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Work-based skills upgrading in firms in the public and private sectors

Skills planning dead in the water without data

'Improving skills planning' is the very last sub-section of the Department of Higher Education and Training's (DHET) Green Paper for Post-School Education and Training, released for public comment in January 2012. The state of data management in parts of the post-school sector suggests it should have been the first. To illustrate the point, **BONGIWE MNCWANGO**, **XOLANI NGAZIMBI** and **THEMBINKOSI TWALO** drew on a recently completed study of training in the private sector.

WHAT IS A SETA?

'SETA' stands for sector education and training authority, as described in the Skills Development Act (1998). Each of the 21 SETAs has a clearly defined sector and sub-sectors and is made up of a variety of economic activities that were related and closely linked. All the SETAs are responsible for both the private and public sectors within their own sector as a whole.

SETAs are concerned with learnerships, internships, apprenticeships, and unit-based skills programmes. They were established to ensure that every industry and occupation in South Africa was covered.

One of the primary objectives of the SETAs is to collect skills levies from employers within each sector in terms of the Skills Development Levies Act and make the money available within the sector for education and training.

This goes to employers and training bodies, and to learners in the form of discretionary grants and bursaries.

Source: www.vocational.co.za

As part of its recent investigation into training activities in private enterprises in South Africa, we looked at the training data collected, managed and reported on by five sector education and training authorities (SETAs): the financial services SETA, the banking SETA, the wholesale and retail SETA, the manufacturing and related services SETA, and the mining qualifications authority. We also reviewed the literature on black economic empowerment (BEE) cooperatives as a possible prelude to undertaking more extensive research on this type of enterprise.

The SETA component of the research sought to ascertain the impact of SETA support for private enterprise on skills development in levy-paying companies in South Africa since the previous National Skills Survey, conducted by the HSRC in 2007.

SETAs, by way of background, were required by the National Skills Development Strategy of 2005-2010 to support targeted skills development in small, medium, large and BEE companies, leading to the realisation of the three success indicators contained in the box opposite.

The research team reviewed the training-related raw data, tables and reports produced by the five SETAs to ascertain the nature and extent of skills development support for companies in their related sectors. The key documents that we consulted were annual training reports (ATRs), sector skills plan (SSPs) and workplace skills plan (WSPs). The exercise revealed significant gaps in SETA data collection and reporting mechanisms.

FRAGMENTED AND INCONSISTENT DATA

One of the main findings was the fragmented nature of the data. The reports and raw data received from each of the five SETAs contained some, but not all, of the indicators under inves-

tigation. Reports were found to contain different information pertaining to sector profiles. In particular, information on equity profiles and the extent and nature of training in enterprises in the five sectors differed.

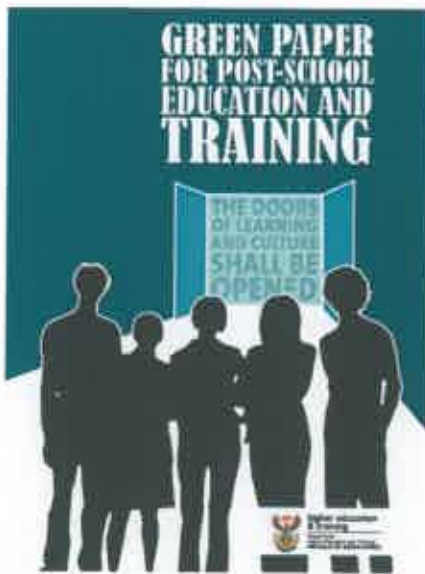
Data consolidation proved to be complex; individual SETAs conducted and reported on their sector-specific research projects in different ways. This made comparison across the SETAs virtually impossible.

Although there are guidelines on preparing sector skills plans, SETAs populate them very differently. For example, where one SETA recorded training by race and gender, another recorded training by province and occupational level. In the few cases where the disaggregations of data were compatible, the years of analysis differed.

Similarly, different reports from the same SETA were found to contain inconsistent and therefore irreconcilable data — annual training reports and workplace skills plans sometimes contradicted one another. Whether due to different reporting periods, use of different sample frames, or updating of reports after the submission of drafts, such inconsistencies rendered meaningful SETA comparisons for the purpose of evaluating performance and highlighting best practice almost impossible.

