

**ATTITUDES TO PRIVATISATION WITH PARTICULAR
REFERENCE TO THE CAMPUS PROTECTION
SERVICES AT THE UNIVERSITY OF DURBAN-
WESTVILLE**

BY

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**Knowledge and understanding of privatisation by Campus Protection
Services (CPS) personnel at the University of Durban Westville**

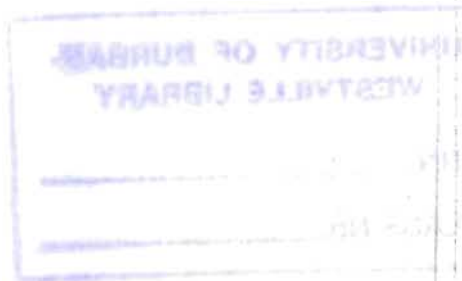
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DECLARATION

I, Nokulunga Prudence Lungani Duma , declare that this dissertation is my own work, and has not been submitted previously for any degree in any university.

Signature.....

N.P.L Duma

Date.....

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DEDICATION

To my family, especially my mother, whose strength, determination and encouragement inspired me.

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CHAPTER ONE

INTRODUCTION

1.General

Privatisation has today become a domestic term that is in frequent use. The University of Durban Westville is but one of several institutions that has of late been increasingly subjected to this of this concept and strategy.

Generally, privatisation almost involves a transfer from the public to the private sector. More specifically, privatisation is an umbrella term a for wide variety of concrete measures or mechanisms that will be discussed in this study.

1.1 Background

The University of Durban Westville is one of the historically disadvantaged Universities with most students and staff comprising of Indians and Africans. In keeping with the new dispensation, the University is in the process of transformation. One of the aspects of transformation is the implementation of the Public Private Partnership (PPP) which is part of a Privatisation Policy.

The function of Campus Protection is to render security services for the University. It provides an effective and professional service in the following critical areas:

- Access control;
- Crime prevention and investigation;

- First aid and emergency rescue operations to all university community;
- Traffic control;
- Mob control; and
- Other security related matters.

In the past, Campus Protection Services (CPS) used to render all the above services to the entire university including both the internal and external residences. However, diminishing resources as well as challenges and opportunities of transformation have forced the university to opt to privatise some of the Campus Protection Services, for example, the access control and residence protection. This has resulted in ill feeling and confusion amongst CPS personnel who, unfortunately, do not understand the concept of the privatisation policy and its impact or implications. Hence, they tend to feel insecure.

1. 2 The purpose of the study

The purpose of the study is to explore the knowledge and understanding of the CPS personnel towards privatisation.

The key questions to be addressed are:

1. What are the perceptions of the CPS personnel towards privatisation?
2. To what extent do CPS personnel understand the concept of privatisation?
3. What do CPS personnel view as the main obstacles to effective privatisation?
4. What do CPS personnel view as the benefits of privatisation?

1. 3 Research methods

This is both an exploratory and descriptive study. According to Bless and Higson-Smith (1995:4) the purpose of exploratory research is to gain insight into a situation, phenomenon, community, or person.

Data was gathered by the use of questionnaires with open-ended questions using information from national and international literature. (Questionnaire specimen is attached as annexure A). The number of questionnaires that were sent out were 60, and 75% respondents returned their questionnaires. Acts, newspaper articles and White Papers were also used to gather data.

Moreover, in order to observe and better understand the sample populations, behaviour, feelings, attitudes, and beliefs, the researcher used the participant observation technique. This was possible as the researcher is employed in the same department (CPS). The population sample was the CPS personnel of the University of Durban Westville. The random sampling method was used.

1.3.1 Reasons for using these methods

The researcher used the questionnaire as a data collection tool because it allows respondents to express their attitudes without discomfort (Bless and Higson-Smith 1995:12). Some of the questions were structured and others were not because they leave the participants free to express their answers as they wish as long or short as they feel is appropriate.

1. 4 Definition of key terms

1. Campus Protection Services (CPS) personnel: shall mean all men and women employed by the University of Durban Westville for security services.
2. Privatisation : shall mean the term which is used to cover several distinct, possible, alternative means of changing the relationship between the government and the private sector among the most important of these are denationalisation, deregulation, and contracting to private firms of the production of the state finance goods and services. (South African Labour Bulletin vol.20.1996: 18).
3. Public Private Partnership (PPP): shall mean a partnership between the University of Durban-Westville as the public sector institution and any private security company that the university will engage in for service provision.
4. Assets: shall mean the resources that a person, business, or government owns, for example buildings, equipment, and financial assets such as investments.

1. 5 Limitations of the study.

The researcher could not reach all CPS personnel to collect data because when the questionnaires were distributed some of the CPS personnel

employed on contractual basis were in a state of confusion since they had received letters indicating that their services were to be terminated in the name of privatisation. A private company was to take over on 1 July 2000. Hence, only the 47 of the CPS personnel participated.

Language barrier was also noted as a limitation because some concepts of privatisation have the same meaning in isiZulu as a spoken language. This limitation was, however, overcome by providing some interpretations and explanations where required. It could, however, not be ascertained if the explanations given were well understood because no test and re-testing was undertaken.

1. 6 Structure of the study

The study is divided into five chapters.

- Chapter one: Introduction of the study which covers the purpose, value and significance of the study, the specification of the research methodology and limitations of the study.
- Chapter two: Literature review, this chapter consists of a review of literature on privatisation and conceptual framework that guides the study.
- Chapter three: Methodology. This chapter discusses methods used in data collection.
- Chapter four: Data Analysis. This chapter includes data analysis and interpretation thereof.
- Chapter five: Discussion on findings, recommendations and conclusion.

Finally, a summary of findings, conclusion and recommendations are provided.

CHAPTER TWO

A THEORETICAL OVERVIEW OF PRIVATISATION

2. Introduction

The chapter discusses the theoretical overview of privatisation, its aims and objectives as well as different forms of privatisation. The different strategies and processes to be followed during privatisation is also explored. The chapter also discusses the conceptual framework guiding this study. This is privatisation within the public administration framework and it entails public-private partnership (PPP).

Every now and then a heated debate flares up about whether certain public services should be privatised or not. Such debates are always contentious, particularly in developing countries. There has been a privatisation boom, particularly in countries facing fiscal difficulties. South Africa is no exception with a large amount of privatisation taking place in a number of industries including the transport network.

In 1994, the Cabinet announced a plan to transform the public sector. It included the possibility of privatisation of government assets, ranging from surplus cars, other equipment and buildings, to major parastatals like Transnet and Eskom (Financial Mail Vol.138 N07 1995 :44).

There is a large amount of support for the view that private enterprises under a system of rules and laws will maximise efficiency of infrastructure and

associated services for the community (Finance Week March 16-22 1998:12). However, the efficiency of the public sector is often hindered by a number of factors including; the lack of clear methods of measuring performances, the assignment of multiple goals which often conflict, lack of incentives to minimise costs, lack of managerial accountability and vulnerability to political interferences (South African Labour Bulletin, March 1995:69).

So far South Africa has taken only tiny steps along the privatisation highway. The main reason for the South African government to privatise is mainly to raise revenues and to prompt economic growth and improve performance. However, in privatising public institutions one needs to consider the implications of privatisation on personnel and also to follow certain criteria and be aware of which form or method he/ she is to use. In dealing with the theoretical perspectives of privatisation, the concept is defined and the need for privatisation is briefly discussed. Methods and forms of privatisation are also discussed.

2.1 Definition : privatisation

There are various opinions as to what constitutes privatisation. Privatisation comes in many forms, some not as obvious as selling off state assets to the highest bidder. It is usually assumed that privatisation consisted of only selling state owned enterprises to the private sector. While this is one form of privatisation, to view this process solely in this context is inaccurate. The following definitions attempt to give a comprehensive view of what privatisation is all about.

Young (1986:1) asserts that privatisation means getting things done privately that were previously done publicly. Generally, people think it just involves the selling of Government assets, others think it is about getting private contractors to perform Government services. In fact, it includes both these things. Privatisation includes any method of transferring any entity or function to the private sector in whole or in part.

