IMPACT ASSESSMENT OF NATIONAL SKILLS DEVELOPMENT STRATEGY II

Assessing the impact of learnerships and apprenticeships under NSDSII: Three case study reports

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Impact Assessment of National Skills Development Strategy II

Research Director: Vijay Reddy

From May 2010 to January 2012, the Human Sciences Research Council, with its partner Development Policy Research Unit (UCT), undertook research to assess and evaluate the progress made in skills development since the implementation of National Skills Development Strategy II in March 2005. The research covered three thematic areas and produced nine research reports:

A. Impact of skills development on placement of learners upon completion of the programme. (Indicator 1.2; 3.1; 4.2)

1. Sumayya Goga and Carlene van der Westhuizen (2012) Scarce Skills Information Dissemination: A Study of the SETAs in South Africa.
2. Renette Du Toit (2012) The NSF as a Mechanism to Address Skills Development of the Unemployed in South Africa.
3. Morne Oosthuizen (2012) The Impact of Work Experience Grants on Learner Placement.

B. Impact of skills development support on large, medium and small firms as well as on Government, BEE firms and BEE co-operatives. (Indicator 2.1; 2.2; 2.5)

4. Pundy Pillay, Andrea Juan and Thembinkosi Twalo (2012) Impact assessment of skills development on service delivery in government departments.
5. Pundy Pillay, Andrea Juan and Thembinkosi Twalo (2012) Impact assessment of skills development on service delivery in government departments: Appendices.

C. Progress evaluation on support to high-level scarce and critical skills for both workers and unemployed learners.(Indicator 2.8 & 4.1)

6. Dean Janse Van Rensburg, Mariette Visser, Angelique Wildschut, Joan Roodt and Glenda Kruss (2012) A Technical Report on Learnership and Apprenticeship Population Databases in South Africa: Patterns and Shifts in Skills Formation.
7. Angelique Wildschut, Glenda Kruss, Dean Janse Van Rensburg, Genevieve Haupt and Mariette Visser (2012) Learnerships and Apprenticeships survey 2010 technical report: Identifying transitions and trajectories through the learnership and apprenticeship systems.
8. Claudia Mummenthey, Angelique Wildschut and Glenda Kruss (2012) Assessing the impact of learnerships and apprenticeships under NSDSII: Three case studies: MERSETA, FASSET & HWSETA
9. Glenda Kruss, Angelique Wildschut, Dean Janse Van Rensburg, Mariette Visser, Genevieve Haupt and Joan Roodt (2012) Developing Skills and Capabilities through the Learnership and Apprenticeship Pathway Systems. Project Synthesis Report. Assessing the Impact of Learnerships and Apprenticeships under NSDSII.

This research was funded by the Department of Labour. The research team acknowledges the support of the Labour Market Policy Unit, especially Ms Tendani Ramulungo for the support provided to undertake this suite of research projects.

Assessing the impact of learnerships and apprenticeships under NSDSII: Three case study reports

1. **HWSETA Case Study 2011: Skills development for the Health and Social Development Sectors**

2. **MERSETA Case Study 2011: Skills development for the Metal and Related Services sector**

3. **FASSET Case Study 2011: Skills development for the Financial Sector**

January 2012

HWSETA Case Study 2011: Skills development for the Health and Social Development Sectors

A case study for the Department of Labour research project: Assessing the impact of learnerships and apprenticeships under NSDSII

Angelique Wildschut

January 2012

Preface

"Skills development is about changing people's lives, about enhancing their employability and about aligning skills to our economy" (HWSETA Sector Skills Plan, 2005 – 2010: ii).

At the end of the five-year period of the National Skills Development Strategy II (2005 to 2010), the Department of Labour (DoL) sought to assess the impact of its evolving set of policy interventions and mechanisms to promote the goals of skills development in South Africa. The DoL commissioned the Human Sciences Research Council (HSRC) to conduct a suite of research projects to evaluate the impact of key programmes. The case study presented in this document represents only one part of the large-scale study investigating the impact of learnerships and apprenticeships.

The overall objective of this project is to measure the impact of the South African learnership and apprenticeship systems as they support employed and unemployed learners in the acquisition of scarce skills to enter employment.

Adopting a pathways approach (Raffe, 2003; Harris et al, 2006), the research investigates the extent to which the learnership and apprenticeship pathway systems develop the right numbers, levels and kinds of basic, intermediate and high-level scarce skills and capabilities required by firms across diverse sectors. What is the scale and kind of skills the learnership and apprenticeship pathway systems produce? What are the different learnership and apprenticeship pathways in the transition to employment? To what extent do the learnership and apprenticeship pathway systems build the kinds of skills and capabilities that equip young people for the workplace and enhance the transition to employment?

To address these questions, we designed a series of inter-locking research components. Firstly, we identified the numbers and levels produced by the apprenticeship and learnership systems, through an analysis of population datasets at key points in time (Janse Van Rensburg et al, 2011).

Secondly, we conducted two surveys, to trace the patterns of transition at an individual level, analysing individuals and groups in specific sectors that are more likely to enter employment, progress in employment or remain unemployed, after completing a learnership or an apprenticeship.

Finally, we devised three case studies to add a complementary dimension. The case studies analyse the extent to which learnerships and apprenticeships facilitate the development of the skills and capabilities required in the workplace in diverse sectoral contexts.

Equipping young people for the workplace, or employability, is both relative and absolute (Brown et al, 2003). An individual may be employable because of their absolute skills, abilities and qualities – whether imparted through a university degree, a further education and training qualification, a learnership or apprenticeship qualification - but they may not succeed in obtaining employment because of relative conditions in the economy and labour market at a specific point in time (Simmons, 2009). A successful transition to the workplace is strongly dependent on the structure of the economy and the ways in which the labour market is organised. The context of high unemployment and critical skills shortages in South Africa is a significant determinant of successful outcomes of the learnership and apprenticeship pathway systems, and there are distinct outcomes and levels of success associated with different sectors, particularly in the context of a global recession.

Thus, one focus of the case studies is to understand the labour market, skills demand and economic context of the learnership and apprenticeship pathway system in selected sectors. The main focus of the case studies, however, is on the absolute dimension of employability: the extent to which completing a learnership or apprenticeship qualification specifically imparts skills and abilities that may facilitate an individual's transition to the labour market.

Central to the pathways approach is its focus on the institutional and structural arrangements in education, the labour market, the production system and other social and economic institutions, that facilitate transition.

Unlike most university or FET college qualifications, learnership and apprenticeship qualifications rely on complex institutional and structural arrangements. A tripartite agreement exists between the SETA, the training provider, and, the firm to provide the theoretical and workplace experiential components of the qualification. The case studies investigate ways in which SETAs, firms, and, training providers, interact to ensure that the courses and experiential learning align with one another, that they align with scarce skills needs, and that they are in alignment with technological advancement in the sector.

The cases were selected to represent best practice in three sectors: programmes in a sector characterised predominantly by high-level scarce skills occupations, in a sector characterised

predominantly by artisanal and intermediate-level scarce skills occupations, and in a sector characterised by basic-skills level occupations.

The case studies would not have been possible without the active support and participation on the part of staff of the SETAs, firms and training providers, and of the Department of Labour and the Department of Higher Education and Training. Their generous collaboration was critical, and the research team trusts that their analysis and interpretation will be of wider benefit.

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Final Report

Table of Contents

List of Tables and Figures

List of Abbreviations

ANC	African National Congress
DENOSA	Democratic Nursing Organisation of South Africa
DHET	Department of Higher Education and Training
DoBE	Department of Basic Education
DoH	Department of Health
DoL	Department of Labour
DoSD	Department of Social Development
ECD	Early Childhood Development
EN	Enrolled Nurse
ENA	Enrolled Nursing Auxiliary/Assistant
EPWP	Expanded Public Works Programme
ETDP SETA	Education and Training SETA?
ETQA	Education and Training Quality Assurance
FASSET	Financial Services SETA
FET	Further Education and Training
FETC	Further Education and Training Certificate
GET	General Education and Training
GETC	General Education and Training Certificate
HEQF	Higher Education Qualifications Framework
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immuno-Deficiency Syndrome
HPCSA	Health Professions Council of South Africa
HRH	Human Resources for Health
HSRC	Human Sciences Research Council
HST	Health Systems Trust
HWSETA	Health and Welfare Sector Education and Training Authority
ICU	Intensive Care Unit
KZN	Kwa-Zulu Natal
M&E	Monitoring and Evaluation
MERSETA	Metal and Related Services SETA
NC	National Certificate
NGO	Non Governmental Organisation
NHIS	National Health Insurance Scheme
NPO	Non-Profit Organisation
NQF	National Qualifications Framework

NSDS	National Skills Development Strategy
PHC	Primary Health Care
PWD	People With Disabilities
RN/PN	Registered Nurse/ Professional Nurse
SACSSP	South African Council for Social Services Professions
SANC	South African Nursing Council
SAPC	South African Pharmacy Council
SAQA	South African Qualifications Authority
SDF	Skills Development Facilitator
SDTA	Skills Development Technical Advisor
SETA	Sector Education and Training Authority
SMME	Small Medium and Micro Enterprises
SSP	Sector Skills Plan
TB	Tuberculosis
WC	Western Cape

1. Introduction to the case study

The objective of this case study is to measure the impact of the learnership system in terms of supporting employed and unemployed learners to acquire scarce skills, and to enter employment.

An assessment of key learnerships at HWSETA (Health and Welfare Sector Education and Training Authority), illustrates the case firstly, of the health sector, dominated by intermediate/high-level skills (nursing), juxtaposed with an increasing emphasis on the need for low-level skills (care). Secondly, the discussion indicates the social development sector dominated by intermediate-level skills training (ECD), again accompanied by an identification of increased need for low-level skills (community/child/youth work). The case highlights the quality elements that facilitate employability in the sector, of course underpinned by effective implementation.

This report presents the case of HWSETA, and examines the extent to which key skills programmes contribute to the formation of skills for a smooth transition[1] into the health and social development sectors. Essentially this entails an assessment of the composition of the sector itself, its identified and specific skills needs, and the ways in which learnerships contribute to skills development. Employability does not only rely on the structural arrangements, but also the nature of available transitions, within the system. It is critical then to include and gather perspectives from all the relevant stakeholders in this process (learners who have completed a learnership qualification, SETA representatives, employers and training providers).

2. Case study methodology

The Health and Welfare SETA (HWSETA) was purposively selected as a case to investigate the skills development nuances evident in the health and social development sectors at primarily the basic scarce skills level. Selection of cases for the illumination of specific issues, rather than

[1] We use this term to refer to the movement of individuals from one state/condition to another within the learnership pathway system. For instance, a learner who has completed a learnership can move into employment, and then could move into unemployment, and then studying. Each movement is referred to as a transition.

for the purposes of generalisation is an accepted form of purposive sampling very commonly used in case study research (Maxwell, 1996). This type of case study would also approximate Denzin and Lincoln's (2003) description of an instrumental case study, where particular cases are investigated to provide insight into a specific issue. The case plays a supporting role in the sense that it is intended to give us insight into the issue of importance - employability. Mason (2002), points out that qualitative research is particularly good at supporting arguments that focus on how processes operate and are structured.

At a more practical level, the case study consists of the collection and analysis of both secondary and primary data. The former includes a review of relevant HWSETA and sector-specific information[2], mostly of the HWSETA, Department of Health (DoH) and Department of Social Development (DoSD) website information. The latter involved conducting semi-structured interviews with stakeholders within the context of the provision of key learnerships at HWSETA. Firstly, we identified the key learnership programmes which would be the focus of the interviews. The secondary data collection and analysis preceded the primary data collection and analysis.

2.1 Secondary data collection and analysis

This part of the case study involved a desktop review and documentary analysis of any relevant HWSETA and some more general health and social development sector material, data and literature. This was used mainly to identify the nature of the sector, as well as the context within which skills development occurs. The analysis informed the selection of focus learnership programmes and case study respondents

The selection of appropriate focus learnership programmes relied on statistics from the Department of Higher Education and Training's (DoHETs) 2009/10 learnership and apprenticeship population dataset. The sectoral data eminates from the HWSETA SSP 2005 – 2009 (2007), the HWSETA SSP 2005 – 2010 (2009), and the professional data analysed later, relies on data collated from the various professional bodies (HPCSA, SANC, SAPC) and related research (HST and Lofell et al, 2008).

[2] Sector Skills Plans, HWSETA handouts, Sector Specialist Guides and Policies, relevant health and social development sector legislation.

As per the HWSETA website (www.hwseta.org.za), a group of 17 learnerships is offered. It is clear that the majority of learnerships fall within the health sector (13 out of 17 are health related). Refer to Table 2.1.

The approximate size of the HWSETA learnership pathway system (as measured in 2009/10) is comprised of almost 5 000 participating learners. This indicates substantial growth of the extent of skills development made available through HWSETA to the health and social development sectors. The total system in 2007 comprised exposure to roughly 5 000 learning areas/opportunities[3] in total (and learnerships comprised 6% of that), whereas now in 2009/10 the learnership system alone has 5 000 participating learners.

Table 2.1: HWSETA registered learnerships

Learnership title	NQF level	DoL registration no
GETC Ancillary Health Care	1	11 Q 110011 31 125 1
National Certificate: Theology & Ministry	2	11 Q 110017 30 120 2
**Certificate Pharmacist Assistant (Basic)*	*3*	*11 Q 110002 13 120 3*
Community Health Worker	3	11 Q 110016 27 120 3
Certificate in General Nursing (Auxiliary)	4	11 Q 110008 20 132 4
Certificate in General Nursing (Enrolled)	4	11 Q 110003 00 132 4
**Certificate Pharmacist Assistant (Post Basic)*	*4*	*11 Q 110001 08 120 4*
FETC Social Auxiliary Work	4	11 Q 110012 00 180 4
FETC Phlebotomy Techniques	4	11 Q 110006 28 134 4
**FETC Child and Youth Care Work*	*4*	*11 Q 110014 35 155 4*
Further Education & Training Certificate: Counseling	4	11 Q 110018 69 140 4
**NC: Community Development – HIV/AIDS Support*	*4*	*11 Q 110015 18 135 4*
Diploma Medical Technology	5	11 Q 110005 00 120 5
Diploma in General Nursing (Bridging)	5	11 Q 110004 00 256 05
Post Basic Diploma in Medical / Surgical Nursing	6	11 Q 110010 17 360 6
Diagnostic Radiography	6	11 Q 110031 00 360 6
Diploma in Primary Health Care (Post Basic)	6	11 Q 110009 23 360 6

HWSETA Website, 2010

*The learnerships in italics do not appear on the HWSETA list of registered learnerships in the 2011/12 Sector Specialist Guide.

To give a broad sense of the success of the learnership system, as offered through HWSETA, we offer the numbers achieved against official DoL/DHET targets, below. It is clear that in 2009/10 HWSETA has overachieved on all learnership registration and completion targets. They have overachieved most substantially on their target for the enrolment of unemployed (4.1) learners, and for the completion of employed (2.8) learners. However, most SETAs overachieved on these targets for 2009/10, which brings into question the appropriateness of the levels at which targets are set (Janse Van Rensburg, Visser, Wildschut & Kruss, 2011).

[3] This refers to various types of skills development opportunities made available through HWSETA funding. This comprises Education and Training Initiatives, Apprenticeships, Articles, Internships, Learnerships, Short Courses, Skills Programmes and Work Experience.

Table 2.2: HWSETA learnership registrations and completions 2009/10

Success Indicator	Target	Total	Variance	% Achieved
2.8 Learners Entered Learnerships	1,000	1,865	865	187%
2.8 Learners Completed Learnerships	500	1,13	630	226%
4.1 Learners Entered Learnerships	900	2,634	1734	293%
4.1 Learners Completed Learnerships	450	485	35	108%

Source: DHET database (2010)

2.1.1 Identifying the focus learnerships

Based on HWSETA registration and completion data for 2009/10 (DHET, 2010), there are 3 759 registered learnerships (Table 2.3). Learnership registrations are equally split between the employed and unemployed, which suggests that the need for skilling and upskilling is considered as equally important in this sector. The majority of learnership registrations are for the Further Education and Training Certificate (FETC) in Child and Youth Care Work (880), followed by the Diploma in General Nursing Bridging (627), the Certificate in General Nursing Enrolled (465) and the FETC in Early Childhood Development (329). The minority of registrations are for post-basic (specialised) qualifications, with the post basic diploma in primary health care and diagnostic radiography having only 15 and 20 registrations respectively.

Table 2.3: 2009/10 learnership registrations

Learnership Programmes	NQF	EM	UN	TOTAL
Dip. In Primary Health Care: Post Basic	6	15	0	15
Diagnostic Radiography	6	2	18	20
First line Manager	5	21	0	21
Post basic Dip. In Medical Surgical Nursing (Operating Theatre)	6	23	0	23
Post Basic Dip. In Medical /Surgical Nursing Care (Critical Care)	6	52	0	52
NC: Community Development HIV/ AIDS Support	4	36	42	78
FET: Phlebotomy Techniques	4	27	54	81
Community Health Worker	3	16	70	86
Post Basic Pharmacist Assistant: Learnership	4	99	17	116
Certificate: Pharmasist Assistant : Basic	3	125	77	202
GET: Certificate in Ancillary Health Care	1	36	175	211
Certificate in General Nursing: Auxiliary	4	91	166	257
Social Auxiliary Work	4	84	212	296
FET : Early Childhood Development	4	0	329	329
Certificate: General Nursing : Enrolled	4	344	121	465
Diploma in General Nursing: Bridging	5	565	62	627
FETC: Child & Youth Care Work	4	340	540	880
TOTAL		**1876**	**1883**	**3759**

Source: DHET (2010)
Key: EM: Employed
UNEM: Unemployed

Table 2.3 shows a focus on mid-level qualifications, NQF 3 and 4, with only 16% of all learnership registrations being at NQF levels 5 and 6, and only 6% being at a basic skills level (NQF level 1). Figures from HWSETA's learners' database from the 2000/01 – 2006/07 financial years, indicates a slightly different picture, with the majority of registered learnerships being for the Certificate in General Nursing Auxiliary (4 123), followed by the Certificate in General Nursing Enrolled (3 844), then, the Diploma in General Nursing Bridging (2 892), and lastly, the General Education and Training (GET) Certificate in Ancillary Health Care (2 066) (HWSETA Learner Database, 2001 – 2007). Both these sets of data indicate a focus on nursing qualifications at registration.

Table 2.4 below, illustrates a total of 1 570 completed learnerships in 2009/10. The data indicates firstly, that the majority of completions are for the Certificate: General Nursing Enrolled (EN) programme (629) followed by the Certificate in General Nursing Auxiliary (ENA) (332), the Diploma in General Nursing Bridging (239) and the Certificate Pharmacist Assistant Basic (76). The minority of completions are for the FET: Phlebotomy Techniques (15), followed by the First Line Manager qualification (16), the Post basic diploma in Medical/Surgical Nursing (20) and the Diploma in Primary Health Care Post Basic (25).

