieved matric results of 94.5% and

bachelor pass rates of 50.2%, which compares favourably with the national bachelor pass rate average of 28.7%.

It's important to add that the schools we fund cater for a student's rounded development, addressing their individual vocational, sporting, artistic and other talents as well as their academic achievements. And each school is different, reflecting the direction set by the principal and board of governors. But one thing the schools we fund have in common is strong leadership and very clear standards and expectations of student performance.

WHAT THE REPORT CARD SAYS

The Schools Fund will only back a school if its directors, principal and governors are 100% dedicated to the success of the school as an institution and have the right corporate governance structures in place to ensure it happens.

We are firm believers in reliable information and collect data to ensure we know how each school we fund is performing. To do this, each school is tested by an independent body to ascertain levels of performance and measure progress. In addition, at the end of each phase, i.e. grades three, six and nine, learners are externally tested separately on the core skills of literacy and numeracy. Only by regularly measuring and understanding educational attainment levels can we improve them.

Although we have a common approach to improving literacy and numeracy across all our schools, many choose their own areas of academic focus. For example, some of our schools teach classes on robotics, coding and IT, while other schools have chosen to engage their pupils in Maths and Science Olympiads. Some students have a strong interest in running their own businesses after matriculation or university, resulting in our schools developing courses devoted to entrepreneurship.

There are great opportunities for South Africa's independent school sector, and we believe we and other private investors have a role in the sector's success. This is particularly vital while the country's education budget is under such stress.

We know there are no quick fixes. A new school can take years before it becomes a stable, mature institution. But with vision and leadership, public and independent schools together can provide the education that meets the needs of the country and makes the most of South Africa's young, growing and resourceful population.