Dunleavy in Whiltshire (1987: 7) maintains that privatisation is the permanent transferring of services or goods, production and activities previously carried out by public service bureaucracies to private forms or to the other forms of non-public organisations such as voluntary group.

From the above definitions of privatisation Hogbin (1995:45) made the following deduction:

- privatisation refers to the transfer of assets and activities from the public sector to the private sector;
- it covers several distinct possible alternatives which include, inter-alia, the sale of Government assets to the private sector, contracting out, deregulation, franchising, using vouchers, subsidy arrangements, using volunteer self help and withdrawing from an activity;
- these alternative arrangements determine the changing relationship between the Government and the private sector except when the Government is responsible for the provision of service but delivering the service should be done privately;

- privatisation is essentially a public-private partnership where Government is responsible for policy determination and funding while private sector delivers the service; and
- that government services are provided "free of charge" or below the cost of production whereas privatised services reflect the full cost of production.

In general, one may conclude that privatisation always involve a transfer from the public to the private sector.

2. 2 Aims and objective of privatisation.

Privatisation is aimed at reducing the public sector's share in the economy and creating more opportunities for private sector. In other words, those activities are privatised which in terms of established criteria, could be handled just as well or better by the private sector (McGregor 1987:93). Adam et al (1992: 8) advance the notion that privatisation has been viewed as an instrument geared towards both expenditure reduction and efficient resource allocation.

Adam et al (1992: 12) maintain that there are principle objectives for privatisation:

- (i) The first and most urgent objectives are that of public finance rationalisation.

- (ii) The second set of objectives is the economic efficiency.
- (iii) Thirdly, privatisation is viewed as a means through which local capital markets may be developed (Adam et al 1992: 12).

According to McGregor (1986: 40) the main purpose of privatisation is to improve the performance of the economy in the following manner:

- (i) Effective use of production factors;
- (ii) Optimal function of market forces;

Vorhies (1990: 12) maintains that Government privatises for two main reasons: to improve economic performance and redistributing the wealth through wider share ownership and raising revenues. There are other reasons to privatise. Privatisation can raise funds for the Government and help reduce public debts. Privatisation can increase competition and efficiency in the economy, and stimulate foreign investments (African Business, March 1996: 24).

2. 3 Necessity for privatisation in South Africa

Countries world-wide are following different strategies for privatisation. These countries include the United State of America, United Kingdom, Japan and Brazil. South Africa is also giving careful consideration to the benefits that can be achieved from privatisation. In considering its own strategy, South Africa needs to carefully review the various practical options to ensure that sound principles and safe guides are employed (Holden and Rajapatirana 1995:125).

Vorhies (1990: 3) maintains that privatisation promotes economic growth, increases government revenues, spreads share ownership, democracy and benefits consumers. Consequently, the need for privatisation rests on several very sound ideas, which are examined below.

2.3.1 Reduce the role of government in the economy

According to McGregor (1986:1) a variety of factors has caused the public sector in South Africa to transfer many of its activities to the private sector in the course of time. A number of external and internal events have had an increasingly negative effect on the South African economy. These factors led government to decide to re-examine the various methods which could be applied to limit or reduce public sector participation in economy.

The explosive growth of government is a world-wide phenomenon hence the only way to significantly reduce the size of the government is the transfer services and activities to the private sector. According to Savas (1984:13) the driving force behind privatisation is the wide spread feeling that the government has become too big, too powerful, too costly, too inefficient and overly instructive and dominant in the lives of its citizens.

In other countries like Britain, it was found that measures to curb state expenditures were not always successful because Government expenditure could not be reduced to any great extent, cash budgets were constantly exceeded, and inefficient could not easily be identified.

The key problem with the curtailment is that public sector institutions are managed primarily as political units and not as commercial units in which decisions are based on criterion of return on capital. All of this resulted in the various countries increasingly looking upon privatisation as a method of reducing government's share in the economy. (Curatationis Vol.11 No.3 1999 : 1). This statement may not be true within the South African context, where many of the public institutions are managed as business units.

2. 3. 2. Reduction in taxes and broadening of tax base

According to Spier (1987:8) the public sector is facing revenue shortages that are severe and likely to persist. With regard to the need to reduce taxation and the broadening of the tax base, the South African private sector employer bodies put forward two key objectives for privatisation, namely;

- (i) To reduce and eventually reverse the upward trend in Government spending and public sector in the economy to the order of 20% by the year 2001.
- (ii) To reduce the cost of services to the taxpayer, and consequently to help reduce the tax burden, and especially the marginal rate of tax, to broaden the tax base and to increase revenue collection as economic activity is consequently stimulated (Rajack 1988:14). McGregor (1987:17) further advances that it is often argued by private enterprise protagonists that wide scale privatisation will broaden the tax

base (since public sector enterprises do not pay taxes), thus facilitating a reduction in company tax rate

2.3. 3. Privatisation encourages entrepreneurship

McGregor (1987: 5) states that the current high level of taxation and the high rate of inflation have a negative effect on both the public and the private sector and restrict entrepreneurs in the latter sector, especially in the small business sector. Kent (1986:7) asserts that there is ample evidence that the privatisation of local government functions in both Europe and United States has unleashed a torrent of creativity on the part of the private entrepreneurs.

According to the Financial Mail (1995:31) privatisation demonstrates a commitment to the process of free market, recognition that only the market can create wealth that will in turn create more jobs, foster prosperity and encourage social stability.

For this reason, privatisation is fast becoming a major driving force behind modernising economies. It reduces waste caused by misallocation of scarce resources that flow automatically from controlled prices and the distorting influences of misguided decentralisation (Financial Mail 29 March 1995:31). Therefore, effective privatisation requires not only a change of ownership but also effective independence of management free of superfluous statutory controls.

2. 3. 4. Maximising consumer choice and satisfaction

In order to maximise consumer choice and satisfaction, public choice economists inject a little free enterprise theory into public administration so that a market economy for the public goods would provide strong incentives to public officials to produce better goods and services more efficiently (Rajack 1988: 120).

Rajack contends that privatisation provides a solution to diverse demand situation by making service provider more accountable to consumers, it encourages innovation and diversity, giving consumer a choice among competing producers which allows for greater accommodation of their different needs. Finally, by making apparent the real cost of different types of goods and services, it allows consumer to make more informed choices among alternatives (Rajack 1998: 21)

2. 3. 5. Need for full cost pricing

Rajack (1988: 122) advances that one of the ways that Government bureaucracies have cultivated support for public provision is by under pricing their service. People like low rates for water and sewer services, even though they must ultimately pay more in property rates to subsidise those services. For that reason, price set by bureaucracies tend to be below the cost of production of these services.

Privatisation assures that services are made available at prices that clear the market and reflect the full cost of production (Rajack 1988:124). For this

reason, privatisation ends the practices of hiding the true cost of services, setting prices arbitrarily, inefficiently allocating resources, and requiring one group of tax payers to subsidise the service used by another group.

2. 3. 6. Improved efficiency, increased competition and innovation

According to Bennet and Johnson (1982: 392) economic theory suggests that the private rather than the public enterprise should be a more efficient producer of goods and services, since private firms may seek optimal scale of operation without the constraints imposed by political boundaries and since the market impose a discipline on the manager in the private sector.

Furthermore, because of the non-exclusivity of public service, it is often taken for granted that public service should approximately be both publicly financed and publicly produced. However, it is not necessary for public service to be either publicly financed or publicly produced in every case, and there are economic benefits to the taxpayers where public involvement is absent. This argument is not true today since the Government has made several changes in terms of benefits to tax payments.

The privatisation programme has two main aims: to promote competition; and to increase efficiency. Competition and efficiency are closely connected. Competition is the best way to ensure that goods and services desired by the customers are provided at a lower economic cost. Giving customers freedom of choice enables market forces to provide sustained pressure on private

firms to increase efficiency. Private firms generally operate in a competitive market environment (Rajack 1988:125).