Table 2.4: 2009/10 completed learnerships

Learnership programme		EM	UN	TOTAL
FET: Phlebotomy Techniques	4	3	12	15
First line Manager	5	16	0	16
Post basic Dip. Medical / Surgical Nursing	6	14	6	20
Dip. Primary Health Care Post Basic	6	24	1	25
Certificate in Social Auxiliary	4	8	30	38
Diagnosis Radiography	6	2	36	38
Post Basic Pharmacist Assistant: Learnership	4	31	11	42
Post Basic Diploma Medical / Surgical Nursing Care (Critical Care)	6	13	35	48
GET CERTIFICATE Ancillary health care	1	1	50	52
Certificate: Pharmacist Assistant: Basic	3	60	16	76
Diploma in general nursing: Bridging	5	199	40	239
Certificate: General Nursing- Auxiliary	4	152	180	332
Certificate : General Nursing – Enrolled	4	297	332	629
TOTAL		**820**	**749**	**1570**

Source: DHET (2010)

Overall, the data indicates much higher completion numbers for the employed than for the unemployed. One would have to consider whether this could indicate a higher success rate for employed learners. The inability to compare these completion figures with the appropriate registration figures makes it impossible to suggest an accurate success rate. This underscores

the importance of establishing and maintaining trend datasets which accurately reflect the impact of skills programmes.

Both tables 2.3 and 2.4 thus indicate that nursing qualifications dominate both registrations and completions at HWSETA in 2009/10. Following from this exercise, six programmes were selected as foci for the case study:

- GET certificate in ancillary health care (NQF 1)
- Community health worker (NQF 3)
- Certificate: general nursing auxiliary (NQF 4)
- Certificate: general nursing enrolled (NQF 4)
- FETC: Early Childhood Development (NQF 4)
- Diploma in general nursing bridging (NQF 5)

The focus programmes are selected on the basis that firstly, a learnership forms a sizeable proportion of skills development provision in the sector (refer to tables 2.1 and 2.2), and secondly, is a good indicator of the experiences of the majority of professionals in the sector. Thus, the focus on nursing and ECD qualifications is based on the fact that these form the majority of, registered health professionals and registered social services professionals in the sector.

Lastly, we attempted to include an assessment of the lower NQF level programmes in line with the focus on public health care (PHC) as the basis of our health system (Breier, 2005; Breier et al, 2009), which necessitates the provision of social and health services at community level.

The appropriateness of this selection of programmes is confirmed by the HWSETA Sector Skills Plan (SSP) (2009: 30) which asserted that the focus of their EPWP initiatives are "to create more ECD workers, community and health care practitioners and social auxiliary workers… as well as more home-based care practitioners… and ancillary health practitioners".

2.2 Primary data collection and analysis

With assistance from HWSETA at national level, appropriate interview respondents were identified for the selected focus learnership programmes. The interview planning process involved acquiring contact details, and also liaising with SETA administrative personnel to assist where possible to confirm contact details. On selecting the respondents, and planning the

interview, contact was initiated via e-mail. This invitation was supported by a summary of the key objectives of the study, as well as a letter of support from the Department of Labour (DoL). This assisted a great deal in legitimising the study and ensuring the necessary support and co-operation from stakeholders. Once the e-mails were sent, we followed up with telephonic conversations to explain the project and process for the interview, to secure an interview. There were no refusals.

Face-to-face interviews were conducted in both Kwazulu-Natal (KZN) and the Western Cape (WC). All interviews for other regions were conducted telephonically (Gauteng and Limpopo). In total 26 interviews were conducted with relevant HWSETA representatives, employers, training providers and learners (see table 2.4).

Table 2.5 Interviews by type of stakeholder and region

Stakeholder	Western Cape	Kwazulu-Natal	Gauteng	Limpopo	Total
HWSETA	1	1	1		3
Employer	1	3	1		5
Training Provider	4	4		1	9
Employer/ Training Provider	3	1			4
Completed Learner	1	4			5
TOTAL	**10**	**13**	**2**	**1**	**26**

2.3 Challenges and limitations of the case study

We consider first the limitations associated with conducting this research. Any study is constrained by the limitations of time and strict deadlines for completion. The field work for this study was set up, completed, and written-up, within the first 3 months of 2011. This was a difficult task, given that most organizations close mid-December and start their year mid- to late-January. Support from HWSETA representatives was thus crucial to ensure co-operation during this 'difficult' time period.

The sample frame was limited to Kwa-Zulu Natal and the Western Cape, where the majority of training takes place, according to 2009/10 DHET learnership and apprenticeship population data. The findings are thus most appropriate to these areas, although they might also reflect the case nationally.

A peculiarity of the sector that needs to be foregrounded is the difficulty in categorizing stakeholders. We found when conducting the research that some institutions (mostly major private hospital groups) perform a dual role in the provisioning of some learnerships. This

explains why they are categorized in the DHET database as both training provider and employer. This makes it difficult to draw out conclusions specifically related to training providers and similarly exclusively applying to employers. This is a good example of the complexities surrounding the implementation of specific skills development programmes, since in reality there is overlapping of roles and responsibilities (the implications will be discussed further in the findings).

There were problems related to the official datasets provided. The research used datasets provided by each SETA on the basis that they represent the best available sources.
The DHET database presented some problems which complicated the selection process. In some instances training provider and employer information was captured in both categories simultaneously. Furthermore, the contact information provided by HWSETA was in some instances inaccurate. This is a common problem experienced in similar studies of the SETA system (Wilson et al, 2004). Although the present study focus does not allow further investigation, it is indeed a very complicated issue that needs to be given critical attention.

The most important limitation is linked to the intention of the three case studies as initially conceptualized. The HWSETA case study was supposed to focus on, and serve as an example of basic level skills provision, but initial investigation and data analysis indicated that most learnerships offered through HWSETA are at NQF level 3 and 4 (intermediate). Consequently, the findings are more representative of the functioning of learnerships at intermediate-skills level, although it also offers an illustration at the low-skills level. The case study does not consider the contribution of basic level scarce skills in isolation, but allows a much more comparative and contextualised view of the value of the contribution of skills at this level.

Finally, there are general research challenges, from which this sector is not exempt. Firstly, there are widely reported difficulties in accurately quantifying the number of employers in the health and social development sectors. This is due to the difficulties of quantifying the private sector, as well as the Non Profit Organisation (NPO) sector, which is exacerbated by a continuous “proliferation and attrition of community based organizations” (HWSETA SSP, 2010: 7). Secondly, the lack of adequate aggregate data on employees in the sector means dependence on the relevant statutory councils’ reports. Thirdly, where data is available it is in many instances dated. Thus the HWSETA SSP 2009 correctly notes that there is a need for the collection of additional data to present a more accurate picture of the health and social development sectors. Fourthly, finding accurate supply side information is difficult, and

severely impacts on the ability to contextualize the influence of learnerships on supply in the sector.

3. Size, structure, profile and related skills needs within the sector

The recent recession caused by economic failures in European financial markets has repercussions for our economy at large, with profound impacts on the health and social development sectors. Both sectors, but the latter especially, are comprised of a large amount of institutions that rely heavily on donor funding (for e.g. small businesses and levy exempt institutions), the extent of which has necessarily been dwindling. As noted, ironically while this financial crisis creates a situation of a greater demand for resources within the sectors, "it also creates a situation whereby resources needed to mitigate this demand will be severely compromised" (HWSETA SSP, 2009: ii). Indeed this sector will for the foreseeable future be shaped by the realities of a global financial market in re-adjustment.

Another overarching factor, which cannot be ignored within the South African context, is the overall inequity and deterioration of the health system. HIV/Aids and Tuberculosis particularly have had a profound impact on business, which has led to our country being ranked basically worst on overall competitiveness. Out of a total of 134 countries surveyed, we were ranked second last on HIV/AIDS and the worst performer in terms of TB prevalence. It is of no surprise that these issues pose a significant challenge to the sector, and appropriate skills development to respond to these challenges remains paramount.

HWSETA aims to service the skills development needs of two inter-related sectors: health, and social development. It has a skills development planning division, under which there is a dedicated learnerships sub-division, under the management of a Learnership Manager, supported by Skills Development Technical Advisors (SDTA) in key regions. The primary targets of the skills development planning division to meet the skills needs within the sector is to:

- register and implement learning programmes (learnerships, skills programmes, internships and bursaries)
- administer the submission of Workplace Skills Plans and Implementation Reports
- facilitate the implementation of the NSDS
- capacitate SDFs in driving the NSDS
- assist stakeholders with any skills development/HWSETA related processes (HWSETA website, 2010).

3.1 Profile of employers

The HWSETA member base comprises 49 017 employers, with roughly 28 000[4] levy paying members (HWSETA SSP, 2007). The majority of employing companies are classified as small (20 788), and the majority of employers are doctors and specialists (18 432) based in the private sector. The provision of training and learnership programmes for the SMME sector has been noted as a priority for HWSETA (HWSETA SSP, 2009).

Whereas the health sector contains a significant number of private employers, the social development sector is dominated by non-profit organizations (NPOs). The interview findings offer some observations on how this impacts the provision of learnerships in each sector.

Table 3.1: Distribution of employers by province

Province	Number of employers	%	Population	%
Free State	761	2.7%	2965600	6.2%
North West	711	2.5%	3394200	7.1%
Limpopo	691	2.5%	5402900	11.3%
Northern Cape	415	1.5%	1102200	2.3%
Western Cape	1309	4.7%	4839800	10.1%
Gauteng	10281	36.8%	9688100	20.2%
Eastern Cape	2242	8.0%	6906200	14.4%
Mpumalanga	1236	4.4%	3536300	7.4%
Kwa-Zulu Natal	4185	15.0%	10014500	20.9%
Undefined	6113	21.9%	/	0.0%
TOTAL	**27944**	**100.0%**	**47849800**	**100.0%**

Source: Adapted from HWSETA SSP (2007) as used in the HWSETA SSP Update (2009)

Historically disadvantaged and more rural provinces are more likely to rely on the public health and social development sector for services. As is the case for many professions or sectors that have identified key skills shortages, "employers are not located in provinces in which the needs are greatest" (HWSETA SSP, 2010: 8). The majority of employers are based in Gauteng (10 281), followed by KwaZulu-Natal (4 185) and the Eastern Cape (2 242). Refer to Table 3.1. However, this is not an exact picture of distribution, as 6 113 (roughly 20%) employers are indicated as undefined in terms of provincial distribution.

3.2 Profile of employees

The health and social development sector is comprised of mainly female and black employees. Based on the latest available data (2007/8) (illustrated in Table 3.2), the health sector has 264 427 registered health professionals (HWSETA SSP, 2009), of which nursing professionals are

[4] This number excludes employers in the levy-exempt sector, comprising 22 755 social services and 6 517 health non-profit organizations (NPOs) (HWSETA SSP, 2010).

the majority (183 490), followed by medical professionals (34 324) and pharmacists (11 547). Very similar to the provincial distribution of employers, the majority of employees in the health sector are found to be concentrated in Gauteng (75 432), KwaZulu-Natal (55 004) and the Western Cape (26 833).

Table 3.2: Number of registered health and social services professionals, 2007

Occupation	Total
Dental Specialists	30
Medical Researchers	88
Speech Therapists	187
Dental Therapists	450
Optometrists	2 730
Environmental Health Officers	2 751
Occupational Therapists	3 015
Medical Specialists	4 000
Dentists	4 937
Physiotherapists	5 059
Radiographers	5 509
Psychologists	6 310
Student Nurses	9 671
Pharmacists	11 547
Nursing Assistants	33 219
Medical Practitioners	34 324
Enrolled Nurses	39 305
Professional Nurses	101 295
	Health Sector Professionals: 264 427
Social Work Students	835
Social Auxiliary Workers	1 455
Social Auxiliary Trainees	2 077
Child and Youth Care and Auxiliary Practitioners	6 000
Social Workers	12 252
Early Childhood Development Practitioners	54 503
	Social Development Sector Professionals: 77 122
	Total Health and Social Development Sector Professionals: 341 549

Source: Adapted from HWSETA SSP (2010)

The social development sector is considerably smaller, comprising roughly 77 122 social service professionals, of which Early Childhood Development (ECD) practitioners are the majority (54 503), followed by social workers (12 252), then social auxiliary workers (1 455). Unfortunately commensurate data on the provincial distribution of social development sector employees is not available from the HWSETA SSP 2009, which limits investigation of provincial nuances.

3.3 Professional bodies and government departments

The National Department of Health (DoH) holds a stewardship role in the health sector and is responsible for the regulation of private and public health care (HWSETA SSP, 2010). The Department of Social Development (DoSD), too, holds a stewardship role and provides the

strategic vision, leadership and implementation support (Burger, 2007 in HWSETA SSP, 2010) to social development stakeholders, and most importantly the NGOs, which are primarily responsible for the provision of social development sector services (HWSETA SSP, 2009).

The health and social development sectors are also governed by professional bodies. The health sector is primarily governed by the Health Professions Council of South Africa (HPCSA); the South African Nursing Council (SANC); and, the South African Pharmacy Council (SAPC). The social development sector is regulated by the South African Council for Social Service Professions (SACSSP) comprising two professional boards: the Professional Board for Social Work and the Professional Board for Child and Youth Care.

Not only do these councils and professional boards carry the responsibility of governing the practice of relevant professions, they also have to fulfill the function of Education and Training Quality Assurance (ETQA) for the qualifications under their jurisdiction. The *Skills Development Act* (No. 97 of 1998) requires that all SETAs must apply to SAQA for accreditation as an ETQA. Only then, can they perform the ETQA role for specified qualifications. Thus, for some qualifications, HWSETA, under the oversight of SAQA, fulfills the quality assurance role. For instance, learnerships such as the Ancillary Health and Community Health Worker programmes, have HWSETA as the body responsible for their accreditation and verification. Because some training providers are registered as FET Colleges, there are also regulatory requirements from the Council for Higher Education (CHE).

It is important to understand the relationship between these intermediary bodies, because the extent to which a profession is well-regulated, and the extent to which there is a well established skills development system, has implications for the functioning of the learnership pathway. This will be discussed in section six.

3.4 HWSETA's identified scarce and critical skills needs

In general, the concept of skills shortage is not easily definable, "an amorphous concept that encapsulates many specific components…" (Daniels, 2007:1). In a discussion of skills needs identification, there are four main concepts: scarce skills, critical skills, absolute scarcity and relative scarcity.

Scarce skills refer to those occupations in which there are a scarcity of qualified and experienced people – current and anticipated (DoL framework for Identifying and Monitoring Scarce Skills,

2006). This is usually measured by indicators such as scarcity in certain occupations or qualifications, which are relatively easy to measure and communicate.

A more comprehensive definition introduces two further qualifiers related to scarcity, identifying scarce skills as "the inability to find suitably qualified and experienced people to fill occupational vacancies either at an absolute level of scarcity or at a relative level of scarcity" (NSA, 2007: 4). Put simply, absolute scarcity is merely a situation where suitably skilled people are not available for a specific vacancy. Relative scarcity on the other hand, exists when people suitably skilled for the vacancy are available, but do not meet other employment criteria. Factors which can result in relative scarcity are, for example geographical location, equity considerations, recruitment and retention difficulties, or replacement demand.

According to an NSA briefing paper, *critical skills* refer "to the lack of ability of people to perform to the level of occupational competence required, because of gaps in their skills profiles" (NSA, 2007: 4). These skills can include things like literacy, numeracy, general management skills, communication and customer handling skills, teamwork, etc. Daniels (2007:2) also notes some of these skills, when identifying two groups of critical skills within the South African context: "1) generic skills, including problem solving and learning to learn; language, literacy or numeracy skills; and working in teams for example; [and] 2) particular occupational skills required for performance within that occupation". It is evident that, in contrast to the indicators associated with scarcity, these are more difficult to establish. Thus it is more difficult to measure the absence or presence of critical skills.

In the health and social development sectors, the most pronounced[5] skills needs identified for the period 2008 – 2010 was for ancillary health care workers (8 135), not as a scarce skills need, but as a critical skills need. This was followed by an identified scarce skills need for enrolled nurses (EN) (7 840). However, as a category registered nurses (RN) represent the largest group of scarce and critical skills identified (60 011). 12% of this is particularly for those RNs specialising in community health[6], which is identified as most in need. The smallest number of scarce and critical skills needs identified was for General Medical practitioners (4 086), with a specific focus on HIV/AIDS, TB and a need for continued medical education (as illustrated in Table 3.3 below).

[5] For simplification in tables 3.3 and 3.4, the skills included are judged as any occupation that has an identified scarce or critical skills need that exceeds 3000 individuals.

[6] This should not be confused with the Community Health Worker learnership qualification, which is at NQF level 3. This would be a person that has a RN qualification at NQF level 5, who specializes in Community Health.

Table 3.3 Majority of scarce and critical skills needs identified in health sector (2008 – 2010)

OFO Code	Occupation	Scarce skill	Critical skills need	Amount
411502	Ancillary Health Care Worker	No	n/a	8 135
411401	Enrolled Nurse	Yes	Nursing skills, Medical/ Surgical/ High Care	7 840
254404	RN: Community Health	Yes	Management , Occupational Health	7 308
254410	RN: Mental Health	Yes	Mental healthcare practices	6 358
254405	RN: Critical Care and Emergency	Yes	ICU and Trauma practices	5 386
254409	RN: Medical Practice	Yes	n/a	5 364
254403	RN: Child and family health	Yes	n/a	5 304
254411	RN: Perioperative	Yes	n/a	4 407
254401	RN: Clinical nurse practitioner	Yes	Management and leadership, clinical assessments, medical diagnostics, appropriate treatment	4 356
254412	RN: Surgical	Yes	Assistant surgical practices, Patient after care practices	4 307
254413	RN: Paediatric Nurse	Yes	Peadiatric nurse	4 307
2544	Remote/Rural nurse	Yes	n/a	4 307
2544	RN: Medical/ Surgical Nursing	Yes	n/a	4 304
254408	RN: Medical and Surgical	Yes	Professional nursing practices, Gerontology, General, Heamatology, General ward care and practices	4 303
253101	General Medical Practitioner	Yes	HIV/TB, Management, Continued medical education	4 086

Source: HWSETA SSP (2010)

In the social development sector, the majority of identified skills needs were for community health workers (14 385) although this was not identified as scarce, but a critical skills need. This was followed by the need for social workers (10 251). There was also a general scarce skill need identified for people falling under the description of 'other community and personal service workers '(3 756). This non-specific identification of skills reflects in the sometimes unclear career pathways for social service practitioners. The impact of the lack of specification is explored further.