LITERATURE REVIEW

At least there was data on training in levy-paying enterprises despite its fragmented nature. The BEE cooperatives component of the research sought to investigate, through a literature review, the nature and extent of skills development in cooperatives. This review was conducted in the light of the third success indicator in the box: 'Annually increasing number of small BEE enterprises and BEE cooperatives supported by skills development. Progress measured



Key to realising this potential is obtaining accurate, comprehensive information on the size and shape of the cooperatives sector, and which quantitative and qualitative research is needed to do so.

through an annual survey of BEE enterprises and BEE cooperatives within the sector from the second year onwards. Impact of support measured¹. Not only did the HSRC research unearth no evidence of SETA support for skills development in cooperatives¹, but the review found no evidence that any survey of BEE cooperatives had been undertaken. Official data on cooperatives was therefore non-existent.

What the literature review did establish is the critical importance of cooperatives, particularly in reducing unemployment — a priority, according to the minister's preface to the Green Paper, of the current regime.

President of the International Cooperative Alliance, Dame Pauline Green, observed in 2011 that cooperatives have contributed significantly to improving the standard of living of half the world's population, having lifted millions out of poverty, purportedly through extensive share ownership (by one billion people worldwide) in cooperatives. The vast potential of cooperatives in South Africa has neither been recognised nor tapped.

REALISING THE POTENTIAL OF COOPERATIVES

Key to realising this potential is obtaining accurate, comprehensive information on the size and shape of the cooperatives sector, and which quantitative and qualitative research is needed to do so. While the current operational structure of cooperatives — most function in a dispersed fashion in rural areas with poor service provision and delivery — makes it difficult to obtain such data, the DHET could harness the power of grass-roots community involvement to do so.

The challenges with regard to data collection and management in the post-school sector are articulated in the DHET's Green Paper, which recognises the inaccuracy, lack of comprehen-

siveness, disparateness, and general weakness of much of the data on educational institutions maintained by the former Department of Education. The ESD research reported on here bears out these pronouncements with regard to SETA data, and adds another with regard to cooperatives data: absence.

The establishment of an integrated system of data management among all post-school sector institutions is identified as a priority. But how the DHET gets there is the key question.

RECOMMENDATIONS

Our research report recommends, for the SETA system, the development of a standardised set of indicators built into reporting templates, which would provide a framework for a common data source that would allow for greater articulation of comparative, consistent and credible data capturing, reporting and analysis.

The key dimensions of such a set of indicators are demarcation of reporting periods, equity indicators, training indicators and common templates for SSPs and WSPs. Indicator development of this kind would constitute an important first step in data management in each of the areas making up the post-school sector — for the sake of future integration, even those (like higher education) whose management information systems (MIS) are stable.

Only once each sector within the post-school system has a comprehensive, stable MIS, can the next step — integrating the databases and data-sets of the different sectors into one post-school MIS — be embarked upon.

The establishment of such a consolidated platform of compatible databases would facilitate improved labour market planning in the post-school and training arena at sector and national levels. ◀ ◀

- Success indicator 2.1: By March 2010: at least 80% of large enterprises and at least 60% of medium enterprises' employment equities are supported by skills development. Impact on overall equity profile assessed.

- Success indicator 2.1: By March 2010: skills development in at least 40% of small levy-paying enterprises supported and the impact of the support measured.

- Success indicator 2.5: Annually increasing number of small BEE enterprises and BEE cooperatives supported by skills development. Progress measured through an annual survey of BEE enterprises and BEE cooperatives within the sector from the second year onwards. Impact of support measured.

(Source: National Skills Development Strategy (2005–2020))

The full report, Impact of skills development support on small, medium and large enterprises, BEE enterprises and BEE cooperatives, is available on www.hsrc.ac.za

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¹ The South African Co-operatives Act of 2005 defines a co-operative as 'an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.'



HSRC
Human Sciences
Research Council

review

Volume 10 no. 1 • March 2012

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