2.3.6.1. Efficiency

The paradox of privatisation is that the view that it contributes to efficiency is derived from the belief that private sector managers are subject to incentives and discipline different from and more demanding than those which apply to public officials (Kay and Thompson 1990: 90). A careful reading of privatisation literature reveals that it is essentially the reliance of the efficiency criterion that has dominated much of the rhetoric on the nature and form of privatisation.

Holden and Rajapatirana (1995:75) explicitly state that the goal of privatisation, stated simply is to increase the role of the private sector in the economy, thereby promoting the more efficient use of resources. Alternatively, privatisation can be viewed as putting more resources at the disposal of the private sector, thereby promoting efficiency and growth.

While Kikeri et al (1992:6) are less explicit regarding the superiority of the private enterprise over state ownership in achieving this goal, their emphasis on improved efficiency maximising the benefits of privatisation involve a reliance on competition in attaining the objective. The supporters of privatisation argue that privatisation will enhance efficiency because, to maximise profits, companies will strive to produce what consumers need and cut costs.

2.3.6.2. Competition

According to the discussion paper on Privatisation No.10 (1996:25) the reason why privatisation works so well is not that people employed by the government are somehow inferior to those employed by the private sector; they are not. It works because privatisation offers choice, and choice fosters competition, which leads to more cost effective performance. Similar sentiments have been presented by several authors who have written on privatisation and some of them are quoted below:

John Moore (1992:15) on the one hand state "competition is an extra ordinary efficiency mechanism. It responds constantly to changes in consumer preferences. It does not require politicians or civil servants to make it work". Beasley and Littlechild in Rajack (1988:129) on the other hand are of the view that, " competition is the most important mechanism for maximising consumer benefits and monopoly power".

In the past information pertaining finances was not available to customers or to ratepayers. This lack of accountability meant that there was no real competition pressure on service provision and consumer dissatisfaction with the level or quality of service had to rely mainly on the political process to resolve their concerns. Partnership to work includes most importantly, that functions be open to competition among potential suppliers and that the technical and financial requirements of the function be compatible with that of the private enterprise (Proceedings from the workshop on Public Private Partnerships 3 April 1998:8).

Its essence is rivalry and freedom to enter a market. What counts is the existence of competitive threats, from potential as well as existing competitors.

The aim is not so called perfect competition, rather one looks for some practical means to introduce or increase rivalry. Pirie (1985: 9) asserts that a private firm can go bankrupt if it fails to keep up with the competition; public sector activities rarely face a similar prospect. The different penalties, which they face, seem to produce a difference in performance. From the above it is clear that economic efficiency should be greatest when the competitive force of the market is given full play.

The essence of privatisation is competition. Without a competitive market place, there can be little choice of any privatisation programme. The economic benefits of privatisation are maximised when governments make improved efficiency the number one goal, by using privatisation to enhance competition (African Business 1996: 25).

2. 3.6.3. Innovation

Reed (1991: 1) clearly explains that in the public sector, "the pressure of competition is not a factor". Kikeri et al (1992:10) argues that given that privatisation in many countries has only been a recent phenomenon it may be too soon to make claims regarding superiority of private ownership over state ownership or superiority of private management over public management.

Private provision of services tends to be more flexible and decision-making is speeded up in order to meet changing demands of the market place. By introducing competitive innovation, and tailoring the service to the real needs of the market place, people are offered more choice (Rajack 1988: 132).

2. 4 Guidelines for privatisation

- (i) According McGregor (1987: 46) the Government stipulates that the following general guidelines will as far as possible be adhered to during the implementation of the privatisation process:
- (ii) Each case of privatisation will have to be considered individually and this may require that a public enterprise will first have to be made efficient and profitable in order to obtain the best benefits from privatisation but without trying artificially to make it more attractive to investors.
- (iii) The concentration of economic power and possibly foreign control of strategic industries will be avoided.
- (iv) It must be integrated with the economic strategy for the government
- (v) It must be applied on a continuous basis in respect of both existing and contemplated future public sector activities.

Funds which become available to the state as a result of privatisation measures must be applied judiciously and subject to strict requirements for capital or development projects (McGregor 1987:11)

2. 5. Forms of privatisation

According McGregor (1987: 8), privatisation is the systematic transfer of appropriate functions, activities or property from the public to the private sector where services, production and consumption can be regulated more efficiently by the markets and price mechanisms. Privatisation can be effected in the following ways:

2. 5.1. Transfer

The activities concerned, together with assets and liabilities, and possibly even personnel, are handed over (sold) as a going concern, by agreement, to private enterprise (Government Gazette Vol.418,2000:11).

2.5.2. Withdrawal

The public institutions responsibility for supplying a specific service or product is terminated or limited. It withdraws from a particular sphere or activity, either at once or in phases, or it maintains its involvement at a specific level and does not expand. In this way, private concerns are able to tender the particular field or to expand their involvement. (McGregor: 1987: 8).

2.5.3. Concession

Under a concession, the private operator manages the infrastructure facility, operates it as a commercial risk and accepts investment obligation, whether to build a new facility or expand or rehabilitate an existing facility (Government Gazette, Vol.418 2000:110).

2.5.4. Joint undertaking

In this case the government and the private sector jointly manage a service . A public institution forms a partnership with the private concern to supply a specific service or product. This may be a permanent arrangement or an interim step towards the complete transfer of an activity to the private sector (ASSET No 4, 1999:8).

2.5.5. Joint use of facilities

Private concerns are allowed by way of appropriate arrangements, to make use of under-utilised capacity and facilities in public ownership, either temporarily or on permanent basis. This is possible even though both parties will be providing the same type of service, for example, hospitalisation and education (Discussion Paper No 10,1996:20).

2.5.6. Farming out

The public institution retains responsibility for supplying a specific service or product to its "clients", but does not itself do the work. It contracts with one or more private concerns for the supply of a specific service or product at an agreed price (McGregor 1987:94).

2.5.7 Deregulation/ Liberalisation

Restrictive measures are abolished or relaxed to enable the private sector to enter the specific field or activity (McGregor 1987:94). It can be agreed that privatisation is an umbrella term for a variety of concrete measures including

the above mentioned forms. Therefore, it is vital for a decision-maker to choose the right form of privatisation for the institution.

2. 6 Methods of privatisation

The White Paper on privatisation and deregulation in South Africa cited in McGregor (1987: 8) identified five methods of privatisation:

- Sale of public sector enterprise and assets;
- Partnership;
- Leasing of business rights;
- Contracting out ; and
- Discontinuation of service or activities

2.6.1. Sale of public sector enterprise and assets

The main characteristics of this method is that the public sector will not retain any further responsibility in respect of those assets, services or activities and their continuation, scope and price after the sale will be subject to market mechanism (McGregor 1987: 8). Vorhies (1990: 13) advances that privatisation in South Africa could fail to achieve either productivity gains or wider share ownership. He contends that selling off state assets to institutional buyers, with their complex gross linkages, could be self-defeating.

2.6.2. Partnership

In instances where it would not be acceptable transfer to the private sector in it entirety, or where the nature or the extent of a new enterprise would require the involvement of the state, such an enterprise could in appropriate cases

be managed by a partnership between a state and the private sector. A partnership of this nature could have a benefit of effectively reconciling private sector approach to management with the public sector strategic interest in such an undertaking (Vorgies: 1990:14).

The manner in which such partnership is structured would probably differ from case to case and could include the following:

- The acquisition of shares by the private sector in the existing new state undertaking, but with the institution, as an interim arrangement, retaining its shareholding until such time as full ownership can be transferred to the private sector (Vorhies 1990:14);
- The acquisition of shares by the private sector in existing or new enterprise in which the public institution maintains a permanent involvement. Such a partnership between the public and private sector may be appropriate in the case of natural monopolies or when, for special reasons, full private ownership is deemed not to be in the interest of the country (Vorhies 1990: 15).

2.6.3. Leasing of business rights

Under a lease, a private firm operates and maintains a Government owned enterprise at its own risk, with incomes derived directly from tariffs. The lessee is under no obligation to invest in the infrastructure. In fact the only obligation is maintenance and that has to be agreed upon. Generally, the service provider is not responsible for new capital investments or for the leased assets (Government Gazette Vol 418, 2000:11).