Table 3.4 Majority of scarce and critical skills needs in social development sector (2008 – 2010)

OFO Code	Occupation	Scarce skill	Critical skills need	Amount
411701	Community Worker	No	Crisis/ trauma management, HIV/ AIDS awareness, HIV/ AIDS, education/ counsel	14 385
272501	Social Worker	Yes	Counselling Practices, Research Skills, Community Development	10 251
272603	Welfare Worker	Yes	Social auxiliary/ community development	10 147
411707	Social Auxiliary Worker	Yes	n/a	4 892
	Other Community and Personal Service Workers	Yes	n/a	3 756

Source: HWSETA SSP (2010)

Within the social development sector there is a distinct needs identification of critical skills needs for social workers, community development practitioners, family support workers, parole and probation officers, youth workers, development workers, social auxiliary workers, child-care workers and carers for the elderly and PWD. Given the extensive identification of critical skills needs in the social development sector, it seems that a focus on the upskilling of current employees, at least in the short term, might be appropriate.

Other noteworthy scarce skills needs listed in the HWSETA SSP 2010, that exceeded 1 000 are for veterinarians (1 038), pharmacists (3 615), of which 1 201 hospital pharmacists, 1 205 industrial pharmacist and 1 209 retail pharmacist are identified as in need. The other noteworthy occupational scarce skills needs includes: audiologists (1 024), midwives (1 028), ambulance paramedics (1 358), youth workers (1 736), and phlebotomy technicians[7] (1 056).

In the context of a recognized need for skills development at various levels within a sector, SETAs have as an overarching imperative, to continuously balance the need for skilling and upskilling. This implies a requirement for training to respond simultaneously to skills needs gauged from the current and projected skills gaps in the country, while also responding to the different or increased service delivery needs brought about by changes in the legislative and socio-economic context. Thus, HWSETA has established the training of unemployed individuals as important, although also acknowledging the "need for skills development of existing employees in the sector" (HWSETA SSP, 2010: 30).

4. Key drivers of change in the sector

Indicating the difficulties experienced in trying to establish a clear set of skills demand priorities in a sector, the HWSETA SSP (2010: 34) declares that the demand for skills, and thus skills development responses are impacted by:

> "legislation, employment equity, addressing geographic inequalities, scarce skills, re-skilling and human resource development. This is in addition to the sub-sector specific challenges, such as lack of sufficient human resources in the public health and social development sectors, the under-representation of black people and women in certain professions and the nature of the SMME and NGO sector, which requires more focused and strategic interventions".

[7] Only 24 phlebotomy technicians completed the learnership qualification in 2009/10.

This is a very generic statement, but does indicate the complexity inherent in trying to assess demand in the sector. The factor that most extensively impacts on the extent and type of demand for skills in the sector at present is the "paradigm shift from curative to preventative health, and social welfare to social development" (HWSETA SSP, 2010: 49). This implies the need for differently trained employees, different sets of skills, as well as in many cases added responsibilities for current and future employees, contributing to an "ever-expanding social service net" (HWSETA SSP, 2010: 1),

The extent to which the selected focus learnerships are successful in responding to these challenges will indicate whether the learnership pathway system can be considered an appropriate skills development vehicle within the sector.

4.1 Legislative and socio-economic changes during the period

The past few years have seen minor and in some instances very major changes to the legislative context within which SETAs have to offer skills development. Although I report on key pieces of legislation impacting on firstly, the health sector, secondly, the social development sector, and lastly on the skills development context more broadly, it will become quite evident that many of these issues are interlinked and connected.

4.1.1 Health sector

Since 1994, our government has focused on creating a less fragmented health system with simpler regulatory systems. The first major policy imperatives for change were contained in the *National Health Plan* (ANC, 1994), but these were considerably strengthened in the *White Paper for the Transformation of the Health System in South Africa* (DoH, 1997). These two documents are the main drivers for rectifying the racial, gender and regional disparities in the South African health system, and impacts on the extent and type of service delivery required from health workers. As the preface of this policy document summarises:

> "we intend to decentralise management of health services, with emphasis on the district health system - increase access to services by making primary health care available to all our citizens; ensure the availability of safe, good quality essential drugs in health facilities; and rationalise health financing through budget reprioritisation. Furthermore, the development of a National Health Information System will facilitate health planning

and management, and strengthen disease prevention and health promotion in areas such as HIV/AIDS, STDs and maternal, child and women's health".

A glaring gap is the silence on the health human resources and facilities infrastructure required to underpin these changes.

Hall and Erasmus (2003) summarise the most important interventions put in motion by the Department of Health:

- *Streamlining of regulatory systems:* For example, the nursing profession is now regulated by only two bodies, the Democratic Nursing Organisation of South Africa (DENOSA) and the South African Nursing Council (SANC), whereas previously it was characterised by fragmentation and racial separation.
- *Addressing of regional imbalances*: The elimination of separate health departments aimed to decrease wasted limited financial resources, improve poor infrastructure, and attend to the lack of facilities and address instances of poor equipment and a shortage of personnel in the former homelands.
- *Promotion of equality in terms of race and access to training:* Various measures have been put in place to upgrade and enhance growth in the output of black candidates.
- *Shifting of focus to primary community-based health care* as well as the tenets of holistic care, with emphasis on certain diseases such as TB and HIV/AIDS.

Amidst the achievement of considerable transformation, the challenges plaguing the health and social development sector at present are associated with the overburdened public health system, the HIV/AIDS and TB pandemics, the shortage of health and social development professionals, and the continuing public-private and urban-rural divides.

The *National Health Act* (No 61 of 2003), attempted to address some of the challenges not adequately dealt with in the *White Paper for the Transformation of the Health System in South Africa* (DoH, 1997). These relate most explicitly to addressing the human resources for health (HRH) issues, providing for:

- increased training of HRH
- more categories of health personnel
- concerted efforts to address HRH shortages
- a focus on appropriate recruitment and retention

- creating an adequate infrastructure to manage, plan and produce HRH

These objectives were further strengthened and supported by the *National Human Resources for Health Plan* 2006 which severely impacted on the extent and type of training required for health professionals. It is thus an explicit driver of skills development in the sector.

It is also important to consider the legislation impacting on nursing qualifications, as nurses form the majority of health workers in the sector. The categories of nurses described in section five, relate to the *Nursing Act* (No 50 of 1978) and government regulations in the 1970s and 1980s prescribing minimum requirements for all categories of nurses. This Act prescribes the registration of qualified nurses on two different lists: with RN/PN being able to register on the SANC *register* of nurses, and ENAs and ENs being able to register on the SANC *roll* of nurses. However, the more recent *Nursing Act* (No 33 of 2005) prescribes new categories of nurses all to appear on the same register (refer to pages 27 and 28).

At the time of writing this report, although the registration of the new nursing qualifications on the new national qualifications framework is complete, it has not yet been implemented. As of March 2009, the South African Nursing Council (SANC) communicated the expiry date for registration of legacy nursing qualifications (those established in the 1978 Nursing Act) as 30 June 2010. Given the promulgation of the new National Qualifications Framework and its implications for the implementation of the NQF-registered nursing qualifications, it was necessary to revise this date to 30 June 2012 (SANC Circular 3/2010). Thus, nursing qualifications and programmes evaluated under this study refer to individuals and qualifications still trained in terms of the Government Regulation 425 of 1985.

The most significant piece of legislation to affect the provision of health services over the next decade is the proposed National Health Insurance Scheme (NHIS). This is a concept that has been debated since the early 1990s (the first time that such a proposal was incorporated formally into a policy-related document was in the ANC's *National Health Plan 1994)*. Although well-intentioned, and considered by many as necessary, the readiness of the South African Health System and the public health sector specifically, for the challenges of effecting such a plan will continue to be a point for debate.

If we consider the context within which health and social development professionals have to practise, and the future challenges that lie ahead, it is impossible to ignore the impact of the proposed NHIS system on the future of South African health-care, and on its goal of providing

equal and quality health-care to all its citizens. This is underscored by Kirby (2009), who states that the debate about healthcare in South Africa is to be reframed around the principles of the NHIS and the inevitability of this system as the system to govern the provision of healthcare to all South Africans and the access of the healthcare system by all South Africans into the future.

4.1.2 Social development sector

The social development sector is deemed responsible for providing support and access to services for, the vulnerable individuals in our communities (such as the youth and elderly), within the context of specified social ills (such as drug and alcohol abuse). Relevant legislation includes that aimed at the protection and support of the vulnerable, as well as attempting to address in a more comprehensive manner, social ills.

The *Social Assistance Act, 2004* provides for "the rendering of social assistance to persons, national councils and welfare organisations" (DoSD, 2007). It also makes an amendment extending the child support grant to children to the age of 14. In a related move, the then Minister of Finance, Mr Trevor Manuel, in February 2008, announced that the qualifying age for men for old-age pension should be reduced from 65 to 63 in 2008, to 61 in 2009 and to 60 by 2010. Of course all these developments extend the social service net substantially. The most recent *Social Assistance Amendment Bill (2010)* does not contain direct implications for training in the sector, as its main purpose it to provide clarity on the eligibility for a disability grant, and matters connected to this. However, it does contain financial implications for training, in respect to the training required for health professionals in order to implement the provisions of the bill.

The *White Paper for Social Welfare, 1997, the White Paper on Population Policy for South Africa, 1998*, and the *Welfare Laws Amendment Act* (No. 106 of 1997) have been recognised as key policy documents and legislative tools that guide service delivery in the social development sector. Perhaps more importantly, the *Department of Social Development Strategic Plan* 2007 – 2010 focuses on the human resources development needed for the expansion of developmental services. As indicated by the HWSETA SSP (2010: 12) "a significant improvement in the quality and quantity of social workers, social auxiliary workers and community development practitioners is essential".

The *Children's Act* (No 38 of 2005), for example, widens the social delivery needs by providing for the establishment of the National Child Protection Register that lists all persons found unsuitable to work with children. The act attempts to provide social services to children in the

areas of "partial care, early childhood development, prevention and early intervention, protection, foster care, adoption and child and youth care centres" (HWSETA SSP, 2010: 12). The commitment to provide better and more supportive environments for vulnerable children is evident in the identification of more specific areas where support and development is needed.

Another vulnerable group in our communities are older persons, and the importance of establishing their security is outlined in the *Older Persons Act* (No. 13 of 2006). This Act aims to provide the supporting structures to ensure the improvement of the lives of older South Africans. It sets out provisions to ensure the rights, protection, welfare and the security of older persons in South Africa. The main thrust of the Act is to provide maximum care to older persons, in conjunction with efforts to ensure independence of older persons.

A key piece of legislation relating to a very serious social ill in our society is the *Substance Abuse Act* (No. 70 of 2008), which places an emphasis on preventative rather than curative processes. Furthermore, there is a greater emphasis on community based services, with special consideration of the needs of children within this context.

Lastly, it would be appropriate to consider policy around the HIV/AIDS pandemic. The *National Strategic Plan for HIV and AIDS and Sexually Transmitted Infections 2007 to 2011* (Department of Health, 2007) serves as South Africa's primary HIV and AIDS policy document, and focuses on four key priorities;

- prevention
- treatment, care and support
- monitoring, research and surveillance
- human rights and access to justice

It is noteworthy that the services and the human resources needed to address the first three priorities are squarely located in the health and social development sectors. This is yet another indication of the extent to which the service delivery required from professionals in these sectors, has greatly increased, based on the changing legislative context. Expansion impacts on skills development, changing the extent and type of training required for current and future professionals.

4.1.3 Skills development changes

The NQF is "a comprehensive system approved by the minister for the classification, registration, publication and articulation of quality assured national qualifications" (NQF Act, section 45). The *National Qualifications Framework Act* (No 67 of 2008), provides for the development, organisation and governance of the NQF. The most important change, most recently, is related to the extension of NQF levels from 8 to 10. Subsequently the minister of education has signed the new Higher Education Qualifications Framework (HEQF) into effect as of June 2009. This change impacts on the design of future qualifications, as well as the current structures of some qualifications, in a move to ensure increased equivalence and portability of qualifications.

The other key piece of legislation within the skills development arena is the *Skills Development Act* (No 97 of 1998) which "embodies a strategic, planned approach to link education and training to the changing needs of the economy" (HWSETA Sector Specialist Guide, 2011 – 2012). It institutes the bodies responsible for the regulation and administration of education and training in South Africa, the most important of which is the National Skills Authority (NSA) and the Sector Education and Training Authorities (SETAs). It provides that SETAs should function as advisory bodies on education and training, and facilitate the structures of skills development. The major change contained in the *Skills Development Act* (No. 37 of 2008) is the establishment of three Quality Councils responsible for managing three sub-frameworks within the NQF, under the jurisdiction of SAQA. Instead of the ETQA function residing within each SETA, this will merge into a single function and thereby simplify the process of accreditation. This was not implemented at the time of the research, and the ETQA functions were still being performed by SETAs, accredited by SAQA.

Maybe the most important recent change in the skills development landscape is related to the proclamation on the transfer of skills development legislation, effective as at the 1st of November. This piece of legislation essentially transfers the administration, power and functions entrusted to the Minister of Labour to the Minister of Higher Education and Training, and in so doing skills development activities and responsibilities, now most extensively falls within the ambit of the Department of Higher Education and Training (DHET).

4.2 Socio-economic changes during the period

Socio-economic factors are significant in this sector. One of the key factors in both the health and social development sectors is the inequitable provincial distribution of organizations and employees in comparison to the population they serve. This is exacerbated by the inequitable distribution of health and social services between the private and public sectors, and rural and urban areas, within most provinces. The health and social development sector is reputed to be the most adversely affected in terms of employees opting to work either in urban areas or outside South Africa (Loewenstein & Thompson, 2004). The impact of the brain drain of health related skills through the migration of health workers is important to our case study.

The key drivers of change for professionals within the health and social development sectors relate in the main to the paradigm shift from curative to preventative care, and the expansion of the social and health service delivery net. These not only impact on the types of professionals needed within these sectors, but also their specific skills requirements, and the learning pathways available to them.

5. Major learning pathways into the sector

HWSETAs contribution to scarce and critical skills development through learnerships (based on 2009/10 DHET data, refer to Table 2.3), is small. Only 1 434 individuals completed learnership qualifications in this sector. Although the learnership pathway system has expanded quite dramatically since 2001, it still does not comprise a major proportion of skills supply for the sector. The average output of nurses (calculated between 1997 and 2006) was 8 261 per year, and nursing learnership completions in 2009/10 were 1 141. Learnerships constitute only roughly 12% of overall nursing output annually.

5.1 Becoming a nurse

It is important to consider the nursing pathway into the health sector, as nurses form the majority of health care professionals. It is also relevant for a discussion on the newer qualifications (ancillary health care, community health care worker), as these are underpinned, both explicitly and implicitly, by the thrust towards a nursing qualification. Nursing qualifications represent a possible career pathway and a prospect for upward mobility. A learnership can be established linked either to an existing qualification (which is the case for

nursing learnerships), or a new qualification can be developed as a learnership (which is the case for ancillary health care, community health care and early childhood development).

Entry to the nursing profession can be obtained through a range of education and training facilities. In South Africa nursing education takes place in a "particularly complex education and training terrain, that includes universities and technikons (now universities of technology), public stand-alone nursing colleges, nursing schools attached to public hospitals, private colleges run by the major hospital groups, private colleges attached to old-age homes and private colleges that train for profit" (Breier et al, 2009: 12). Although this system of provision is quite complex, it would not make sense to focus on the different types of education and training providers to differentiate between learning pathways into the profession, as all are regulated by SANC as the overarching regulatory body for the nursing qualifications[8].

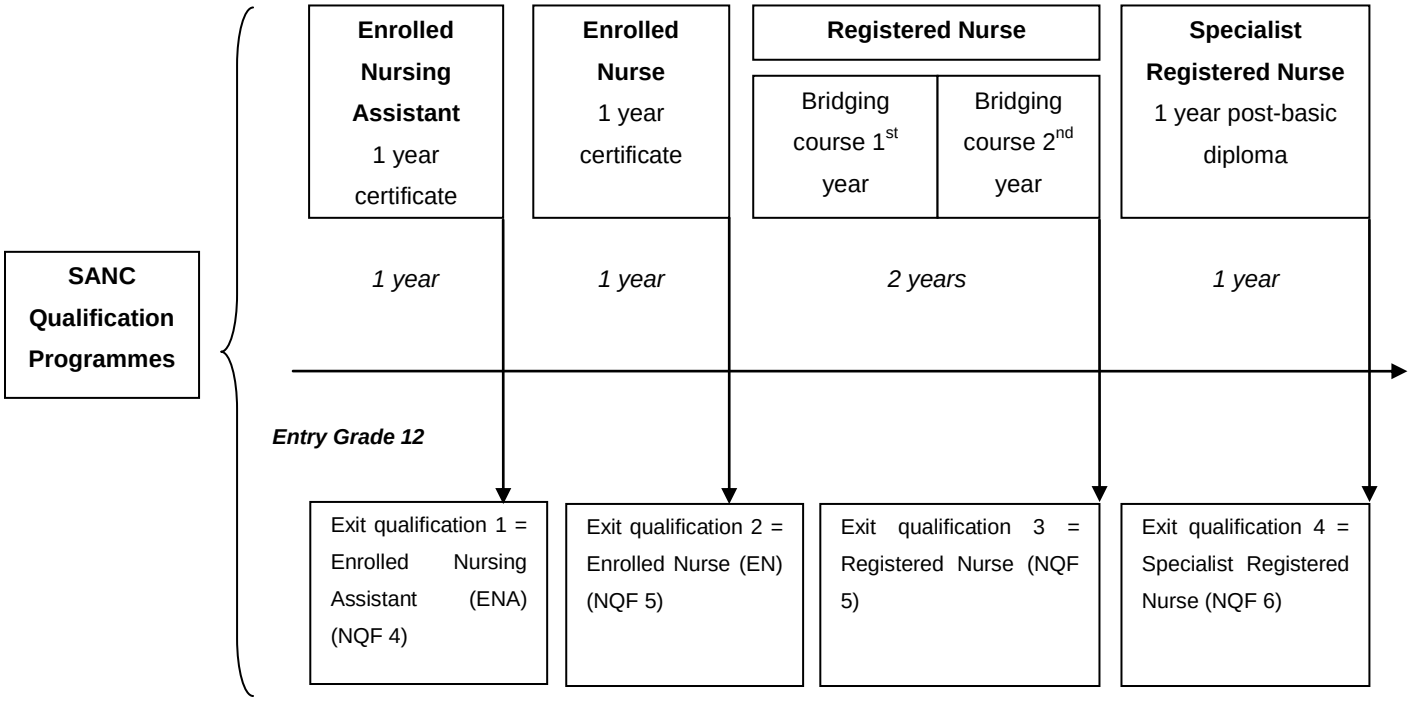
The Registered Nurse/Professional Nurse qualification is the ultimate thrust of the nursing training programme, but there are also two lower levels of nursing (Figure 5.1 illustrates the typical nursing pathway). I elaborate on the structure of the qualification below, as a means of understanding the routes to entry into the profession;

- **Enrolled Nursing Auxiliary and Enrolled Nurse**: An Enrolled Nursing Auxiliary/Assistant (ENA) appears on the SANC roll of nurses, together with Enrolled Nurses (EN). Entrance into both of these programmes requires at least a grade 10. ENAs complete a 1 year certificate, while an EN completes a 2 year certificate. These programmes can be offered at both public and private institutions. These are also sometimes referred to as pupil nurses (for ENs), and pupil auxiliaries (ENAs).
- **Bridging Programme:** The bridging programme is a 2-year nursing training and education programme, which is offered to enrolled nurses (EN), so that they may be able to transition into the nursing profession as a Registered Nurse. This training programme was designed to upgrade the qualifications of nurses who have already qualified and are working as ENs.
- **Registered/Professional Nurse**: Registered/Professional Nurses appear on the SANC register. Although these terms are often used interchangeably, the strict distinction is that "the term professional nurse should be used only for those who have been through a four-year programme that includes training in community nursing, midwifery and psychiatric nursing as well as general nursing" (Breier et al, 2009: 13). Whereas, if an individual had completed a bridging programme, that person would be qualified to practice general nursing only, and in some contexts these are referred to as Registered Nurses. Individuals

[8] These categories are contained in the Nursing Act of 1978, which describe the minimum requirements for registered, enrolled and auxiliary nurses.

can only be recorded on the SANC register as an RN/PN, once they have completed at least four years of nursing training (at a university or public nursing college, or through completion of a bridging programme). The four year programme (degree or diploma) is only offered at public institutions, while the bridging programme can be offered by private and public institutions. The entrance requirement for the degree is a matric exemption, but for the diploma it is only a matric.