2.6.4. Contracting out

Contracting out involves recruiting the private sector to undertake specific operations and maintenance activities, usually for a period of few years. In this instance the public provider sets the performance criteria for the activity, evaluates bidders, supervise the contract(s), and pay the agreed fee for the services. To ensure there is a greater efficiency, contracts should be awarded through competitive bidding (Pentz and Field 2001:5).

2.6.5. Discontinuation of services and activities

McGregor (1987: 11) further states that services and activities of the public sector will be examined systematically in order to determine which services or activities can be discontinued. Such services and activities can be discontinued to the extent that the need to undertake a service or activity has lapsed. If there is still a demand for the service or activity, it can be transferred to or left to the private sector to supply. Steps relating to this method will seek to avoid unreasonable hardship for the users of services.

In conclusion it can be deduced that privatisation has now become a buzzword both officially and colloquially. In general, privatisation always involves a transfer from the public to the private sector. However, what is being transferred, to what extent and to whom and with which objectives and consequences this transfer occurs, has turned out to be contentious matter. The broad conclusion can be summarised in the following way.

There is an imminent danger that if there is too widespread set of expectations as to what is achievable through policy and these do not, for some or other reason come to fruition, or if some are achieved to the exclusion of the other benefits, the credibility of the policy will collapse. Privatisation in South Africa at this delicate stage of development has to be carefully thought out. The process has to be realistic in setting out what is achievable and attainable. (Kikeri et al 1992:26)

The fact is that privatisation not only entails a narrow economic process whereby material ownership, facilities and financing are being transferred from the state to the private sector. It also involves a political and social dimension in that power, control responsibility and management are passed onto the private sector. The information obtained from this study will be useful to make suggestions and recommendation for the University.

2.7 CONCEPTUAL FRAMEWORK GUIDING THE STUDY:

PRIVATISATION WITHIN THE PUBLIC ADMINISTRATION FRAMEWORK

The conceptual framework guiding this study is on privatisation within the public administration framework. The basic principle of public administration is public service delivery to society. In order to render effective and efficient public service delivery, the public sector needs to embark on public-private partnership (PPP).

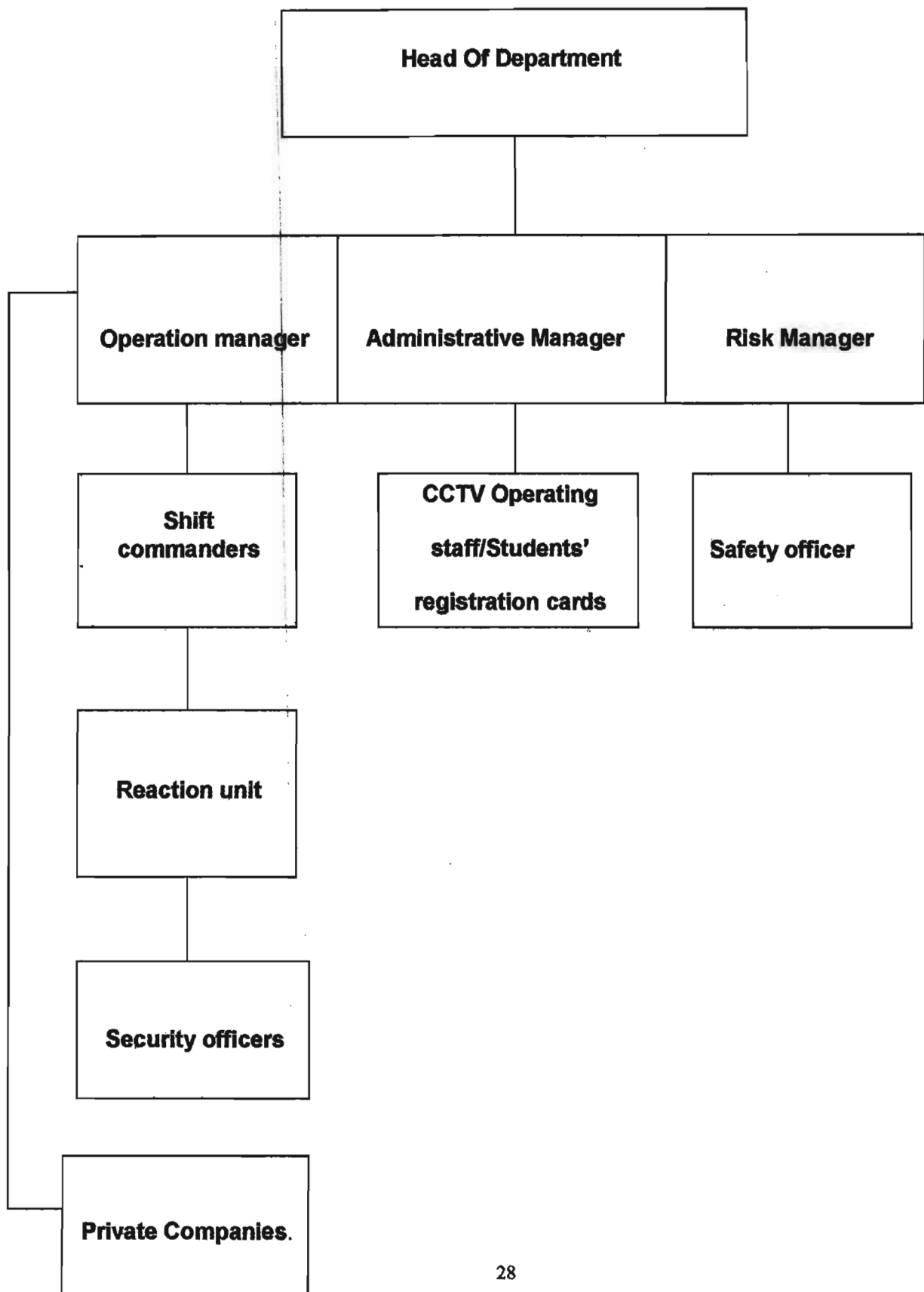
Of all the different types of PPP, the University of Durban-Westville (UDW); Campus Protection Services (CPS) selected the service contract in privatising

the CPS. Other types of PPP such as management contract, leases, concessions, and de-monopolisation and full privatisation are discussed elsewhere in this chapter as forms of privatisation (Montanheiro & Spiering 2001: 21).

According to Montanheiro & Spiering (2001: 19) the purpose of a public sector institution such as a University is to provide services without profit and market relationships playing any part in the process. The same can be said of the CPS at UDW, its purpose is to provide safety and security to the University community without making any profits. This also includes access control, crime prevention and investigation, first aid and rescue operations to all university community, traffic control and mob control (UDW, CPS Mission statement).

The key feature of the public sector as identified by Montanheiro & Spiering (2001: 19) is that it has many stakeholders who have differing and sometimes conflicting requirements. The UDW CPS has the same key feature with the stakeholders that include CPS staff members and its management as indicated in its organogram, University Management and other departments, students and their parents as well as the University community at large. (See figure 1 provided below).

Figure 1: CPS ORGANOGRAM



Another feature of the public service is its bureaucratic structure. This bureaucracy has been identified as the major cause of the inefficiency problems that are found within the public sector especially when compared with the private sector (Montanheiro & Spiering 2001: 21). The same was also observed to be the case at UDW CPS.

The problems of inefficiency together with other cost containment related issues led to the move towards the adoption of the PPP by UDW when privatising its campus protection services. Another rationale for PPP adopted by UDW was the fact that PPP increases the capacity of the public sector with skills, experience and resources from private business. These are needed for efficient and high quality service delivery (ESSET 2000:40). This eases the burden of the public sector institution and in this case the university.

1. 2.7.Factors that guide public-private partnership

The factors that guide successful public-private partnerships is identified by Montanheiro & Spiering (2001: 23) as the element of trust, accountability and regulation and control. Trust between the two partner institutions entails understanding of the values that are important to both parties. In principle these are the same guiding factors that informed the move by UDW towards privatisation of CPS within the public administration framework of PPP.

Another important factor to be considered in the public-private partnership is to embrace the public service ethos. According to the White Paper on Transforming Public Services (1997), this public service ethos is known as the

Batho – Pele or People First principle. This means putting people first in every public service delivery process. This ethos is based on the eight principles of consultation, service standards, access, courtesy, information, openness and transparency, redress and value for money. The public-private partnership move at UDW was also guided by these basic principles of privatisation within the public administration framework.

2.7.2 General Principles of the Public-Private Partnership

In a workshop that was held by the Durban Metropolitan Council, North Central Local Council and South Central local Council on public-private partnership on the 3rd of April 1998, the following principles were identified as guidelines to successful partnerships. The principles were adopted to guide PPP at the UDW.

Institutional Responsibility: The public sector institution such as the university is not relieved of its responsibility for service provision. It remains the regulator of the infrastructure and it has to monitor this closely.

Service Provider Accountability: The organisation that is providing service such as the private security company in the case of PPP at UDW remains accountable to the people being served. It has to ensure that mechanisms that enhance accountability are developed. This can include client satisfaction questionnaires.

Sustainability and Affordability: Service provision should ensure own sustainability. In order to ensure this feasibility studies should be undertaken prior to implementation of the privatisation process. Service provision should also be affordable to the society members served.

Skill Development and Opportunity Provision: Care should be taken to ensure capacity and skill development of new employees as well as current public institution employees who are to be transferred to the private company. Displacement of current employees should be kept at minimum while mechanisms for compensation and retraining should be incorporated in the plans for project implementation. New opportunities with a variety of options such as transfer to the private organisation, retaining current workers and placement in other posts within the public sector institution and provision of severance packages for those who preferred not to be part of the partnership venture should be provided. Based on this guiding principle of PPP, the CPS staff at UDW were offered these options prior to the effective implementation of privatisation.

For the partnership to be successful, all stakeholders should be well informed of the partnership, why it has to happen as well as to what its benefits are for all stakeholders. Whether this basic guiding principle was adopted as a guide to successful partnership and implementation of privatisation or not is highlighted in the discussions of the findings of the study later.

2.8 CONCLUSION

Privatisation can be adopted within the framework of public administration provided that the basic principle of public administration which is service delivery is earnestly adhered to. The UDW and any other institution that is involved in public-private partnership or any other form of privatisation should always ensure adherence to the ethos of service delivery.

The current economic constraints as well as other inefficiencies experienced by the public sector in service delivery forces it to look for alternative and innovative strategies that promise effective and efficient service delivery to the people. Any form of privatisation such as the PPP that was adopted by the University of Durban Westville should be explored and adopted by other public sector institutions which are experiencing the same problems and constraints. Continuous monitoring and evaluation reports of the effectiveness of PPP by the CPS of UDW should inform other departments within the university as well as other Universities within the province and the country at large.

CHAPTER THREE

METHODOLOGY

3. INTRODUCTION

This chapter discusses the research design, sample, population, sampling, data collection instrument and data collection process of this study. Ethical consideration taken throughout the study, as well as limitations of the study are also discussed.

3. 1 Research design.

This was an exploratory survey. Survey research is the most widely used data gathering technique in many fields. The researcher decided to use survey because it is the most appropriate research design and it requires thought and effort. Neuman(1999: 247) maintains that all surveys are based on professional social research survey and surveys are almost too popular. Survey research ask the respondents to report their attitudes, opinions, perceptions or behaviour (Lobiondo-Wood and Haber 1990:115).

According to Lobiondo-Wood and Haber the advantage of a survey research is the collection of a large amount of information from the large population in an economic manner. The survey is highly valuable for studying some problems such as public opinion. For the present study the researcher used questionnaires for data collection because it is important to gather data in a most structured way.

The questionnaire is most structured in a sense that a list of issues which have to be investigated are made prior to the construction of questionnaire. The questionnaire was presented to each and every respondent in exactly the same way. This was done in order to enable a more objective comparison of the results and also to minimise the role and influence of the interviewer. The respondents filled the questionnaires themselves, this is called self-administered questionnaires.

The researcher chose to use self-administered questionnaires for the following reasons: this type of survey is by far the cheapest and a researcher can send questionnaires to a wide geographic area. The researcher can give questionnaires directly to respondents who read the instructions and questions and then record their answers. The respondents can complete the questionnaire when it is convenient and can check personal records if necessary.

Self-administered questionnaire is very effective and response rate may be high for target populations that have a strong interest in the topic. The respondents are free to answer questions if they are left alone to fill the questionnaire. Complete questionnaires were collected on the same day by the researcher to avoid low return rates. A poor return rate is the most frequently mentioned disadvantage of using a questionnaire as data collection instrument in literature (Neuman 1999:196)

3. 2 Population

The population for this study was the Campus Protection Services personnel of the University of Durban Westville whether employed on contract or on permanent basis.

3. 3 Sampling

Sampling is a major problem for any type of research. There are two types of sampling: non-probability and probability sampling. Under non-probability sampling the following is found: haphazard or convenience sampling, quota sampling, purposive or judgmental sampling, snowball sampling, deviant case sampling, sequential sampling, and theoretical sampling (Neuman 1999: 195)

The sampling method used in this study was convenience sampling. This method was chosen because only voluntary participation was required from the respondents and only those that were available were used. The purpose of the study was explained to the members of the CPS team who availed themselves after a requisition notice was made on the information board. Zulu and Xhosa language explanation was given as requested by the respondents.

3. 4. Data collection instrument

No standardised data collection instrument was found within South African literature on privatisation. Further requests for standardised data collection instrument was done through the internet with no success. The researcher

therefore designed a questionnaire for the present study, using information from national and international literature including local newspapers. The first section of the questionnaire dealt with the demographic data.

The second section dealt with the meaning of privatisation while in the third section, the respondents had to use a rating scale to say if he or she agreed with the different statements on the attitudes and knowledge of privatisation. These were Strongly Agree, Agree, Uncertain, Disagree and Strongly Disagree. The open ended section asked respondents to give additional information on his or her own understanding of what will happen should the university privatise Campus Protection Services.

3. 4.1 Demographic data

This section was designed to determine the age, gender, condition of employment, period of employment and level of education and qualification of the respondents.

3. 4. 2 Validity

The validity of an instrument is its ability to gather the data that it is intended to gather (LoBiond-Wood & Harber 1990: 46). In simple terms, validity addresses the question of how well the social reality being measured through research matches with the constructs researcher use to understand it. To establish content validity of these instruments, a number of publications on privatisation were consulted. From these publications, the researcher came up with different meanings of privatisation. These were further divided into five different items on meaning of privatisation and eight items on the knowledge

and attitude. These items were given to a focus group of experts on privatisation who all agreed that these terms were relevant for data collection purposes.

3. 4. 3 Reliability

According to Neuman(1999:164) reliability means dependability or consistency. It suggests that the same thing is repeated or recurs under the identical or very similar conditions. Lobiond-Wood and Haber(1990:52) affirms that the reliability of an instrument concerns its consistency and stability. Ten respondents were re-tested two weeks later. Latest results were compared with previous results. There were no significant differences in the second responses except that at least one respondent had moved from 1= strongly agree to 1= agree variable.

3. 5 Data collection process

Data was collected in February 2000. Respondents who availed themselves were informed of the purpose of the study. Each of those who agreed to participate was given a questionnaire. Instructions on how to complete it were given in English and vernacular language according to requests from respondents of different vernacular languages. The researcher personally collected completed questionnaires after an hour.

3. 6 Ethical consideration

Like all social research, people can conduct research in ethical or unethical ways. In this research the researcher was granted permission by the Director

of Campus Protection Services to conduct research. Furthermore, permission to participate was granted verbally by the respondents. The issue of voluntary participation by respondents was discussed. Respondents agreed to answer questions and it was explained that they could withdraw from the study should they feel uncomfortable.

They gave their informed consent to participate in research. A major ethical issue in a survey research that was discussed, is the invasion of privacy therefore, respondents had a choice to decide when and whom to give personal information. All respondents were treated with dignity and anxiety or discomfort was reduced. Respondents were reassured of anonymity and confidentiality. The researcher protected privacy by not disclosing a respondent identity after data was gathered.