Thus, in essence there is only one learning pathway towards becoming a registered or professional nurse as the final envisioned outcome, but with two exit/alternative levels before that final qualification, which allows one to practice as a nurse, albeit at a lower level. The differences on this one learning pathway, relates to funding and the status of the individual on this pathway (an employee or a learner). The funding for nursing training can come from either the learner themselves (self-funding), from a donor organization (bursary-funding), or through the SETA system (learnership funding). Based on the type of funding an individual can be classified as either an employee or a learner. For instance, a self-funded individual will be classified as a learner while on training.



Adapted from Netcare website (2011)

Figure 5.1: A typical nursing pathway

5.2 Becoming an ECD practitioner

The Early Childhood Development programme is a less established and structured qualification in comparison with nursing. It is intended to prepare and train educators to teach in the sector, facilitate active learning, manage learning programmes, and facilitate healthy development. The entry level is a matric. It would be difficult to accurately convey the pathway, and thus we present the typical contents of such a programme, as well as the typical scope of the sector (table 5.1 and figure 5.2). These should provide a sense of what an individual with such a qualification can do, as well as some understanding of the possible employment opportunities available to such an individual.

Table 5.1: Early Childhood Development Level 4 (ID: 58761)

Title of core unit standards	US ID	Credits
Prep. Resources, set up environment to support development	244468	5
Work with families & communities	244462	5
Development of babies, toddlers & young children	244484	8
Facilitate holistic development	244480	16
Observe/report on child development	244475	6
Prepare ECD programmes	244472	6
Provide care	244469	10
Design activities to support development	244485	8

Source: Elgin Learning Foundation website (2011)

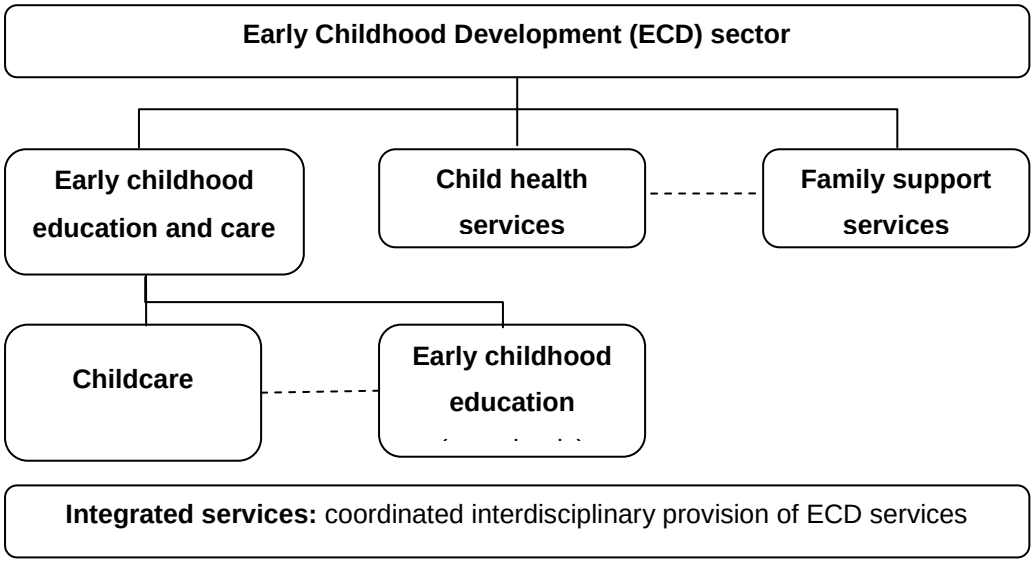


Figure 5.2: Illustration of the typical scope of the ECD sector

6. Stakeholder views on the formation of skills

> *"learnerships are formal learning programmes that link theoretical learning and structured work experience to prepare employees and those outside of work with the skills and knowledge required to perform competently in an occupation for which there is a clear demand" (www.hwseta.org.za).*

This quotation summarises the elements that comprises a learnership: 1) a formal learning programme, 2) linking theory and work experience, 3) resulting in relevant skills and knowledge competencies, in 4) an occupation for which there is labour market demand. Thus a learnership should not only provide the skills and knowledge required to perform in an occupation, but it must link all the components in such a way as to facilitate the **employability** of an individual with a learnership qualification.

This section will explore the responses and, through content analysis, analyse the findings from the interviews conducted to evaluate the impact of key HWSETA learnerships on the employability of learners. We consider and highlight the structures (tangible) and contexts (intangible) creating an enabling environment for learners who have completed a learnership qualification to transition into the labour market. This aims to analyse, at a more macro-level, the appropriateness of the learnership as a skills development pathway system. Evaluating employability, involves an assessment of both quality and success indicators, underpinned by implementation (figure 6.1 illustrates this analytical framework).

In evaluating the **success** of a learnership, we are concerned with whether or not an individual with a learnership qualification has obtained employment and skills. The learnership would thus be evaluated in terms of the extent to which a completed learner has obtained skills and knowledge, and secondly, whether she finds employment after completion of the learnership training.

The **quality** imperative, on the other hand, would assess whether that individual has obtained *appropriate* skills, knowledge and employment after completion of a learnership. This would mean that the learnership qualification has effectively facilitated a smooth transition for the learner, by ensuring that the two components of a learnership (structured learning and work experience) are integrally connected, so that what is learned through structured learning was supported by structured work experience in the same field. In order to ensure that the skills conferred are appropriate, it is imperative to consider the extent to which skills supply matches the actual skills demands in the labour market. It follows then that ensuring quality depends on

two main aspects: first, making sure that the skills supplied are perceived by industry as being appropriate and relevant, needed (ensuring a demand) and of a high standard[9]. Second, the completed learner must be able to almost immediately apply these skills within the practical working environment (a smooth transition). Lastly and importantly, the success and quality of a learnership is mediated by the quality of, and success in, implementation. All these factors interact to facilitate or constrain the impact of a learnership on employability.

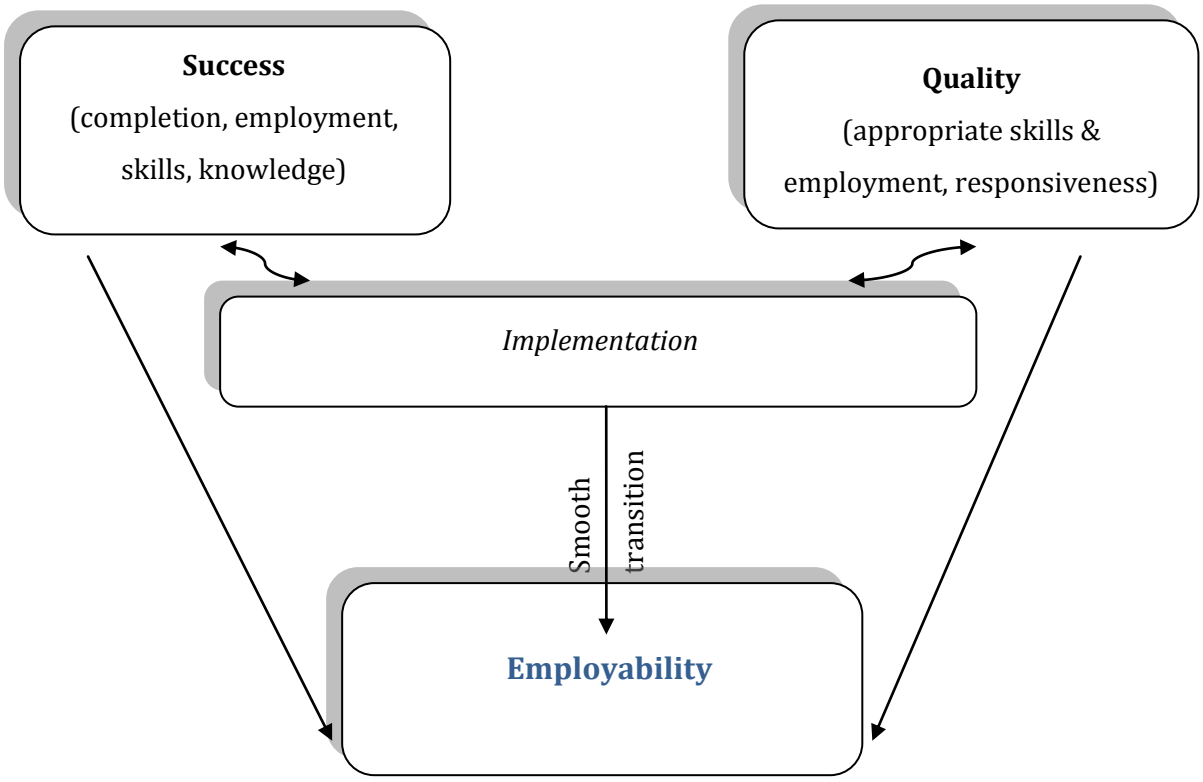


Figure 6.1: Analytical framework for interviews

Success indicators are better and more appropriately evaluated in other parts of this research project. This analysis considers the remaining factors contributing to employability: **quality** and effective **implementation**.

The focus is five key learnerships at HWSETA. Firstly, we consider those in the health sector, dominated by intermediate/high-level skills (nursing), juxtaposed with an increasing emphasis and identification of the need for low-level skills (healthcare). Second, we focus on the social development sector dominated by intermediate-level skills training, again accompanied by an

[9] This closely resembles HWSETAs identification of key components to ensure a successful learnership as including; 1) the induction of learners, employers and training providers, as well as 2) the monitoring and evaluation of programmes.

identification of increased need for low-level skills. The discussion is organized in relation to three main questions:

1. What are the quality elements facilitating or constraining the provision of key learnerships at the intermediate/high skills level in this sector
2. What are the quality elements facilitating or constraining the provision of key learnerships at the low/intermediate skills level in the sector
3. What are the elements facilitating or constraining implementation of the five key learnerships in the sector

6.1 General comments on learnerships

All stakeholders were of the opinion that given the drivers of change in the two sectors, learnerships should be particularly relevant. They provide the critical component of integrated on-the-job training, which would expose learners to the realities of what is expected from an employee. Thus, the structure of a learnership makes it ideally placed to facilitate transition to employment through ensuring a balance of theory and practical application.

Some, mainly training providers, argued that appropriate skills formation is sometimes not achieved through learnerships. They attributed the problem to SETAs, arguing that SETAs are not entirely responsive to the skills needs in the country. As a private training provider indicated, when a "SETA is not in sync with what is needed in a specific community or market, and if they are further not responsive to these differentiated applications it is difficult to train people in those areas because you cannot access funding". In many instances the recognition of where the focus should be is evident, but implementation is lacking. For example, as a SETA respondent pointed out "if rural development is a priority, the focus cannot be on capacitating people in the cities, skills must be created to be applied where it is needed".

In contrast, SETA respondents attributed the problem to employers. A SETA stakeholder pointed out that there are sometimes assertions from industry that learnerships are not providing employees with the necessary skills needed in the workplace. However, if we consider the design of the learnership programme (which includes input from all industry stakeholders), it is clear that the student spends the majority of their time with the employer in the practical environment. This respondent stated in relation to the nursing qualification, "learners train at the college 30%, and go and do their 70% practical at the hospital".

These two opposing views, illustrate the complexities associated with an assessment of the extent to which learnership are ensuring employability in the sector.

6.2 Elements facilitating provision at the intermediate/high skills level

An evaluation of the nursing learnerships offered through HWSETA illustrates key elements that appear to facilitate a match between skills supply and demand, and also to put structures that facilitate implementation in place.

6.1.1 Established need

All stakeholders identified the need for nurses, as a general category. In the first instance, there is a recognised need for enrolled nurses (ENs). This is due to three aspects: firstly, the shortages of registered nurses (RNs), secondly, the practical implications of the new nursing qualifications, and lastly, the accelerated increases in the RN pool through the bridging programme. One employer pointed out that many "enrolled nurses have gone on to become RNs and this has left a gap in the EN pool". Due to the changes imminent in the new qualifications, ENs are envisioned to comprise the core staff in the wards in the future. Employers specifically identified the need for ENs, as they are directly impacted by the shortages of RNs. This highlights the practical aspect of delivering services, which is the core concern for any employer.

All stakeholders agreed on the sustained need for RNs, although there has been some improvement in numbers through the bridging course. There was also a perception of a need for all categories of specialist nurses, specifically in trauma and ICU nursing, and thus an emphasis on post-basic training should also be considered for the future. The demand for RNs is to some extent driven by the need to create a sufficient pool of nurses eligible for specialist skills training. As a private training provider indicated "the bigger the basis of RNs are, the best we could feed into these more specialised skills". This assessment was supported by a public training provider stating that we require "all categories of specialist nurses – especially primary healthcare and advanced midwifery".

There was overall agreement on a pronounced need for midwives or midwifery skills. This relates to the nursing qualification, because these skills traditionally formed part of the 4-year nursing programme. The need for these skills can to some extent be linked to the large increase

in private nursing training, which cannot offer the comprehensive nursing qualification that includes midwifery.

A private training provider recognised the key driving force of any qualification as the extent to which it is responsive to industry needs, asserting "we see the hospital as our first client and the students as the secondary client, because if the hospitals are not willing to take our students, then what is the point of training them, so it is imperative that we engage with the employers, otherwise we are not producing a product that they want".

In sum then, for nursing qualifications there is a clear identification and agreement between training providers and employers of the need for specific skills, which is an essential component to ensure the quality of skills development. The identification of the drastic need for midwifery skills indicates a mismatch in the supply and demand of nursing qualifications, as one training provider stated, there is a "drastic shortage of midwives, but it is not a learnership programme, and there are also not many places where you can study midwifery anymore". This is exacerbated by the fact that private training colleges cannot offer the comprehensive nursing course, but also, that a lot of universities do not even offer the 4 year nursing programme anymore. Furthermore, it is interesting that all stakeholders identified the need for midwives, but this is not adequately reflected in the scarce and critical skills list in the HWSETA SSP 2010. The mismatch highlights the significance of responsiveness in conjunction with an established need, to ensure the quality of a learnership.

6.1.2 Well-structured, established, quality and communicated career pathway

The pathway is clear and structured, so that all stakeholders understand that one commences a nursing qualification with the ENA programme. Upon successful completion of this qualification, one can move on to the EN programme. Upon successful completion of this qualification, one can move on to the Bridging programme, which will allow the successful incumbent to enter onto the SANC register as a qualified RN. Summarising the general understanding of this pathway, one employer/training provider pointed out "it works very well because the career path is very well defined, the nursing qualifications work very well, it is structured".

The different nursing related learnership qualifications are linked to SANC accredited nursing qualifications, through a centralised curriculum development function. Thus the relevance and quality of the programmes are ensured by SANC oversight as the ETQA for all nursing qualifications and their scopes of practice. It is clearly understood that nursing training material is regulated by SANC, which is responsible to develop curricula that are responsive to the needs

of the society. Nursing learnerships are thus linked to already establish nursing qualifications and curricula. All stakeholders (employers and training providers) were thus of the opinion that it is quite easy to ensure that the correct and relevant skills are attained at each level of nursing, as there is also a scope of practice developed for each level. Recognising the RN position as the ultimate thrust of the nursing programme, a public training provider stated that one "moves from the relevant scope of practice and establishes which competencies and theoretical knowledge the student will need to competently complete all the tasks under her/his scope of practice".

The responsiveness of the content of the qualifications is also paramount. In the nursing qualification learners are kept up-to-date with technological and treatment innovations during their practical placement, where they receive exposure to these innovations. As a public training provider noted, "the technology at the hospital is thus available to the learners, and they also have exposure to the reality of the workplace environment". All stakeholders were confident that nursing learners are forming relevant skills for their future employment in the sector. Although many training providers might not have access to all the latest equipment, the employers in most cases do, so the students get exposure through workplace placement. Both private and public training providers asserted that they focus on training the basics and logic of a technique and instrument. A public training provider stated for instance, "in nursing you will find different kinds of gadgets at different hospitals and in different sectors, and thus they must understand the logic of the instrument and the basic instruments". This is a good example of how certain limitations within the training environment, can be augmented by a suitable workplace placement.

In sum, all the stakeholders viewed the issue of whether the theoretical and workplace training is linked as redundant with regards to the nursing qualification. This is because the structure of nursing training has traditionally included a practical component, integrally linked to the theoretical training. This model is of course replicated in the learnership qualification, and the learnership is seen only as a vehicle that makes the funding needed for training available. The organisation of the programme requires a focus on the practical component, which ensures that the learner gets the training and experience that is required within the workplace, so that their transition from learner to worker is smooth.