The respondents remain anonymous or nameless and codes were used on the questionnaires. Even if anonymity is not possible, researcher should protect confidentiality. Anonymity protects the identity of specific individuals from being known but confidentiality means that information may have names attached to it in confidence or keeps it secret from the public. The information was not released in a way that permits linking individuals to responses. According to Neuman (1999: 99) confidentiality may protect subjects from harm.

3. 7 Limitations to the study

The study was limited to the University of Durban Westville Campus Protection Services only, therefore the findings cannot be generalised to other Universities or departments within the same University. Further limitation was that there was already rumours of the CPS (or part thereof) being taken over by the private company.

The emotions were high and the employee position and status of the researcher (permanent and senior) made other respondents suspicious of the researcher. Some verbalised (during the explanation) that the researcher could be sent by University to investigate on who may or may not be taken over by private company. Although the individual status of the researcher was explained, these concerns could have both negative and positive impact on how the respondents responded to the questionnaire.

3 .8. Conclusion

This section has explained how the problem was investigated and why particular methods and techniques were employed. Data collected was examined to critically assess the extent in which the study should be reliable and valid. Reliability and validity are central issues in all measurements. Ethical consideration was discussed. The researcher strove to conduct a research in an ethical manner to uphold and defend principles of social science approach. The researcher also took precautions to protect respondents' privacy, anonymity and confidentiality.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4. INTRODUCTION

This chapter presents findings and analysis of data gathered by the responses to the questionnaires in the annexure A. Self administered questionnaires were distributed to be filled in by the respondents themselves. The response of 75% was adequate in making statistical references. Data followed in this sequence: demographic data, understanding the meaning of privatisation, attitude and knowledge about privatisation and open-ended questions

4.1 Sample description

Sample description indicates that the majority of respondents were males. While this is a common observation among the security service personnel, it deviate from the affirmative action policy. . According to Qgubule in the African Business of March 1996, privatisation must encourage affirmative action, skill development and empowerment of workers especially those who were previously disadvantaged in the past such as women.

The demographic data revealed low levels of education for the majority of the respondents. This indicates that securing another job in another institution would be difficult for most of these employees. It further explains the reason why the majority of the respondents indicated uncertainties and fears of losing their jobs with the introduction of privatisation.

Frequencies computed on the demographic data of the survey revealed that 74% (n = 28) were males while 26% (n = 10) were females. This is a common ratio in the protection services where the job is still somehow regarded as the domain for men. The ages from 20 –29 years constituted 28% of the sample, 30 –39 years constituted 58%, 40–49 years constituted 13% while age 50 and above constituted 5% of the sample. The data revealed that the educational level of the respondents was varied, with 26% below matric, 45% having matric only 16% having post matric certificate, 5% had Diploma and about 8% had university degrees.

The majority of respondents (58%) were on permanent employment whilst 42% were employed on a contract basis. The majority of employees 45% had worked for the university for more than eight years, while 11% worked for seven to eight years, 5% worked for five to six years and 40% worked for three to four years.

4. 2 Data analysis

Frequency statistical analysis of all the variables being investigated was performed using SPSS. These variables were categorised into (1). The understanding and meaning of privatisation and (2) attitudes and knowledge about privatisation.

4.2.1 Understanding and meaning of privatisation

The following statements were used to explore the respondents' understanding and meaning of privatisation:

- (i) Privatisation is the transfer of government assets and functions to the private sector.
- (ii) Privatisation is the exploitation of Government employees by the private sector.
- (iii) Privatisation means taking away jobs from the government employees.
- (iv) Privatisation is unfair labour practice.
- (v) Privatisation means that the government relies more on private producers for the services for which government remains responsible.

4. 2. 1.1 Privatisation is unfair labour practice

The majority of respondent (34%) indicated their understanding of privatisation as an unfair labour practice. This is a common misconception among the general public especially the workers from different union organisations and those who are threatened or affected by privatisation. It was somehow spread by the former General Secretary of the Confederation of South African Trade Unions (COSATU), Mr. Sam Shilowa when he labelled privatisation as the "remedy of Doom" . In his statement in the KwaZulu Natal newspaper Mercury, (November 14; 1995) , he argued that privatisation is an unfair labour practice. He also vowed to fight any move to

allow selfish minorities to sabotage the government in meeting the basic needs of the country.

4.2.1.2 Privatisation means taking away jobs from the government employees

The second biggest group of respondents (29.4%) understood privatisation to mean taking away of jobs from government employees. While literature on privatisation does not define or explain privatisation in this sense, there is adequate evidence to suggest that this statement could be true. In a document published by the School of Governance of the University of Western Cape (August , 2000), job loss is stated as one of the consequences of privatisation. In the same document examples of few countries where privatisation resulted in job losses are given.

In Zambia, over 200 semi-government agencies were privatised and many jobs were lost between 1992 and 1997. in the name of keeping labour forces as small as possible. In South Africa the following observations have been made since the initial introduction of privatisation. Parastatals were cut and more than 25000 jobs have been lost since 1994. In the year 2000 Transnet stated their intention of cutting about 2000 jobs. Eskom's voluntary retrenchment programme lost 3248 jobs. Telkom lost 1200 jobs in 1999. Spoornet retrenched 20 000 workers in 1999.

These figures could be used to justify and support the respondents understanding of privatisation. It can be argued that there could be other

problems that resulted in such job losses from these companies, but it will have to be understood that the media has always used these figures to prove the negative effects of privatisation. To a layperson this could influence this negative understanding of privatisation.

4. 2 1.3 Privatisation is the transfer of government assets and functions to the private sector

About 21% of the respondents saw privatisation as the transfer of government assets or functions to the private sector. Different authors support this statement (Van Rensberg and Fourie, 1993: 3; Hogbin 1995:45; Vorhies, 1990: 12 ; Dunlevy in Wiltshire 1987: 7; Kolderie 1986:6). Young (1986:1) also attests that privatisation is getting things that were previously done publicly to be done privately. In the document published by the School of Governance of the University of Western Cape (August , 2000), privatisation is defined as to include selling of state-owned land, state-owned enterprises, outsourcing or subcontracting and promoting partnerships between the state and the private sector.

A limitation of the data collection tool was that both statement 3 “ privatisation is the transfer of government assets and functions to the private sector and statement 5 “privatisation means that the government relies more on private producers for the services for which government remains responsible have the same meaning although they were put separately and differently. The respondents, however, did not pick this up and hence only 2.6% responded to the latter. The latter statement is supported by Kolderie’s (1986:6) narrow

sense of privatisation as a government relying more on the private producers for services which the government remains responsible.

4.2. 1.4 Privatisation is the exploitation of government employees by the private sector

About 13% of the respondents selected this meaning of privatisation. This is a general view when the public security service working conditions are compared with private security services where there are no fringe benefits such as medical aid, housing subsidies, and insufficient vacation or leave days. The private security companies are also characterised by long working hour shifts and job insecurity where managers can fire and hire as they please. With this background information in mind, it is easy to understand why the respondents felt this way about privatisation.

Table 1: Understanding and meaning of privatisation

Privatisation	Frequencies in percentages (%)
Privatisation is unfair labour practice.	34
Privatisation means taking away jobs from the government employees	29.4
Privatisation is the transfer of government assets and functions to the private sector.	21
Privatisation is the exploitation of Government employees by the private sector.	13
Privatisation means that the government relies more on private producers for the services for which government remains responsible.	2.6
TOTAL	100

Data reveals that most of the respondents lack the understanding and meaning of privatisation. Therefore it is vital for the institution to train and inform the affected individuals of what privatisation is all about.

Frequencies computed revealed that 34% of the respondents understood privatisation as "he unfair labour practice". Another 29.4% understood privatisation as "taking away jobs from government employees", while 21% saw privatisation as "the transfer of government assets or functions to the private sector" Another 13% understood privatisation as the exploitation of

government employees by the private companies. The last 2.6% understood privatisation to mean "that the government relies more on the private producers for services for which the government remains responsible (see table 1)

4.2.2 Attitudes and Knowledge about Privatisation

This section had eight statements which related to the attitudes and knowledge of privatisation and how it will affect the respondents as individuals or a group as well as the University as an organisation. The respondents had to indicate their agreement with the statement on a scale from Strongly Agree, Agree, Uncertain, Disagree and Strongly Disagree.

The eight statements on attitudes and knowledge about privatisation were as follows:

- (i) All Campus Protection Services (CPS) staff will loose their jobs.
- (ii) Only few CPS staff will loose their jobs.
- (iii) I will loose my job.
- (iv) Nothing will happen to me.
- (v) The private company will provide better service to the university that the current CPS staff.
- (vi) The university will save a lot of money.
- (vii) The private company will gain a lot of money and the good image from the university .
- (viii) CPS will be more cost effective and save costs from privatisation.

For discussion purposes, these statements are further grouped into three categories. The first relate to those statements pertaining to fear of job loss. The second category relates to those that relate the benefits of privatisation to the University. The last category relates to the statements pertaining to the benefits for private security company.

4. 2.2.1 Fear of job loss

The statements forming this category are as follows:

- All Campus Protection Services (CPS) staff will loose their jobs.
- Only few CPS staff will loose their jobs.
- I will loose my job.
- Nothing will happen to me.

The findings on this category revealed a lot of insecurity, uncertainty and fear of job loss among the majority of the respondents. These findings correlates the findings on the meaning of privatisation as taking away jobs from the government employees in the same study. This is further supported by Mr. Oliver of Frankel Pollak who was reported in Sunday Times newspaper of August 17 1995 to have blamed privatisation for the public uncertainty and how destructive it was to the confidence of employees.

As mentioned somewhere in these discussions, job losses are the consequences of privatisation. It can be argued that the respondents fears and uncertainties are well founded. The Naledi research report in the SA Labour Bulletin (1995; 69), also confirmed this by indicating that Transnet,

Telkom, the Post Office and Eskom accounted for 20% of job losses in the period between 1988 and 1993 through privatisation.

The former president of COSATU, Mr. John Gomomo, in his address of the World Economic Forum Conference in Johannesburg in 1995 stated that commercialisation and privatisation has destroyed jobs. In the same year members of the South African Postal and Tele Communication Employee Association (SAPTEA) and the Post and telecommunication Workers (POTWA) protested against privatisation. These marches confirmed that privatisation fails to guarantee job security in the affected areas (Natal Mercury 20, December 1995).

The General Secretary of the national Council of Trade Union, Mr. Ngcukana stated that privatisation was unacceptable because of the potential job losses. On the same article, Mr. Bill Lacey –the economist argued that although privatisation would initially lead to some job cuts, in the medium to long term it could create more jobs (Business Report, December 14; 1995). Privatisation is still in its infancy stages in this country for the public to reap the medium term and long term benefits of privatisation.

4.2.2.2 The benefits of Privatisation for the University

This category is formed by the following statements:

- The university will save a lot of money.
- The private company will provide better service to the university than the current CPS staff.

- CPS will be more cost effective and save costs from privatisation.

The findings of this category indicated a general lack of understanding of the benefits of privatisation for the university. In spite of all the negative comments that have been highlighted especially by the Union leadership, privatisation does have positive benefits for the public sector. For Kay and Thompson (1990: 90), privatisation contributes to efficiency.

They derived this view from the fact that private sector management is subject to incentives and discipline that is different and more demanding than those which apply to public service officials. Holden and Rajapatirana (1995:75) explicitly state that the goal of privatisation is to increase the role of the private sector in the economy, thereby promoting the more efficient use of resources. These views are also echoed by Kikeri et al (1992:6) and Moore (1992:15) who state that privatisation promote efficiency and competition.

The lack of understanding of the benefits of privatisation for the public sector or the university could be taken as an indication that the respondents were not well informed about privatisation. This also indicate that the guidelines of implementing public-private partnership were not followed up correctly in introducing privatisation at the UDW.

The consultation process is crucial to the implementation process for employees to embrace privatisation of any form gracefully. This is supported by the statement made by the former Mr. Cyril Ramaphosa in



the Natal Witness of the 8th of December 1995. He emphasised the need for consultation process in order to develop a common perspective and overall understanding of the process of privatisation. The African Communist, Second Quarter (1995;2) quotes Mr. John Gomomo as having said that the consultation and democratic participation by the stakeholders is vital to guide the process of restructuring during privatisation.

4. 2.2.3 The benefits of Privatisation for the Private Security Company

The findings on this category also indicate that the majority of respondents had a lack of knowledge regarding the benefits of privatisation for the private security company. This also indicates that the process of consultation as mentioned above was not followed properly.

Data analysis revealed a lot of uncertainty and fear of job loss among the majority of the respondents as indicated on Table 2 below. For data analysis purposes data from the scale on Strongly Agree and Agree was added together and analyzed as Agree. Data from the scale on Strongly Disagree and Disagree was also added together and analyzed as disagree

On the statement : "All CPS staff will loose their jobs", 45% of the respondents agreed, while another 47 indicated to be uncertain with only 8% indicating to disagree with the statement. On the following statement : "Only few CPS staff will loose their jobs", about 21% indicated to agreed while another 37% indicated uncertainty and 42% disagreed with the statement.

On the statement; "I will lose my job", 45% indicated to be uncertain, only 5% disagreed with the statement and another 50% agreed with the statement. Another important finding was the uncertainty of the respondents on the item "Nothing will happen to me". About 43 indicated to be uncertain, while 57 % disagreed to strongly disagreed with the item "Nothing will happen to me".

Another important finding was on the statement: "The private company will provide better services than the current CPS. Only 2.6.% agreed with the statement while 21% was uncertainty and about 76% disagreed with the statement. On the statement: " The university will save a lot of money from privatisation" only 2.6% agreed while 31% were uncertain and 63 indicated to disagree with the statement.

About 32% of the respondents indicated to agree with the statement: "The private company will gain a lot of money and good image in the university" . Another 26.3% indicated to be uncertain and 41.7% indicated to disagree with the statement. On the last statement: " CPS will be more effective and cost saving", the findings were revealed that 42% were uncertain, 38.6% disagreed and only 19.4% indicated to agree with the statement.

Table 2: Attitudes and Knowledge about Privatisation

Statements	Strongly Agree (%)	Agree (%)	Uncertainty (%)	Disagree (%)	Strongly Disagree (%)
All Campus Protection Services (CPS) staff will loose their jobs.	24	21	47	8	
Only few CPS staff will loose their jobs.	5	16	37	32	10
I will loose my job.	13.2	37	45	5	
Nothing will happen to me			42	34	23
The private company will provide better service to the university that the current CPS staff.		2.6	21	47	29
The university will save a lot of money from privatisation.	2.6		31	45	18
The private company will gain a lot of money and the good image from the university .	10.5	21.1	26.3	41.7	
CPS will be more cost effective and cost saving.	10.5	8	42	2.6	37

In order to build a climate of trust among various parties, the process of privatisation should be done in the transparent way. All the stakeholders should be made aware of what are the benefits or pitfalls of privatisation.

4. 2.3 The Open-ended Section

In this section, the respondents were requested to give additional information on their perceptions of privatisation. Unfortunately very few respondents (about 10% of the sample) answered this section. The answers on open-ended section were put into 3 major themes. These were hatred of privatisation, need for education and information on privatisation to those affected and Black empowerment.

Almost 100% of respondents expressed negative feelings about privatisation with statements such as "I hate privatisation" or "I am totally against privatisation. The reasons given for such statements were that it leads to poverty and increased unemployment rate. About 80% of those respondents also felt that there was a need for educating the staff and the university community about privatisation, especially those staff members who were to be affected by the eminent privatisation. The information needed were on what privatisation entailed, how it was to affect individuals within the university as well as its benefits for individuals.

One respondent said that privatisation was totally against what the University of Durban Westville stood for. He stated that it was against the content of the opening-speech that was given by the Vice Chancellor on her appointment. In that speech, she spoke about "empowering the Blacks and the previously disadvantaged South Africans". The respondent further stated that privatisation does not empower the Blacks or the previously disadvantaged groups as they are the ones that will lose their jobs.