6.1.3 Responsible intermediary bodies

SANC is identified as the ETQA for all nursing qualifications, and takes responsibility for all associated functions (accreditation of nursing curricula and training facilities), with HWSETA

acting in a supporting role. The strong and active role of SANC in terms of regulating nursing qualifications assists HWSETA considerably in offering nursing related qualifications. SANC also regulates the employees in the nursing profession, and requires that all student and practicing nurses be registered on their roll and register. Thus, not only do they regulate and ensure the quality of nursing training, they are also responsible for regulation of the practice of nursing.

The other important role player in terms of nursing, is the Democratic Nursing Association of South Africa (DENOSA), which is the major union regulating the rights of nurses. The Department of Health also plays a major role by means of regulating both the public and the private health sectors. In sum then, these three bodies are responsible for ensuring; the quality of nursing training, the protection of the rights of nursing professionals, and the quality of the environment in which these skills and rights will be utilised.

In a situation like this, the SETA's main function is only to ensure the funds for the provision of the established nursing skills development mechanisms within the health sector, and to act in support of very active intermediary bodies. However, the role of SANC is not seen by all as totally positive, as a for-profit private training provider indicated,

> "we have limited capacity in terms of SANC being prescriptive about the numbers we can take in as a college. It is difficult as we have more than enough facilities, so we are not sure what this limitation is based on. For instance, one hospital has space for 60 learners, but SANC prescribes that we can only take in 40, and these 40 learners are spread across many of our institutions, so hospitals are only getting limited learners…and this affects our relationships with the institutions, because it is almost like us dangling a carrot, where they can accommodate more learners, and we only give them a few".

6.2 Elements constraining provision at the low/intermediate skills level

An evaluation of the ancillary health, community health/worker, and early childhood development learnerships offered at HWSETA illustrated the elements that might limit the match between skills supply and demand, and constrain effective implementation.

6.2.1 Established Need?

There is to some extent interdependence between the needs identified in the health sector and the social development sector, especially at the low-skills level. There is an overall perception of

the need for various professionals to effect the increased social and health care service delivery imperatives.

Related more to the social development sector, government and HWSETA stakeholders, agreed on the need for social workers, and social auxiliary workers in particular. Training providers were not unanimous on this point, and were more prone to suggest ECD practitioners and Child and Youth Care Workers as being in greater need. What was quite striking here though, is that there seemed to be no complex consideration of the factors driving this need, and it was simply stated as fact. This leads one to consider whether the need for these kinds of professionals as quoted from the HWSETA or government identified sector scarce and critical skills list, or whether this reflects a practical identification of skills needed in communities.

There is a widespread perception from training providers and employers that shortages in the nursing profession also translate into a perceived need for more lower-level health and social development professionals, and thus some identified the need for professionals such as, home-based-carers and community workers. As one private training provider stated, “the nursing profession is in dire shortage, if home-based carers are looking after people, there will be fewer patients in the hospitals which will lighten the burden of nurses and doctors in the health services”.

There is also identification of the need for community health workers, although this was underpinned by a general confusion between community health/workers, ancillary health care practitioners and home-based carers. All stakeholders (including learners) however agreed on the needs in the communities to be at the level of requiring basic information support and assistance, and that these skills are particularly useful at this level. As an HWSETA official supported, we need for instance, “people to assist communities in their basic needs, to get an ID document, to fill in a grant application”.

6.2.2 Poorly-structured, established, quality and communicated career pathway

What constrains the match between skills supply and demand in the ancillary health and community health worker qualifications is the confusion surrounding them. The ancillary health care qualification is at NQF level 1, and the Community Health Worker qualification is at NQF level 3. The Ancillary Health Care qualification used to consist of Ancillary Health Care levels 1, and 2 which then continued with the Community Health Worker Level 3 qualification. The Ancillary Health Care programme can thus be seen as the first level of the community health care worker qualification, which involves both a health aspect and a community worker aspect.

This confusion illustrates the poorly established pathways for these qualifications. Skills development stakeholders often refer to them interchangeably. As a private training provider indicated,

> "there is confusion about terms, some people will call this the home-based carer, some will be called home based community carers (focusing more on the social aspect), and some will call it the health care worker. This is all part of the same qualification, so ancillary health care will be the first level, and community health worker will be at level 3. So all of these are health learnerships where ancillary health is level 1 and community health is level 3".

In the social development sector, although there is a clear identification of the need for the skills contained within the ECD qualification, it is unclear which professionals would possess these skills. The confusion often centered on whether one would train to become an ECD practitioner, or whether these are critical or additional skills required by already qualified professional teachers.

Although employers and training providers were of the opinion that the practical and theoretical components of each of these qualifications (ancillary health, community health and ECD) are integrally linked, they identified challenges in ensuring that the right skills are created for a successful transition into the workplace. These challenges are all associated with the confusion about what the qualification entails and the career path available for people with these qualifications. As a private training provider indicated "in the ancillary health programme we only accept learners on a learnership, the problem being that there was no clear prospects as to what they would be doing after they finished this qualification". Mostly training providers were of the opinion that these qualifications are not marketed properly, and therefore it was unclear what could be done with such a qualification. It is thus important for HWSETA to take ownership of these programmes.

The lack of clear pathways between GET and employment, or knowledge about their articulation, is also a concern. An employer/training provider was of the view that "there is not enough signalling of the opportunities available to new grade 12 graduates". Many new grade 12s do not have sufficient knowledge about vocational routes and possibilities.

Ineffective communication has also sown doubt about the need for these qualifications. One training provider asserted, "learners have no knowledge of this and they have never seen people employed as a community health worker for example, it is as if when SETAs do these

things they do not do it in conjunction with the stakeholders or the institutions where it will be set up". Thus, although there is a clearly identified need for these skills, there is a supply/demand mismatch, due to poor liaison accompanied by a lack of effective communication with training providers and employers, of the relevance, skills and abilities, associated with these qualifications.

In sum, these career pathways have not been well structured, and effective communication around the qualifications has also been absent. During the introduction of the qualifications, there was no clear understanding and/communication of the roles and responsibilities of these individuals in relation to other professionals in their sectors. Poorly structured and less established learnership qualifications have implications for both the identification of the need for these qualifications as well as for the implementation (this will be discussed in section 6.3).

6.2.3 Unclear identification of intermediary bodies responsible for an occupation

For both the Ancillary Health Care and Community Health Care Worker qualifications, the ETQA is HWSETA, while the ETDP SETA is the official ETQA for the Early Childhood Development qualification, under the auspices of SAQA. These SETAs are responsible for, and play a much bigger role in the accreditation of curricula and training facilities. Unlike the situation for nursing qualifications, it is difficult to identify the bodies responsible for people participating in, and in possession of, these qualifications.

For example, the ECD qualification strictly falls under the ETDP SETA (under the regulation of the DoE), but actually these professionals are included in the HWSETA SSP as falling into the health and social development sectors, with ECD professionals forming the majority of employees in the social development sector. This is further complicated by a lack of a clearly identified set of intermediaries responsible for the training and employment of these professionals. Likewise, ancillary health care actually would fall under the health sector, but the skills and abilities contained within the community worker qualification, would probably fit within the social development sector. So, who is responsible for the offering of programmes and the regulation of individuals with these qualifications in a situation where the start of a qualification would situate an individual in the health sector, and the highest level of that qualification would situate that same individual in the social development sector? As identified from the interviews, the problem is not the relevance, or the quality, of the skills imparted by the respective programmes, but the problems are linked to a lack of communication (advertising, marketing, forums), planning and/or taking responsibility. This situation is exacerbated by an unclear or absent structure for regulation.

The impact of a time-lag should also be acknowledged. It has been shown over the last few years, that with an increasing understanding of the skills, roles and responsibilities of an ancillary health care worker for instance, more and more employers are seeing the need for people with such qualifications and employing them. Although this is a positive trend, there is a need for regulation and protection of individuals. There are assertions of the occassional misuse of these ancillary health care workers, largely due to the shortages of nursing personnel. In many instances these workers have to perform tasks that are strictly speaking outside of their scopes of practice, and should be performed by a qualified nurse. This situation either necessitates increasing regulation and protection for these individuals, or the need to strengthen the programme academically, so that individuals can be increasingly empowered and capacitated. In other words, what is needed is either, more extensive training so that their scopes of practice can be extended, or increased monitoring to prevent the breaching of scopes of practice. Given the reality of wide-scale nursing shortages in our country, some lower level tasks or roles, that currently form a part of the nursing scope of practice, could be realistically and officially shifted to these cadres.

6.3 Elements facilitating/constraining implementation

Just as important as ensuring that the learnership supports a skills supply and demand match (appropriate skills), is ensuring that the appropriate structures are in place to facilitate implementation. The **success** and **quality** of a learnership is underpinned by successful **implementation**. If all three elements are in sync, this will not only ensure a smooth transition for the learner into the labour market, but result in the overall increased employability of the learner.

The elements that need to function cooperatively to ensure quality are linked to those that are needed to facilitate effective implementation. Thus the extent to which a supply and demand match is ensured often impacts positively on implementation[10]. For instance, an unclear and unstructured career pathway, impacts on the commitment from employers, a training provider's ability to guarantee employment, and the successful recruitment of prospective learners. These are all essential elements that facilitate the implementation of a learnership. To support this assertion, a private training provider commented on the constraints experienced in providing the ancillary health care programme,

[10] This relates to the concept of a virtuous cycle, which can be explained as a situation in which a successful result (in this case quality) leads to more of a desired result or success (in this case employability).

> "the constraints come in terms of finding placements for them, hospitals say they don't belong to the hospital, and clinics will say they do not belong with clinics, and at home you will find the situation is not convenient for them to get the exposure they need".

Government and HWSETA stakeholders recognise that ongoing training and skills development is particularly important in the health and social development sectors. These are sectors that need to be responsive to changing social and disease profiles. In the health sector, within the context of a greater focus on the type of care that is required from the nursing profession, a government stakeholder (in this study acting as an public employer) asserted that skills development is particularly important "especially in terms of movements from mostly curative demand to palliative care for the chronic and terminally ill". Likewise, in the social development sector, given the critical shortages identified to effect key legislative changes in the past few years, there was a clear recognition of the need for HWSETA to work with all stakeholders within the sector "to improve provider capacity, facilitate the training of social service professionals, and to remove obstacles to skills development and utilisation" (HWSETA SSP, 2010: 7).

Although the employers, training providers and employer/training providers interviewed expressed commitment to skills development, they identified aspects that constrained effective implementation. This in turn negatively affects the employability of the learner in the end.

In analysing the interviews, it became evident that the problem does not lie in the in/appropriateness of the learnership as a skills development mechanism, but in its effective implementation. All the learnership programmes were viewed as having very good content and relevance to the skills needs in society, but implementation on various levels has been lacking. The case of these five learnerships illustrates trends that are relevant to understand the elements facilitating and/constraining implementation of learnerships as a whole. We discuss the issues related to implementation together, as these are generic and apply to all the focus learnerships.

6.3.1 Commitment of employers

Highlighting the significance of employer commitment a private training provider noted that "although the training provides the students with a lot of skills and capabilities it is critical for the employer to be committed as well". Mainly public training providers and SETA stakeholders were of the opinion the there is a severe lack of commitment to learnerships from employers, particularly with regards to the skilling of pre-service learners (18.2) in comparison to the

upskilling of employees (18.1). As an HWSETA respondent indicated "they rather train their own internal staff, although there are other learners who need funding, employers will rather train 18.1's rather than 18.2's". It appears that using the learnership for upskilling is a much safer option, because employers are dealing with an employee they already know and have experience of.

Statements from employers interviewed contradicted these claims. As one private employer stated "the focus of our company is to use the learnerships as a way to get new people into the system, thus unemployed learners, although we do also in a smaller manner train and upgrade the skills of our current staff through learnerships". Another private employer/training provider stated that for entry into the nursing programme "we take people that come from outside, so 18.2, but for the more post-basic training, those are our own employees (18.1)". Where an employer has established an understanding of the skills development environment, this impacts positively on their commitment to the process, as they can identify what learnerships can do for them, which can then be optimally used. This company also emphasised as critical the need to guarantee employment for the completed learners, which could be another reason that this programme is successful. This was an example of where there is a clear strategy around the focused use of learnerships. In conjunction with this strategy the institution enables working opportunities that are directly linked to the training.

However, many employers do not have an explicit skills development focus, and use learnerships as both a vehicle for upskilling and skilling, and sometimes this leads to confusion in terms of the roles and responsibilities associated with each type of learnership participant. Each type of participant would rightly require different kinds of, management, oversight and training needs in a learnership programme, within a given company.

Ensuring the commitment of the employer in the learnership agreement is crucial for implementation. One private training provider indicated that "it is very important that you establish very good relations with employers that provide workplace placement". As further supported by a SETA representative, "the SETA does not give money directly to the learner, and thus there is a need for employers to participate more and increasingly offer support in terms of administration of specifically 18.2 learnerships". The lack of employer commitment was asserted by many training providers as constraining the implementation of learnerships, and they indicated as a result, they struggle to find placement for learners, as well as to ensure employment opportunities after completion of the learnership.

However, who is responsible for ensuring commitment from employers was not addressed in the interviews. This raises the question whether a lack of commitment is due to employer resistance or because the stakeholder responsible to ensure this important element has not been well defined or identified?

6.3.2 Commitment from training providers

Although the commitment from employers is thus correctly recognised as important in facilitating the implementation of learnerships, the importance of the commitment from training providers should not be underestimated or taken for granted. As a private employer/training provider noted, "there is much more scope for the SETA from their side to more proactively inform stakeholders so that an optimum provision can take place". They refer to more direct communication and liaison as necessary.

Of course it is to be expected that training providers would be committed to skills development and by extension, also to learnerships. Summarising the perceptions of training providers, many thought that they had an accredited curriculum, and that is all they needed from their side to ensure appropriate training through a learnership programme. However, found that it was very important for them to assist and educate employers about how learnerships function.

Employers often lack an understanding of the skills development environment and how learnerships fit into this system. As a private training provider asserted, "employers do not come from that background, or do not understand that, and find it very difficult to co-operate with SETAs, and that is why we are of the opinion that that is the role of the training provider to do that liaison". This was acknowledged by an employer who stated that "the training provider was the key in making this relationship a success, because at the beginning we did not know much about learnerships and they had to assist us and support us in the roll-out process".

Further to this added responsibility, training providers find that monitoring and evaluation (M&E) of the experiential learning, is very important to ensure the successful delivery of the programme. Training providers are forced to perform this important support function within the present skills development context, but this was not provided for in the funding structure available for the implementation for learnerships. So, not only does the training provider seem to have an added responsibility of educating and supporting the employer in terms of the skills development context, but they also have to play an extensive M&E function to ensure effective implementation.

Instances where training providers embrace these responsibilities, acting proactively and consulting employers in terms of their specific needs within a given working environment, before the training starts, learners do not struggle to find employment. A private training provider commented on the nursing programme, "we never struggle to find employment for the completed learners, because we can be very confident that we are producing exactly what a specific company wants, although also exposing learners to other working environments". What was very forward thinking about this specific training provider was that they actively engage with the needs of the employer and incorporated it into the training on a regular basis. For instance, they assert "we constantly work with the employers to assess what are their expectations, and compare it to what the training objectives are".

There is a shared perception from both training providers and employers that HWSETA severely underestimates the extent of support and consultation needed for the successful provision and implementation of learnerships. As a private training provider pointed out, "the employer is concerned in the main about service delivery and not about skills development, and he/she is only interested in how to receive funding and have an extra hand". This places a lot of responsibility for consultation, support and monitoring on a training provider.

6.3.3 Responsiveness of a SETA

The responsiveness of a SETA is also emphasised[11]. Where a sector and the SETA associated with it "is not in sync with what is needed in a specific community or market, and if they are further not responsive to differentiated applications, it is difficult to train people in those areas because you cannot access funding in those areas" although these might be highly needed and relevant to the needs of communities. All training providers have commented on the success of learnerships being based on the extent to which a SETA is established in terms of material and accreditation. The experience of SETA officials is also critical. A private training provider succinctly summarised the complex set of interactions and relationships that need to be in place and sustained in order to ensure optimum learnership provision, "the effectiveness of this relationship is mediated by the type of learnership participant, the structure of the specific learnership, and the extent of responsiveness of a given SETA".

[11] As an example of successful learnerships because of responsiveness in certain SETAs, this training provider asserts "there are certain pockets of excellence and dynamism within specific sectors and SETAs. For instance, we included mentorship in our MERSETA learnerships, and now they have actually included it in their subsequent learnerships".

6.3.4 Ensuring access to appropriate workplace experience

The importance of ensuring access to appropriate workplace experience cannot be over-emphasised. An HWSETA respondent indicated in this regard, that "in the instances that learners are given the correct workplace experience, they flourish, and the employer cannot wait to employ them".

This has been a very problematic area, as it has been traditionally unregulated and uncurriculated. Appropriate workplace experience is premised on a good relationship between the training provider and the employer, as well as an employer's adequate understanding of what the role of workplace placement is within the learnership programme, and the extent to which this guarantees employment.

Ensuring appropriate work experience is not very easy. Over and above a good relationship between employers and training providers, it entails an extensive set of resources and structures to maintain monitoring and evaluation within the workplace. This has by default become the responsibility of the training provider. However, it is viewed by some (especially smaller training providers) as adding additional and undue pressure. Thus, many settle on at least ensuring access to workplace experience, and feel that quality workplace experience requires greater commitment from employers to the whole skills development concept. Within the current context, training providers have indicated that the extent of their responsibilities for monitoring and evaluation are impacted by the quality of the employer. They are of the opinion that if they select a good employer, they are assured of good workplace experience, which would obviate or lessen the requirement for them to do monitoring and evaluation. As a private employer indicated, "(a particular hospital group nursing college) is very expensive in terms of the training, but we know what we are paying for, and the quality is good, and that is why we stick with sending our students there".

It was commonly asserted that many learners are unlucky to receive inadequate support and supervision in terms of workplace experiential learning. Various aspects link, and lead to, inappropriate workplace experiential learning;

- In nursing, the verbal abuse and misuse of student nurses by more senior nurses
- Student nurses being treated as extra hands to do cleaning, rather than receiving the practical experience they require. For instance a learner reflected that "this organisation wants me to wash their windows and stuff, but I must do my practicals and I am falling behind".

- There are also problems in the case where a learner is qualified as an ENA and she/he is busy training to be an EN, they often do not get the work experience required for their studies, and rather are used as ENAs because of the shortage of nursing staff in general. As explained by a private employer/training provider "the learners are registered with us as students, but when they are workers, they work in their capacity as what qualification they completed, and not what they might currently be studying".
- What complicates the quality of experiential learning in the ancillary health care programme is linked to the shortages of health care professions. These learners are overburdened and given various nursing responsibilities, without the required theoretical training.
- In the Early Childhood Development programme, inadequate support around the management of finances linked to the running of ECD centres often results in wastage, and unsuccessful centres result.