This statement is supported by president Mbeki's statement on the African communist second quarter 1995 when he stated states that privatisation could facilitate empowerment of disadvantaged sectors. The Naledi research published in South Africa Labour bulletin of March 1995, on 29 October 1994 the cabinet announced a six-point plan to transform public sector. A need to empower Black people was also raised as one of the important goals of privatisation.

4.3 Conclusion

Data analysis revealed that considerable uncertainty existed among the respondents regarding the safety and security of their jobs with the imminent privatisation. The data analysis also revealed negative attitudes towards privatisation and its effects on individuals, the group and the university at large. Moreover, it was clear that there was an indication of the uncertainty on general knowledge of privatisation and its effect.

CHAPTER 5

C ONCLUSION AND RECOMMENDATIONS

5. Introduction

This chapter, presents the conclusion drawn and recommendations made based on the findings of the study. It is envisaged that the recommendations will enable policy makers at tertiary institutions of education to critically analyse the costs of in-house security services as compared to privately owned security company, and where necessary to objectively look at the alternatives available to them in delivering efficient public service in the times of fiscal adversities.

5.1. Conclusion

The findings of the study revealed that there are different ways to look at privatisation. It could be agreed that privatisation should continue in the University but ownership should be regulated to ensure that inequalities are addressed. Conversely, the University could work out new systems for public owned services with the aim of addressing the issue of bureaucracy and inefficiency. The need for effective and efficient delivery of services is important in any public institution, therefore it is important for a decision maker to follow right form of privatisation. A need to understand all forms of privatisation so as to make decision on the type to be selected is important.

In conclusion, it may be said that the dangers of privatising in a monopolistic environment and of introducing large scale retrenchments without creating a

safety net of proper unemployment benefits cannot simply be ignored. Apart from the social problems created by privatisation, it also has a poor record of creating new jobs.

The processes of privatisation need to be based on full consultation and democratic participation by stakeholders. Therefore negotiations should involve workers in the affected enterprises. Care should be taken to ensure that all stakeholders drive the process. The findings of the study proves that CPS workers at UDW do not understand privatisation policy and its benefits.

For the process of privatisation to be successful at UDW the following principles guiding partnerships should be adhered to:

- *CPS management should ensure that the standard for providing services should not deteriorate,

- *Actions of the private partner should be defensible and there should be strict monitoring of delivery,

- *CPS management should maintain the co-ordination and integration of services,

- *CPS management should maintain its commitment and accountability to the University community and

- *Private service providers must adhere to environmentally sound principles.

Finally, the need for consultative process to take place in order to develop a common perspective and overall understanding of the process of privatisation is vital.

5.2. Recommendations

On the basis of the results, the following recommendations are presented:

- 1.Improvement of communication between the university Management and the CPS staff.
- 2.Involvement of all stakeholders and the acceptance of PPP by the affected personnel
- 3 Training and development of staff as part of PPP
4. Empowerment and capacity building.
5. Worker-owned companies.
6. Trade union owned company.
7. Transference of workers to the private company and provision of information on privatisation.

5.2.1 Improvement of communication between, University Management and CPS personnel.

Communication plays a vital role in every organisation. Poor communication may lead to many problems in the organisation. This may include lack of commitment, lack of co-operation within the organisation and it may affect the morale of the workers and lead to poor work performance. It is therefore, recommended that the University management should communicate with all

levels of the staff within the university so that staff will be able to understand the policies laid down by the management more especially when it affects them or their work situation.

5.2.2 Involvement of all stakeholders and the acceptance of PPP by the affected personnel.

The findings of the study show a lack of understanding of privatisation among CPS personnel. It is therefore recommended that the University should inform all staff about benefits and pitfalls of the new policy within the University.

Worker as they are regarded as stakeholders should be involve in an any stage when the process of privatisation is considered and they should remain involve throughout the process. This can be achieved through union representation. The acceptance of the policy by all stakeholders is important.

5.2.3 Training and development of staff

Training and development empower staff in the organisation. Before the organisation climb willy-nilly onto the privatisation wagon a proper impact study should be conducted to investigate the possible effect of the process on workers at large. It is recommended that proper training and development to improve skills and expertise so that if it happens that the staff is transferred to the private company he or she will have acquired necessary skills needed for work performance and be able to compete for efficient and effective service delivery.

5.2.4 Empowerment and capacity building

Support schemes to empower workers who will open their businesses should be established by the University management. Workers should be encouraged to open their own companies and if possible the University should approve loans to the new owners and offer training as to how to operate their businesses. Those who opt to take severance packages should be trained on how to invest their money

5.2.5 Employee share option programme

It is recommended that the privatisation policy should involve giving workers shares in the organisation so that they can have a say in the organisation and a direct interest in making service delivery more efficient and effective.

5.2.6 Trade union owned company

In order to promote harmony between the workers and employers, the public institution (UDW) should sell the assets to the trade union investment-company. But some argue that this creates a conflict of interest for the trade union. The trade union investment-company will want more profit while workers may demand more benefits or oppose retrenchment. It is recommended that Combined Staff Association (COMSA) should be given a chance to run a security company and the university should evaluate and monitor the performance.

5.2.7 Transference of staff to the private company and provision of information on privatisation

It is recommended that staff members whose services are to be privatised should be transferred to the private company. Negotiations between the private company and the University management should emphasise the need for transfer of staff. This approach will ease the burden of unemployment. General public to be provided with factual information on privatisation through media for example television, radio and press so that they can make informed decisions.

QUESTIONNAIRE

Perceptions of Campus Protection Services personnel on Privatisation at the University of Durban-Westville.

Section 1 Demographic Data

Instruction

Kindly make a cross in the appropriate space below.

(a) What is your gender ?

Male	
Female	

(b) What is your age in years ?

Between 20 and 29 years	
Between 30 and 39 years	
Between 40 and 49 years	
Over 50 years old	

(c) How long have you been employed in this university ?

0- 2 years	
2- 4 years	
4- 6 years	
6- 8 years	
8 and above	

(d) What is the condition of your employment ?

Contract	
Permanent	

(e) What is your qualification ?

Below standard ten (10)	
Matric	
Certificate	
Diploma	
Degree	

SECTION 2 The understanding of the meaning of Privatisation.

INSTRUCTION

Complete the following sentences by cycling the appropriate number that explains your understanding and knowledge of Privatisation policy.

1. To me privatisation is the transfer of Government assets or functions to the private sector.
2. Privatisation is the exploitation of Government employees by the private companies.
3. Privatisation means taking away jobs from the Government employees and allow the private companies to exploit them.
4. To me privatisation is the unfair labour practice.
5. Privatisation means the Government relying more on private producers for services for which Government remain responsible.

SECTION 3 Attitudes and knowledge about privatisation

INSTRUCTION

Give your opinion in relation to each of the following statements.

Make a cross in the appropriate spaces below in each statement.

SA=STRONGLY AGREE, A=AGREE, U=UNCERTAIN, D=DISAGREE,
SD=STRONGLY DISAGREE.

When Campus Protection Services are privatised :

1. All Campus Protection Services personnel will loose their jobs.

SA

A

U

D

SD

2. Few Campus Protection Services (CPS) will loose their jobs.

SA A U D SD

3. I will loose my job.

SA A U D SD

4. Nothing will happen to me

SA A U D SD

5. Private company will provide better services than CPS to the university.

SA A U D SD

6. The university will save lot of money.

SA A U D SD

7. The private company will gain lot of money and good image in this university

SA A U D SD

8. CPS will be more effective and cost-saving.

SA A U D SD

SECTION D OPEN-ENDED QUESTIONS

INSTRUCTION

Explain the following sentences in your own words.

1. In your own words explain how you feel towards privatisation of Protection Services at the university of Durban-Westville.

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.....

.....

2. Would you recommend privatisation of Protection Services at the university of Durban-Westville?

- (a) Yes
- (b) No

Comment:

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.....

3. In your own view point, what strategies can be applied by the university in order to make the policy of privatisation to be well understood and accepted by the employees as part of transformation at the university of Durban-Westville.

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ADDITIONAL COMMENT/ OBSERVATION

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THANK YOU, FOR YOUR TIME AND CO-OPERATION.

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