The role and the responsibilities of employers in providing appropriate workplace experience should not be ignored. As an HWSETA stakeholder stated "when the learner is on the learnership, they receive the workplace learning from the employer, so this is then the time for the employer to mould the learner into what kinds of expertise they would require, and if this is not done, it is actually their own (i.e. the employer's) fault". An employer should clearly understand and take responsibility for the role they have to play in making appropriate workplace experience available to the learner.

It is also very important to manage the expectations surrounding workplace experience. There are sometimes disappointments surrounding workplace experience that are entirely removed from the actual quality. Learners might have inappropriate expectations for workplace experience based on what they are taught in the theoretical training. A private training provider in this regard indicated "for instance a computer based module once completed, a learner will expect a computer at the workplace, and sometimes some employers will not have it, or it is not relevant to that specific employer's working environment". In some cases a perception around poor workplace experience is due to inappropriate exposure, but in some cases it might be due to unrealistic expectations of learners. A private provider indicated that this disjuncture between learner expectations and what might be the reality of a workplace "needs to be clarified, because this often leads to very negative feedback from learners about workplace exposure, and this is undue bad publicity about the learnership as a mechanism".

6.3.5 Ensuring access to appropriate theoretical training

Ensuring appropriate theoretical training is crucial to support the aligning of material to the labour market needs. In this regard quality management is essential.

In general it seems that it is much easier for larger training providers to ensure appropriate theoretical training. Their financial viability is more stable, and because most offer a wide array of learnership and other training programmes, they are in the position to sustain a quality management function. As a private training provider pointed out "the only way in which we are able to sustain an ETQA division is the fact that we have numerous other programmes that are similar to learnerships and NQF levels, so what needs to be done is a generic function across all these programmes".

In smaller training facilities, most make use of the more general internal quality assurance mechanisms in an attempt to ensure programme responsiveness. The mechanisms identified are;

- Feedback from learners (learner listening forums, programme/module evaluations by learners, performance appraisal processes where appropriate)
- Feedback from tutors (listening forums, performance standard reviews)
- Feedback from employers (meetings, listening forums, performance standard reviews)
- Memorandum of understanding/service level agreement between the training provider and employer
- Access to updated material (constant update of textbooks, online journal access)
- Access to new technologies and equipment (this is done through the appropriate workplace placements, as well as a central purchasing function in the case where one is a employer/training provider)
- Learner workbooks: These contain information about all the theoretical modules completed by the learner, as well as those the learner is competent in. This assists employers to adequately place students for experiential learning.

The elements that are critical to ensure appropriate theoretical training are reflected in the crucial set of structures that need to be in place to manage the tri-partite relationship. If these structures are functioning well, implementation can be optimally facilitated to ensure a smooth transition into the labour market for the learner.

6.3.6 Mechanisms to manage the tri-partite relationship

The main structure in place to manage the tri-partite skills development relationship within the health and social development sectors is the external quality assurance process. The external quality assurance processes consists of the following;

- external accreditation and quality assurance by the SETA and/or other intermediary bodies (of training providers, training facilities and curriculum where necessary), followed by
- the registration of learners on awarded learnerships
- the verification of learnership qualification results, resulting finally in
- the certification for successfully completed learnerships

6.3.6.1 Accreditation and quality assurance

Before a training provider can offer a qualification at their institution, their curriculum (if necessary) and facilities need to be accredited by HWSETA and/or the relevant intermediary body (SANC for instance for the nursing qualifications). Once a training provider, its facility and the qualification it plans to offer is accredited they are in a position to receive learnership funding, and offer it to a select number of their learners.

In the instance where HWSETA is responsible for the quality assurance of programmes, with SAQA as the actual ETQA they require that the relevant training programmes are submitted to them for accreditation and approval. This provides a crucial role for the SETA especially in lower level NQF qualifications. One training provider, indicated a lack of transparency of process when he noted that there are "delays in evaluating the programmes, where the qualification/curriculum falls under SANC it is fine, once it is approved by them you can offer it, but the other programmes like the ancillary health care, where HWSETA is the ETQA, there are a lot of delays". The role of the professional body in ensuring a smooth quality assurance process is also crucial, as one training provider pointed out "the professional bodies also play a role, because they have to prove that the person is really qualified, if their input is not received the programme cannot be successful".

Generally, it appears that HWSETA has been constrained in the past in the extent to which they could ensure that appropriate material is presented. The monitoring and evaluation process at present only takes place every 5 years. More regular evaluation is crucial not only to ensure quality but responsiveness, specifically within the context of learnership. To HWSETAs credit, they are trying to institute an annual process which will combine the verification with a monitoring and evaluation visit.

6.3.6.2 Registrations, verifications and certifications

The SETA is responsible for the registration of learners on learnership qualifications, so that the necessary funding can be made available. A training provider then has to enter into a learnership agreement with the learner and commence and complete the training. Once the training has successfully been completed, HWSETA should be invited to do a verification visit. During this visit, the SETA will verify firstly, that the learnership is in fact linked to a real learner, secondly, that the learner has a portfolio of evidence to support successful completion of relevant modules, and lastly, that the accreditation of the training provider is still valid. Once this visit is successfully completed, the HWSETA will endorse the learners' results, and issue certification (where appropriate). In the case where HWSETA is not the ETQA, certification will be issued by the relevant professional body.

Many training providers have indicated the overly bureaucratic SETA processes that complicate and delay the registration of learners, and thus access to funding. The commencement of the training of a learner on a learnership in many instances does not coincide with the receipt of funding for their training, and training providers or employers often subsidise learners' training, especially at the beginning. A private training provider asserted that the funding model is flawed, and illustrated the process of registration, verification and how funding is linked;

> "you have to submit and then get a tranche payment, once you have this, with the submission of the learnership agreement, then it takes in terms of 3 months to get the learnership agreements captured and approved and then the funding becomes available. Then you start with the training programme, and have a quarterly report that has to go in, and your stipend gets paid on a monthly basis, what that means is that somewhere you have gone without stipends for learners. Once you have submitted the reports, only then the M&E visits can take place, from there it takes a while for the monitoring report to go in. So this means that I have to for that period fund the learners' stipends, and if I don't do that the learners fall out of the programme, and I cannot afford that, because I only get money for the learners that complete their programme".

Some training providers and completed learners alike have complained about still awaiting certification after completing their learnership qualifications (which not the case for nursing qualifications). Although HWSETA stakeholders acknowledged their contribution to the delays in some areas, they asserted that sometimes the fault lies with training providers. The process of certification requires a request for verification, upon a successful verification process the learner's results will be endorsed by HWSETA. An HWSETA stakeholder asserted that "this visit

is never requested, or upon verification there are various outstanding issues, that are not resolved or proven accurately from the training provider side, and thus the learner's results cannot in these cases be endorsed". There are counter accusations from training providers that the unacceptable delays in certification are due to HWSETA. As indicated by a private training provider "there are major delays in getting certification from the SETA and this constrains them (completed learners) in finding employment. For instance, there have been problems with the uploading system that changes all the time."

6.3.6.3 Mentors, clinical facilitators, project managers, tutors and SDTAs, and SDFs

A wide range of individuals act as the support and liaison interfaces between the SETA and the skills development sector stakeholders (SDF and SDTA), and between the training providers and employers - mentors, clinical facilitators, project managers and tutors. Mentors are particularly critical in ensuring that the transition between completing a learnership and entry into the labour market is optimal. Thus, many stakeholders have now identified a need for mentoring and coaching to support this transition.

The quality of these professionals has a huge impact on the quality of the delivery of learnership. In the focus learnership qualifications, all training providers reported on the significance of the suitability of tutors, facilitators and mentors in terms of having relevant qualifications and experience, although this is not yet a requirement from the SETA. As a private training provider indicated, the reason they think their relationship with the employers are so good, is "because of the quality of training we ensure, and the understanding of the requirements of the workplace, given our own experience, supported by an excellent working relationship with SETA representatives".

A good relationship between all stakeholders in the process is critical to ensure responsiveness. SETAs must update the training provider in terms of expiring qualifications and/or unit standards so that learning programmes can be continually aligned. A proactive and sustained relationship between the employer and training provider ensures a very responsive learnership programme. One training provider for example reported "we interact on a permanent basis with employers, and ask them if we train a graduate to be a certain employee in your company, what is it that you are looking for specifically so that we can make sure we provide them with someone that has the relevant skills".

Contrary to the clear-cut roles and responsibilities envisioned in a learnership agreement, for an employer, training provider and learner, many stakeholders within this context fulfil both the employer and training provider role (mainly private hospital groups). This is quite common in

the nursing training context. There are certain complexities related to this dual relationship. In instances where the roles and responsibilities of each type of stakeholder are not well understood there can be problems. An HWSETA respondent for instance indicated "where the employer and training provider is separate you have almost a better kind of implementation of the learnerships, or a better division of the tasks, and taking responsibility". The lack of clear cut roles and responsibilities, can lead to the difficulties for learners, as there is no specified champion for the rights of the learner.

Many of these institutions claimed that there are positives as well. One employer/training provider claimed that this "closely intertwined nature means that training responds to the skills demanded in the industry". The situation is positive in terms of ensuring a responsive learnership programme, but it might not be as positive for learners. In this case the learner needs to be very aware of their rights and responsibilities.

The problems associated with role confusion underscore the importance of ensuring an understanding of the learnership structure even in cases where there is a separate institution responsible for each aspect.

6.3.7 The learner

An employer/training provider touched on an important aspect influencing the extent to which any skills development vehicle can ensure the transfer of appropriate skills, in stating that "readiness (of the learner) is almost a bigger problem, the gap between leaving school and entering the programme, language is also a problem". There was a general perception from training providers that there is a lack of readiness of learners. Because of the extent of this lack of preparedness of many learners coming into the system (for instance, language and maths literacy), some training providers are considering bringing in literacy and foundational programmes.

The health/lack thereof, of learners is another unexpected problem that is increasingly impacting negatively and is a growing constraint to successful delivery of the learnership programme. An employer/training provider asserted, "we do experience problems in terms of the health of the learners, to such an extent that we are finding this hampering adequate delivery, so even if people are successful in completing the learnership, many are sick and dying, and this also affects the length and of training". This is a shocking assertion, but has to be borne in mind when one deals with the elements that need to be in place to facilitate implementation.

An HWSETA stakeholder also indicated a related issue, that of learners falling pregnant. This issue impacts on the extent to which learnerships can be implemented in a structured fashion.

Skills development stakeholders might be succeeding in some instances to provide skills that match workplace demands, but they might fail to facilitate learnership implementation, due to the realities within which learners enter into and proceed within the system. One cannot ignore the widespread impact of diseases such as HIV/AIDS and TB. This emphasises the need for skills development to be continually responsive to, and take into account the different factors impacting on the implementation of learnerships.

6.3.8 Link to scarce and critical skills

Acknowledging the difficulties they are experiencing in ensuring employability, HWSETA notes that "the current labour force is not adequately equipped to meet the needs of the sector" (HWSETA SSP, 2010: 49). At the macro-level this requires once to consider whether learnerships should in the short term not be used to focus on the upskilling of the employed and the skilling of pre-service learners should be part of the more medium-term plan?

It is clear that the focus learnerships are aligned to the major skills needs identified in the HWSETA SSP 2009. Only two of the key learnerships do not speak directly to the identified skills needs (community health worker and ECD practitioner programmes). Although analysis of the interview data would suggest that there is indeed the need for individuals with these kinds of skills, the implementation of these programmes has not in all cases been successful. This is linked primarily to the unstructured and less established nature of these pathways, which is expected to improve over time. Ensuring greater employability through these qualifications would require increased focus on strengthening the structures that support learnership implementation, as well as quality. The quality and implementation structures in the more established qualifications should be used as models to facilitate increased employability across the entire learnership pathway system within the health and social development sectors.

7. Conclusions: The role of learnerships in facilitating employability

In closing, we draw out the trends that may apply to the learnership system as a whole. In evaluating employability; **success** indicators were considered in other parts of this research project. The case study report focused on the remaining two elements, **quality** and

implementation. We evaluated the perceptions of stakeholders on key learnerships in the sector. Based on these findings we offer firstly, observations on the elements found to impact on the quality and implementation of key learnerships in the sector, and lastly, recommendations for the future of the learnership pathway system in the sector.

7.1 Key trends highlighted by the case study

We have highlighted the following aspects as important for the quality of learnerships, and to facilitate its implementation;

- established need for the skills
- established, well communicated career pathway
- clear identification of, and responsible, intermediary bodies
- responsiveness of the SETA
- commitment from employers and training providers to skills development
- ensuring access to appropriate workplace experience and theoretical training
- well-functioning structures that manages the tri-partite relationship
- the learner
- link to scarce and critical skills

This case study of HWSETA illustrates the interdependent relationship between the quality and implementation of a learnership. It shows that when the elements to ensure quality are in place and functioning interdependently, this facilitates and supports implementation. For example, in nursing the career pathway is well structured, which facilitates the implementation of nursing learnership qualifications. In contrast, early childhood development (ECD) has a less established and poorly structured career pathway, which constrains the implementation of a ECD learnership qualification.

7.2 Lessons learnt from evaluating learnerships: The case of HWSETA

Taking into account the analysis of documentary and interview evidence, we need to consider the implications for the learnership pathway within the health and social development sectors. Two main concerns should be considered for the future provisioning of learneships in the sector, which may also be relevant for the learnership system as a whole.

7.2.1 Need for a differentiated approach to funding

The need for a differentiated approach to learnership provisioning in general, but funding specifically, was emphasised throughout the case study. This would require a consideration of the different types of learners, institutions and regions within which learnership funding is accessed. Training providers and employers indicated that it would be important for HWSETA to realise and respond to differential needs across different regions.

One cannot blindly adhere to the critical and scarce skills identified by the government. The needs in specific communities might be different to nationally identified scarce and critical skills, and hence, funding for appropriate qualifications should be made available against more regional and community level needs. As a small NGO employer and private non-profit college noted, they are severely disadvantaged in terms of accessing learnership funding in specified areas, due to the government commitment to funding in the main public colleges.

Training providers emphasise the need for a consideration of the different contexts within which learnerships are taking place, and whether certain provision requirements apply. For instance, the health sector is dominated by private employers and the social development sector dominated by NPOs, so that the health sector seems to be better equipped to guarantee employment specifically for the young unemployed. The social development sector, on the other hand, is less able to guarantee employment upon completion of a learnership, and seems to focus on using learnerships as a mechanism for upskilling.

In terms of the different types of learners that would like to access learnership funding, we recommend that information should be made more widely available. Yardsticks to decide on which learners to award funding to, should not be applied uniformly. A lack of a differentiated approach has in some areas, led to exclusion for instance, of people in the rural areas, and these are the people that need these opportunities the most.

7.2.2 Need for increased support for the provision of the practical component

The implementation of learnerships is constrained by a lack of support in terms of the practical element of provision. For instance, training providers are of the opinion that funds are usually sufficient for training and material, but do not support the provision and monitoring of the practical training at all. Particularly smaller training providers are constrained in terms of the extent to which they can monitor workplace experience.

There is a need for increased support from HWSETA, for both employers and training providers, to ensure that workplace experiential learning is appropriate. This would severely lighten the

burden on training providers and learners, as well as offering a regulatory mechanism for employers.

The case study demonstrates that it is important to understand the drivers of change in each sector in conjunction with the skills needs across different regional and community contexts so that implementation can be appropriately facilitated.

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Health and Welfare Sector Education and Training Authority (HWSETA)

www.hwseta.org.za

Netcare Training Academy

www.netcare.co.za

South African Nursing Council

www.sanc.co.za

Appendix A – List of Interviews

Designation	Role	Organisation	Interview Date
HWSETA interviews:			
Learnership Manager	HWSETA Stakeholder	HWSETA	18/11/2010 07/04/2011
SDTA (WC)	HWSETA Stakeholder	HWSETA	04/03/2011
SDTA (KZN)	HWSETA Stakeholder	HWSETA	08/02/2011
Employer/Training Provider interviews:			
Learnership Administrator, Administrative Head for KZN Colleges of Nursing, Deputy Manager Planning Policy and Budget	Public Employer	Department of Health (KZN)	25/02/2011
CEO	Private Training Provider	Elgin Learning Foundation	24/03/2011
Managing Director	Private Training Provider	Michaelmas Training Trust	09/02/2011
Managing Director	Private Training Provider	Better Best Health Training	22/02/2011
Training Manager	Employer	Love Life	24/02/2011
Training Manager	Private Training Provider	Sebenzuphile Trust	08/02/2011
Health Department Head	Private Training Provider	Elgin Learning Foundation	24/03/2011
Health Department Project Manager	Private Training Provider	Elgin Learning Foundation	25/03/2011
Training Manager	Public Training Provider	St. Mary's College of Learning	09/02/2011
Training Manager, Admin Officer (HWSETA liaison)	Employer/Training Provider	Medi-Clinic	23/02/2011
Training Manager	Employer/Training Provider	Life Health Care (WC)	22/02/2011
Training Manager	Employer	Melomed Hospital Group	23/03/2011
Principal	Public Training Provider	McCord Nursing College	07/02/2011
Principal	Public Training Provider	Ghandi Mandela Nursing Academy	07/02/2011
Training Manager	Employer/Training Provider	Life College of Learning	08/02/2011
Education Department Head	Private Training Provider	Elgin Learning Foundation	25/03/2011
Training Manager	Private Employer	KZN PPHC	07/02/2011
Training Manager	Private Training Provider	Netcare Nursing Academy	10/03/2011
Learner interviews:			
Completed Learner		KZN PPHC	07/02/2011
Completed Learner		Life College of Learning WC	22/02/2011
Completed Learner		Life College of Learning KZN	08/02/2011
Completed Learner		McCord Nursing College	07/02/2011
Completed Learner		Ghandi Mandela Nursing Academy	07/02/2011

Appendix B – Semi-Structured Questionnaires

SCHEDULE A

Semi-Structured Interviews with HWSETA

- What are the key skills shortages/ critical skills in your sector, and in relation to the sub-sector of the selected programme?

- In what ways are your learnership or apprenticeship programmes preparing young people with the technological skills and capabilities that firms require? Are there any skills or capabilities you find missing?

- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?

- What measures have you put into place in order to ensure that the tripartite relationship and the workflow between SETAs, training providers, and firm workplace are managed well?

- How do you work with firms, industry bodies and training providers to make sure that programme design and curriculum development matches the demands of firms, and further, that they are up to date with the cutting edge and new developments in the sector?

- How do you work with training providers and firms to regulate and align the quality of theoretical training, practical training and workplace experience, particularly mentorship in the workplace?

- Sector specific questions?

SCHEDULE B

Semi-Structured Interviews with Employers

- What are the key skills shortages or critical skills in your sub-sector?
- How important is skills development as a priority for your organisation?
- In what ways does your learnership/ apprenticeship qualification prepare young people with the right kind of skills for the workplace? Are there any skills or capabilities you find missing?
- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?
- How does your firm keep up with cutting edge/latest legislative requirements in your sector? How does this feed into the workplace experiential learning you offer?
- How do you interact with SETAs and training providers and any other agencies in terms of the design of your experiential learning programmes?
- How well does the theoretical component offered by training providers match your needs by preparing the participants for the workplace?
- How do you align the work experience component with the theory courses offered by the training provider?
- How is workplace experiential learning implemented? What are the key processes, procedures and incentives?
- Is there any form of quality assurance of how you implement experiential learning internally, or externally by SETAs?
- There may be further *sector specific questions* that will be raised

SCHEDULE C

Semi-Structured Interview with Education and Training Providers

(Public and Private)

- What are the key skills shortages and critical skills in your sub-sector (the health or social development field)?

- In what ways does your learnership qualification prepare young people with the right kind of skills for the workplace? Are there any skills or capabilities you find missing?

- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?

- How do you keep abreast of technological development and the cutting edge in your sector? How do you keep up to date with the demand of firms? How do these feed into the design of your programmes?

- How do you interact with SETAs and firms and any other agencies in terms of the delivery of your programmes? In particular, how do you align the theoretical component of your course with what firms offer in the workplace experience component of the qualification?

- Is there any form of quality assurance of what you teach, internally, or externally by SETAs or another professional body?

- There may be further *sector specific questions* that will be raised

MERSETA Case Study 2011: Skills development for the Metal and Related Services sector

A case study for the Department of Labour research project: Assessing the impact of learnerships and apprenticeships under NSDS II

Claudia Mummenthey, Glenda Kruss & Angelique Wildschut *January 2012*

Preface

"Skills development is about changing people's lives, about enhancing their employability and about aligning skills to our economy" (HWSETA Sector Skills Plan, 2005 – 2010: ii).

At the end of the five-year period of the National Skills Development Strategy II (2005 to 2010), the Department of Labour (DoL) sought to assess the impact of its evolving set of policy interventions and mechanisms to promote the goals of skills development in South Africa. The DoL commissioned the Human Sciences Research Council (HSRC) to conduct a suite of research projects to evaluate the impact of key programmes. The case study presented in this document represents only one part of the large-scale study investigating the impact of learnerships and apprenticeships.

The overall objective of this project is to measure the impact of the South African learnership and apprenticeship systems as they support employed and unemployed learners in the acquisition of scarce skills to enter employment.

Adopting a pathways approach (Raffe, 2003; Harris et al, 2006), the research investigates the extent to which the learnership and apprenticeship pathway systems develop the right numbers, levels and kinds of basic, intermediate and high-level scarce skills and capabilities required by firms across diverse sectors. What is the scale and kind of skills the learnership and apprenticeship pathway systems produce? What are the different learnership and apprenticeship pathways in the transition to employment? To what extent do the learnership and apprenticeship pathway systems build the kinds of skills and capabilities that equip young people for the workplace and enhance the transition to employment?

To address these questions, we designed a series of inter-locking research components. Firstly, we identified the numbers and levels produced by the apprenticeship and learnership systems, through an analysis of population datasets at key points in time (Janse Van Rensburg et al, 2011).

Secondly, we conducted two surveys, to trace the patterns of transition at an individual level, analysing individuals and groups in specific sectors that are more likely to enter employment, progress in employment or remain unemployed, after completing a learnership or an apprenticeship.

Finally, we devised three case studies to add a complementary dimension. The case studies analyse the extent to which learnerships and apprenticeships facilitate the development of the skills and capabilities required in the workplace in diverse sectoral contexts.

Equipping young people for the workplace, or employability, is both relative and absolute (Brown et al, 2003). An individual may be employable because of their absolute skills, abilities and qualities – whether imparted through a university degree, a further education and training qualification, a learnership or apprenticeship qualification - but they may not succeed in obtaining employment because of relative conditions in the economy and labour market at a specific point in time (Simmons, 2009). A successful transition to the workplace is strongly dependent on the structure of the economy and the ways in which the labour market is organised. The context of high unemployment and critical skills shortages in South Africa is a significant determinant of successful outcomes of the learnership and apprenticeship pathway systems, and there are distinct outcomes and levels of success associated with different sectors, particularly in the context of a global recession.

Thus, one focus of the case studies is to understand the labour market, skills demand and economic context of the learnership and apprenticeship pathway system in selected sectors. The main focus of the case studies, however, is on the absolute dimension of employability: the extent to which completing a learnership or apprenticeship qualification specifically imparts skills and abilities that may facilitate an individual's transition to the labour market.

Central to the pathways approach is its focus on the institutional and structural arrangements in education, the labour market, the production system and other social and economic institutions, that facilitate transition.

Unlike most university or FET college qualifications, learnership and apprenticeship qualifications rely on complex institutional and structural arrangements. A tripartite agreement exists between the SETA, the training provider, and, the firm to provide the theoretical and workplace experiential components of the qualification. The case studies investigate ways in which SETAs, firms, and, training providers, interact to ensure that the courses and experiential learning align with one another, that they align with scarce skills needs, and that they are in alignment with technological advancement in the sector.

The cases were selected to represent best practice in three sectors: programmes in a sector characterised predominantly by high-level scarce skills occupations, in a sector characterised

predominantly by artisanal and intermediate-level scarce skills occupations, and in a sector characterised by basic-skills level occupations.

The case studies would not have been possible without the active support and participation on the part of staff of the SETAs, firms and training providers, and of the Department of Labour and the Department of Higher Education and Training. Their generous collaboration was critical, and the research team trusts that their analysis and interpretation will be of wider benefit.

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Table of Contents

List of Tables

List of Figures

List of Abbreviations

AATP	Accelerated Artisan Training Programme
CBMT	Competency Based Modular Training
DHET	Department of Higher Education and Training
FET	Further Education and Training
HRM	Human Resource Management
ISO	International Standardisation Organisation
JIPSA	Joint Initiative for Priority Skills Acquisition
KZN	Kwa-Zulu Natal
LMI	Labout Market Intelligence
MERSETA	Metal and Related Services SETA
MTA	Manpower Training Act
NBI	National Business Initiative
NCV	National Certificate Vocational
NSDS	National Skills Development Strategy
OFO	Organizing Framework of Occupations
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management System
R&D	Research and Development
RPL	Recognition of Prior Learning
SD	Skills Development
SDF	Skills Development Facilitator
SEIFSA	Steel and Engineering Industries Federation of South Africa
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SSP	Sector Skills Plan
StatsSA	Statistics South Africa
TC	Training Certificate
W&RSETA	Wholesale and Retail SETA
WSP	Workplace Skills Plan

1. Introduction to the case study

The objective of this case study is to measure the impact of the learnership and apprenticeship systems in terms of supporting employed and unemployed learners to acquire intermediate and artisanal level scarce skills, and to enter employment. MERSETA was selected as an appropriate case for the investigation of the impact of skills development programmes, given its overall sectoral composition and identified skills shortages.

In recent years, there is growing concern at the shortage of artisanal skills and at the lack of training capacity in the post-schooling system. MERSETA has been a key player in the revival of the apprenticeship system alongside its learnership programme offerings. The SETA thus provides an important case to examine the ways in which the skills programmes at artisanal and intermediate level succeed in the adequate formation of skills for a successful transition into the labour market.

2. Case study methodology

The case study consists of a combination of desk top research, establishing important background information on the sector, critical skills needs, and its major learning pathways as well as key informant interviews that establish the effectiveness of the current learning pathways.

For the desktop research various existing data sources and surveys on the MERSETA sector, mainly available from the MERSETA itself, but also other available publications related to intermediate/artisan skilling, were utilised. The key informant interviews were conducted on the basis of a semi-structured questionnaire specifically designed for the purposes of the study and the respective interviewee groups (please refer to Appendix B for the questionnaires).

Two major focus programme areas were selected for the purposes of the study, firstly, the Accelerated Artisan Training project (AATP) and, secondly, both learnership and apprenticeship routes leading to qualifications at artisan level, mainly in the metal and motor sector, but also for the new tyre and the plastics industry. The focus programmes were selected as they form a sizeable proportion of provision in the sector and as these skills areas are identified as “critical shortages” with the highest need for appropriately skilled staff. Further to that, the AATP is

considered a best practice programme by MERSETA which demonstrates key factors for a successful implementation of learnerships and apprenticeships.

For the key informant interviews, samples of employer and education and training organisations involved in the implementation of the selected focus programmes, were drawn from the MERSETA database. Overall, 20 key informant interviews were conducted in the weeks of the 07th-10th of February 2011 and 07th – 11th of March 2011. The interviews included 9 employer interviews (metal, motor, new tyre and plastics industry, medium to large in size), 7 Further Education and Training Providers (4 FET Colleges and 3 private training providers) and 4 SETA representative interviews. Table 1 illustrates that the number of interviews was slightly biased towards Gauteng. However, the list of interviews in Appendix A also shows that a number of organisations within the Western Cape included several key informants in each interview. This brought the total number of responses to the same level, with 13 responses overall.

For ease of reading, the organisations in Table 1 have been classified into organisational categories, to demonstrate the spread of the sample.

Table 1: Key informant interviews per organisation and region

Organisation Type	**Number of organisations**	
	Western Cape	**Gauteng**
Employer (Metal)	1	2
Employer (Motor)	1	2
Employer + provider (Tyre)	0	1
Employer + provider (Plastics)	2	0
FET colleges (all trades, but tyre and plastics)	3	1
Private training providers (Metal and/or Motor)	1	2
MERSETA	0	4
TOTAL	**8**	**12**

The organisations were contacted via email and/or telephonically, and personal interviews were arranged with the training staff responsible for the implementation of AATP or learnership/apprenticeship training. Respondents were emailed the semi-structured questionnaires in advance in order to prepare for the interview. In some instances interviewees preferred to be interviewed telephonically. Due to sickness or unavailability in the given timeframe, respondents subsequently provided their responses in writing. However, the large majority of interviews were conducted in person. All personal interviews were digitally recorded and later transcribed into summary notes. For the list of interviews, please refer to Appendix A.

All interviewees were directly involved in the implementation of the training either as appointed Human Resource Managers (HRM), Skills Development Facilitators (SKILLS DEVELOPMENTFs),

or, Training Coordinators (TCs). In the case of FET Colleges/private training providers: heads of department, senior lecturers, business development, and, R&D managers were interviewed. All interviewees had been involved and exposed to the training pathways for a number of years, each with a minimum of two years of experience.

Given the restricted timeframe, it was not always possible to obtain commitment for an interview from all organisations. There was particular difficulty in obtaining interviews from the Motor sector in Gauteng as a number of key informants were travelling between different provinces during this period. Some respondents did not consider a telephone interview appropriate to provide input. Participation from small employers proved to be exceptionally difficult as the contacts provided by MERSETA were in the majority firms of a medium to large size.

The sample frame was limited to the two major provinces in which learnership/apprenticeship training is concentrated, Gauteng and the Western Cape. Though the case study will indicate key trends that can be representative of the overall view of MERSETA stakeholders, it must be noted that the sample is limited to some extent with regard to the perspective of small enterprises.

Further limitations must be noted with regards to the availability of up-to-date data on the composition of the sector itself. The research used datasets provided by each SETA on the basis that they represent the best available sources. The same applies to skills training and learner enrolment rates in the different pathways. The latest available MERSETA Sector Skills Plan (2011) is based on data sources from the 2007 to 2010 period. There are some inconsistencies with other available data sources from Statistics SA and the DHET. The research used datasets provided by each SETA on the basis that they represent the best available sources. Consequently, the case study will refer to data sources from different years as this was the only readily and most recent data available at the time of research. Any significant discrepancies that arise from the data will be indicated.

3. Background information on the MERSETA sector

The Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA), is one of the 23 SETAs established through the *Skills Development Act* No. 96 of 1998. Generally rated among the better performing SETAs which has regularly exceeded government targets, it was credited as one of South Africa's "53 Best Employers to work for" in 2009/2010 (MERSETA, 2010). Thus, MERSETA was awarded a continued mandate through

official re-licensing in 2010. In the *New SETA Landscape Announcement* (2011-2016) the Department of Higher Education and Training (DHET) re-established MERSETA as one of 6 SETAs out of 18, that underwent only minor changes with occupational SIC code transfers. The Petrol Retail sub-sector will be moved from the MERSETA to the Wholesale and Retail SETA (W&RSETA), with motor retail and all other sub-sectors remaining within its mandate as in the previous SETA landscape. The primary motivation behind these changes is to enhance sector focus (ensuring that each SETA is located as close as possible to its relevant economic sector), securing the viability of all the SETAs, and further consolidating DHET's learning (supply) pipeline planning (DHET, 2010).

3.1 MERSETA's core mandate and implementation of services

MERSETA's core mandate is to facilitate skills development in the chambers that represent the organised MERSETA sub-sectors. In fulfilling its mandate, MERSETA does not conduct training itself, but facilitates the process for training in the sub-sectors by:

- paying grants
- registering moderators and assessors
- identifying scarce/critical skills
- accrediting training providers, and
- monitoring the quality of training and implementing projects that strive to close the identified skills gap in its respective sub-sectors (MERSETA, 2011a).

In implementing its mandate, MERSETA adopts a two-pronged approach to service delivery. This means that all services provided are available not only at head office, but also on a regional level. Through 7 regional offices and 2 satellite offices the SETA aims to ensure its presence for its stakeholders across all South African provinces (MERSETA, 2010).

3.2 MERSETA's sub-sectors and the role of the chambers

Member companies of MERSETA are classified into 5 chambers based on the nature of their business or their defined economic sub-sector (Table 2). Each chamber is presided over by a chamber committee comprising employers and organised labour. There are a maximum of 16 voting members (MERSETA, 2010; MERSETA, 2011a).

Table 2: MERSETA's 5 sub-sectors/chambers

Chamber	No. of companies
Metal and Engineering (Metal)	24 475
Motor Retail and Component Manufacturing (Motor)	17 798
Plastics Manufacturing (Plastics)	1 873
New Tyre Manufacturing (Tyre)	40
Automobile Manufacturing (Auto)	7
Total	**44 193**

Source: MERSETA (2010)

The chamber committees of each sector develop sub-sectoral inputs into the Sector Skills Plan (SSP). They identify education and training requirements, provide input into skills development policies, and, monitor the development and implementation of education and training programmes in their specific sub-sector (MERSETA, 2010).

MERSETA's official 2011 statistics (MERSETA, 2011a) indicate that the 5 sub-sectors, together, comprise approximately 44 000 companies (see Table 2), with a workforce of approximately 600 000 employees. The total levy income of the sector in 2009/2010 grew by 2.9% despite the economic downturn and amounted to a total of R715 million (MERSETA, 2010: 6).

3.3 MERSETA's main stakeholders

In the 2009/2010 financial year MERSETA's sector consisted of 10 792 levy-paying organizations. This is down from 11 913 in 2008/2009 (a decline of 9.4%). With the economic downturn, this might be expected. Why the levy income increased despite the decline in levy-paying organisations is not explained in the reports.

3.3.1 Main stakeholders by sub-sector

The Metal chamber is the largest employer in the MERSETA sector (Table 2). Consequently, it contributes the largest share of levies (57% of the total levy). The Motor sector, the second largest sub-sector, makes up 26% of all levies. Auto, Plastics and New Tyre contribute the smallest share with auto and plastics 7% each and new tyre 1% respectively (MERSETA, 2010: 13).

The largest employers account for the highest share of training in the sector. According to the latest MERSETA SSP, the Metal chamber provides the bulk of training, accounting for 49.3 % of total training in 2007. This is followed by the Motor chamber with 28.1% of total training and the

Auto chamber with 10.4 %. Together these 3 sub-sectors constitute 88% of the training in the sector in 2007. While this data has not been updated recently, it may be assumed that these patterns have not dramatically changed over the given period. It appears appropriate that the case study should focus mainly on the Metal and Motor sector, since they constitute the majority of employment and training provision.

3.3.2 Main stakeholders by company-size

The majority of employers in MERSETA's sector in 2009 were small enterprises with less than 50 employees (68%), which contribute less than 6% of all levies. 10% were large companies (> 100 employees), which make up 79% of the total levies and 22% were medium-sized companies (50-99 employees), providing a share of 15% of the levies.

The largest proportion of small companies are in the New tyre chamber (94%), followed by Auto (88%) and then Motor (82%). Plastics and Metals have the greater proportion of large companies, at 26% and 19% respectively (MERSETA, 2009). Small enterprises are generally constrained in their effective implementation of formal training interventions. This is due to a lack of financial resources, as well as technical and administrative capacity (McGrath & Martins, 2005; MERSETA, 2009; Mummenthey, 2008).

In 2007 the small and medium companies accounted for 14% and 15% of the sector's employment, while large companies dominated the sector with 71% of total employment (MERSETA, 2009). In line with the 2007 data trends, the latest MERSETA SSP notes that two-thirds of manufacturing workers are employed in establishments with 20 or more employees, pointing to the ongoing predominance of large-to-medium sized employers for training in the sector (MERSETA, 2011b).

3.4 Overall composition of the sector and related skills needs

The following sections outline the overall composition of the sector and related skills requirements as they are driven by the sector's major constituting demand variables.

3.4.1 Distribution according to occupational levels

MERSETA Workplace Skills Plan (WSP) data on the distribution of employment across different occupational levels show that a significant component of the workforce is at the level of

technicians and elementary workers. They comprise nearly half the total workforce (49%). The occupational categories of drivers and machine operators (referred to as technicians in the MERSETA SSP; 25%) and elementary workers (24%) are the largest skills categories alongside professionals. Professionals account for 25% of total employment (Table 3). Interestingly, figures from Statistics South Africa (2010) provided in the same MERSETA report differ. Here the two largest occupational categories are operators (26.8%) and crafts and trade workers (a category not provided in the SETA data, 25.5%). Conversely, elementary workers only account for 16.8% and professionals account for a very small share with only 2.6%.

Table 3: Distribution of the sector according to occupational levels

Occupational level	Total employment	Proportion (%)
Managers	28 777	8%
Professionals	84 804	25%
Clerical and administrative workers	38 492	11%
Sales workers	23 190	7%
Drivers and machine operators	84 755	25%
Elementary workers	80 608	24%
TOTAL	**340 626**	**100%**

Source: Adapted from MERSETA (2011b: 61)

The figures for the total workforce given in Table 3 do not match the data provided on the current MERSETA website (www.merseta.org.za), which reports an overall workforce of 600 000. Firstly, it seems that the discrepancy stems from the reality that a number of employers in the sector do not submit Workplace Skills Plans (WSPs) at all, or from data inaccuracies within WSP submissions. Secondly, there may be a difference in definitions in terms of SETA data (WSP, OFO Codes) and by StatsSA. More pertinently, the definitions of what constitutes the workforce of the manufacturing sector as well as the exact classification of the different occupational categories are not consistently defined. These are crucial discrepancies that hinder the formulation of uniform definitions and the identification of labour demands from mechanisms other than the WSPs. Valid projections of labour demands and a "matched" supply are severely compromised. MERSETA (2011b: 12) recognises that "workplace skills plans do not and cannot by themselves provide a valid basis for predicting the labour and skills needs of the sector".

Unfortunately, data consolidated at SETA level does not provide the detailed spread of occupational levels per sub-sector, a future need also identified by MERSETA (2011b). If the data is more detailed, it may indicate whether the sub-sectors differ in terms of employment rates across the occupational levels. Despite these data discrepancies it is evident that the strongest

needs for skilling are at the elementary, technician, crafts and trades workers, and operator levels. This is reiterated in the list of the top 10 MERSETA scarce and critical skills provided by the 2011 SSP (2011b: 148).

3.4.2 Racial and gender distribution in the sector

The manufacturing sector demonstrates an unequal distribution in terms of race. Table 4 shows that Black African employees account for the majority (55%) of total manufacturing employment. This is followed by white employees who constitute 25% of the workforce and, Coloured employees (14%). Indian/Asians are slightly underrepresented, making up only 6% of the workforce.

Table 4: Racial composition of the MERSETA sector

Racial Category	No. of employees	(%)
African	187,780	55%
Coloured	47,299	14%
Indian	19,865	6%
White	83,558	25%
Total Number of Employees	**338,502**	**100%**

Source: WSP data 2010.

Source: MERSETA (2011b: 59)

While black employees constitute the largest employment group, they are underrepresented in terms of higher level skills occupations. MERSETA SSP data (based on StatsSA, 2010), demonstrates that the occupational profile of the sector by race reflects historical discrimination. Africans are concentrated in the lower skill occupations, accounting for 75% of elementary workers and operators. Conversely, Whites account for just 2.2% of employment in elementary occupations with 1.9% being operators. But, they constitute 68.2% at management level. Coloured workers are not significantly overrepresented in lower-skill occupations relative to their share of total manufacturing employment. Indian/Asian workers are slightly underrepresented (MERSETA, 2011b). The data demonstrates the need for up-skilling to counter existing racial imbalances in the occupational profile of the sector.

Gender data (Table 5) shows an unequal distribution: the majority of the workforce is male (78%). While the MERSETA perceived a slight shift compared to previous years it is indisputable that female workers are significantly underrepresented in the sector's overall profile. Female

entrants into the sector account for only 24.7% of all learnership registrations (MERSETA, 2011b: 111).

Table 5: Gender distribution in the sector

Gender Categories	No. of Employees	(%)
Male	263,006	78%
Female	75,496	22%
Total Number of Employees	338,502	100%

Source: merSETA data (2010)

Source: MERSETA (2011b: 59)

The majority of occupations in the industry are at lower and intermediate skills levels: these predominantly entail hard, physical labour so a certain male domination in the sector is understandable. Unfortunately however, no data is presented in the latest MERSETA SSP on gender distribution matched to occupational profiles. It may be assumed that the gender distribution may improve in favour of female workers at higher skills levels, but this projection is not guaranteed. Accordingly, detailed research is required to ascertain the actual gender composition of the sector (a need also identified by the MERSETA, 2011b).

3.4.3 Age composition of the sector

In addition to these factors, age as a replacement demand variable is particularly significant in the case of the MERSETA sector. WSP data from 2009 on the aggregate age of employees, demonstrates that roughly a third of the employees in the sector are aged 55 years or older. The latest figures provided by MERSETA (2011b) translate into a total of 151 612 employees, for whom retirement age is approaching within the next 10 years. Consequently, there is an urgent demand to increase the inflow and up-skilling of young entrants to the sector, to replace the aging workforce, particularly those skilled at artisan level. Anecdotal evidence from employers in focus groups in the automotive industry indicates that the average age of employees in their companies is 50–55 years. This suggests an even older workforce than implied by the MERSETA WSP figures (MERSETA, 2011b). While accurate statistical data is unavailable on the exact demarcation of the workforce by age, there is no doubt about the significance of an ageing workforce, when it comes to intermediate skilling, particularly amongst artisans (Kraak, 2007, Mummenthey, 2008, Van Rensburg, 2011).

3.4.4 The impact of HIV/AIDS

HIV/AIDS remains a serious factor in all sectors, including the manufacturing sector (MERSETA, 2011b). Its prevalence in the metal sector was estimated at 16% in 2005. Since no sector specific or more recent data is provided, the SSP refers to UNAIDS data from 2009, which demonstrates the profound impact of HIV/AIDS on the global workforce. Approximately 25 million AIDS-related deaths are predicted worldwide. The South African workforce is particularly susceptible to the effect this disease: prevalence rates are estimated at 14.5% of the population (MERSETA, 2011b).

Table 6 reflects the high prevalence rates for the workforce across key South African provinces.

Table 6: HIV/Aids prevalence rates across provinces

Province	No. of workers	percent HIV positive (%)	Household survey (%) percent HIV+
KZN	2 364	9.4	11.7
Gauteng	1 167	12.3	14.7
Western Cape	528	12.9	10.7
Eastern Cape	2 032	6.5	6.6

Source: MRC, 2004

Source: MERSETA (2011b: 65)

These figures emphasize that the economically active labour force, and therefore, all skills development measures in the sector, will be affected by the disease. While it is generally recognised that all skills levels will be negatively affected the greatest losses are projected among the semi and unskilled labour force (Erasmus, Loedolff, Mda & Nel, 2007; Vass, 2003, 2007).

3.4.5 Labour casualisation

The MERSETA SSP notes the increased casualisation of labour in the sector as a further key determinant in planning skills demands to address the shortages of experienced skills. According to the MERSETA (2011b), statistics and anecdotal evidence suggest the significant casualisation of labour, nationally, and in the MERSETA sector in particular over the past two decades (see also Goldmann, 2003). While no accurate and conclusive data is available, casual labour is currently estimated at more than 20% of the workforce (MERSETA, 2011b).

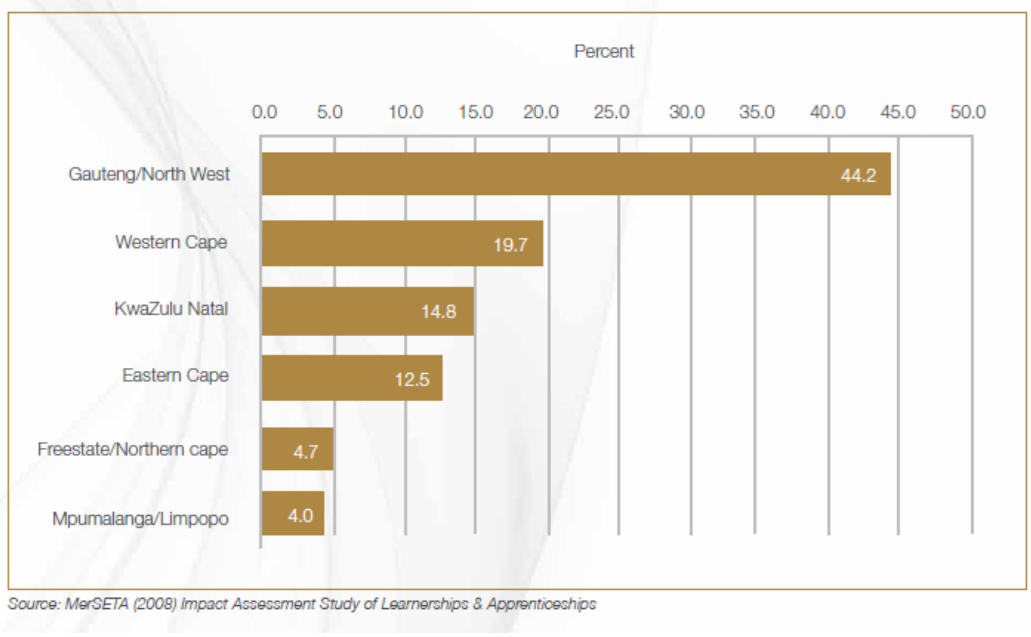
Two distinctive challenges arise for skills development in the sector. The first is that an environment with increasingly temporary and casual employment does not bode well for long-

term skills pathways such as apprenticeships and learnerships as they have a long-term orientation and require formal contractual arrangements. The second is that the general need and incentive for upgrading labour skills is not perceived in the context of a large pool of casual labour, particularly at lower skills levels.

3.4.5 Regional distribution of the sector

The bulk of manufacturing employment in 2010 was located in 3 provinces, Gauteng (35.3%), KZN (21.9%) and the Western Cape (17.2%). These 3 provinces account for close to three-quarters of all manufacturing employment in 2010. All other provinces each account for less than 5% of manufacturing employment, barring the Eastern Cape which constitutes 7.9% of manufacturing employment. The strongest provision of training in the sector also occurs in these three provinces.

Figure 1 shows the latest available data on the geographical distribution of learnership registrations. Gauteng plays a key role with 44.2% of learnership training, followed by the Western Cape with 19.7% and KZN with 14.8% respectively.



Source: MERSETA (2011b: 112)

Figure 1: Geographical distribution of learnership registrations

The registration of apprenticeships shows a similar distribution. The highest percentage of registered apprentice enrolments is in Gauteng/North West with 39% of apprentices documented from 2005 to 2009. The second highest enrolment is in KZN (17.49%) and, the third highest in Mpumalanga/Limpopo and the Western Cape, with a percentage of 13% and 12.5%

respectively. One-quarter of all apprenticeships commenced in the 2005-2009 period and are located in the Metal Chamber in Gauteng/North West, with 14.2% in the Motor Chamber in that region (MERSETA, 2011b).

Gauteng is the prime source of skills supply, while the role of KZN and Western Cape role varies depending on the learning pathway focus.

3.5 The major learning pathways into the sector

The demand side is the core concern of the previous sections. However, the supply side is key to meeting the skills demands of the industry. Three major learning pathways towards intermediate and artisanal skills qualifications can be identified in the MERSETA context.

3.5.1 The learnership route

The learnership route, according to Kraak (2007: 495), may be considered "the most important innovation in the intermediate skills development arena in the post-apartheid era". It was promulgated by the Skills Development Act of1998. The learnership route sought to address and overcome key problems associated with training delivery under the apartheid regime. Learnerships aim to overcome past deficiencies in a three-fold manner, which simultaneously constitute the key components of this learning pathway (Kraak, 2007; Mummenthey, 2008; Visser & Kruss, 2009):

- providing workplace learning in a more structured and systematic form (practical work experience of a specified nature and duration);
- linking structured learning (i.e. theoretical training) to multiple sites of work experience (i.e. practical work experience); regulated by a tri-partite contractual agreement between the employer, training provider and the learner (the learnership agreement); and
- the overall integration of theoretical education and work-based skills training culminating in a nationally recognised qualification, registered on the National Qualifications Framework (NQF) (to ensure employability, transferability of skills and career progression).

Learning model: Learnerships are based on the principle of Outcomes-Based Education (OBE), thus based on unit standards. Unit standards, as required by the South African Qualifications Authority (SAQA), are categorised in three ways: fundamental, core and electives.

Assessment: The principles of assessment applied within learnerships are: formative[12], summative[13], and integrative[14] assessment. The assessments are only conducted by qualified assessors, who are registered with the MERSETA. These assessments also need to be moderated through the MERSETA.

Entry requirements: Each learnership qualification has defined entry requirements, based on school leaving certificates. Entry into a learnership, as set by industry, is usually a grade 10 and/or grade 12. However, particularly important and established within the context of learnerships, is the principle of recognition of prior learning (RPL), irrespective of where the skills are obtained. No age restrictions are given for entry into a learnership and the route both qualifies previously employed (18.1) as well as previously unemployed learners (18.2) (Mummenthey, 2008).

Current registrations: The majority of MERSETA learnership registrations, 53.3% are at NQF level 2, followed by NQF level 1 registrations (27.3%). Only 11.8% of all learnership registrations are at NQF level 3. NQF level 4 learnerships do not even constitute 10%. The critical intermediate skills/artisanal skills level has only 7% of all registrations, despite the pressing need to replace the aging workforce. The disproportionate concentration of learnerships at the lower levels rather than at the intermediate skills level gives cause for concern. A further concern, as pointed out in the latest SSP, is that new learnership registrations gradually declined from 2004 onwards: from 8 000 in 2004 to just over 3 000 in 2008.

Most of the learnership registrations in the MERSETA sector are based in the metal and motor chambers (MERSETA, 2011b).

3.5.2. The apprenticeship route

The apprenticeship route is the predecessor of the learnership programme. Going back to the 1920s, the apprenticeship system has been South Africa's major pathway for intermediate skills development, and thus the qualification of artisans for all major industry sectors (Kraak, 2007;

[12] A range of formal and informal assessment procedures employed by teachers during the learning process in order to modify teaching and learning activities to improve student attainment (Crooks, 2001).
[13] Refers to the assessment of learning which summarizes the development of learners at a particular time. For instance, a test or exam after a period of work/module was completed (Crooks, 2001).
[14] An integrated assessment combines a number of different elements, demanding that the candidate bring together different sets of outcomes of learning into a demonstration of applied competence. For example, technicians might be expected to show that they can combine technical, business and environmental insights in thesolution of a complex problem (SAQA, 2005).

Mummenthey, 2008). It has been recently revived through the efforts made by the Joint Initiative for Priority Skills Acquisition (JIPSA) as the key route towards artisan skilling.

According to the MERSETA SSP, 3 forms of the traditional apprenticeship route are offered: CBMT, time-based and section 28.

The CBMT route: The Competency Based Modular Training (CBMT) route qualifies young apprentices (under the age of 24), who have been indentured with an employer as per Section 13 of the 1981 Manpower Training Act. Apprentices in this route are fully sponsored by an employer during their apprenticeship. They study in part-time block release format at a private training provider or FET college. They are provided with practical work experience under the supervision of a senior artisan at their workplace and are required to take four compulsory level tests before taking the final trade test. The duration of the training is on average 3-4 years.

The time-based route: Time-based route apprentices are formally indentured as per Section 13 of the 1981 Manpower Training Act. Likewise fully sponsored by an employer, the time-based route as compared to the CBMT route only defines the overall duration of the apprenticeship as well as the number of weeks required for practical on-the-job training. However, it does not define any requirements in relation to technical training at accredited provider or level tests. The duration is the same as CBMT (3-4 years).

Section 28 route: The Section 28 route refers back to the appropriate Section of the 1981 Manpower Training Act. According to this Act the route enables adult apprentices (over the age of 24), with sufficient work experience but without formally being indentured or trained over a specified period of time, to take the trade test and qualify as an artisan.

There are specific entry requirements for each MERSETA apprenticeship route. For all three forms the requirements are based on school leaving certificates as well as age. The assessment of all 3 apprenticeship routes is based on knowledge and skills testing, that culminates in a final national trade test as prescribed by the Manpower Training Act. Passing this national test ensures qualification. The MERSETA database contained a total of 42 120 records of registration as at July 2009 (MERSETA, 2011b). Of over 40 000 individuals, the vast majority of learners (95%) were registered for a single apprenticeship.

Of all the apprenticeships initiated between 2005 and 2009, three-fifths were in the Metal Chamber and almost two-fifths were in the Motor Chamber (MERSETA, 2011b). It must be noted

that the latest MERSETA SSP does not provide any more recent data on learnership/apprenticeship registrations and the data provided from DHET for the 2009/10 year is not consistent with the data reported by the MERSETA.

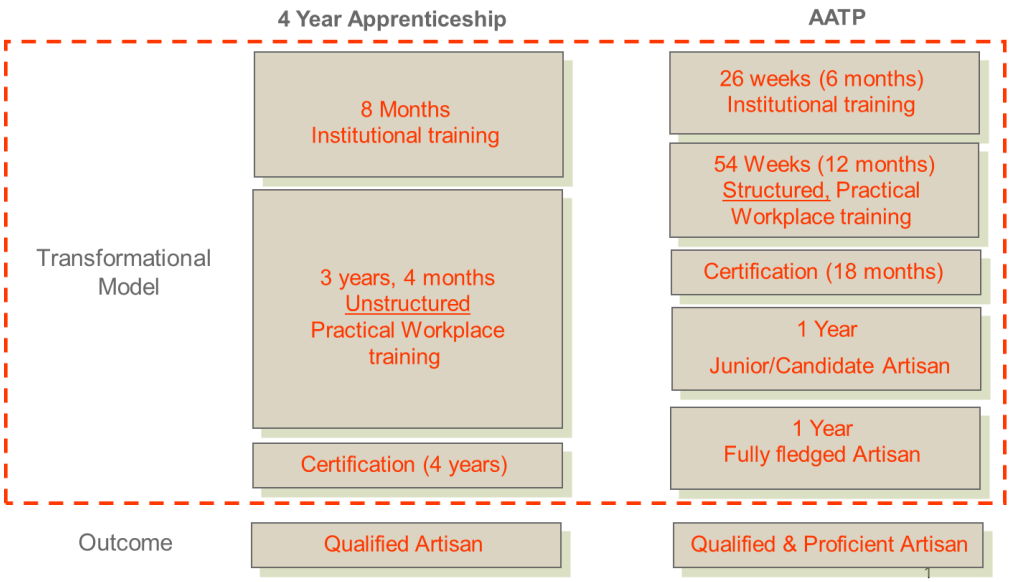
3.5.3 The accelerated artisan training project (AATP)

The Accelerated Artisan Training Project (AATP) was introduced by the MERSETA in 2007 as a special response to the artisan training call made by JIPSA in an effort to increase the training output rate and the number of qualified artisans (NBI, 2009). As part of this drive, JIPSA targeted the development of 50 000 artisans by 2010 while the AATP targeted the development of 5 620 artisans over a three-year period (MERSETA, 2010). The initial duration of AATP was intended to conclude in March 2010, costing nearly R300 million (NBI, 2009: 1). Since the project uptake is on a month-by-month basis, the last apprentice entering the programme in the current funding window is anticipated to qualify at the latest by 31 December 2012 (MERSETA 2010). However, due to its successful implementation the project duration will most likely be extended.

The AATP model emanated, initially in 2004, from the metal sector, mainly driven by the Steel and Engineering Industries Federation of South Africa (SEIFSA) and Arcelor-Mittal. It was then expanded by MERSETA into a broader project framework to include the Motor sector. In March 2007 the MERSETA board approved funding for pilot testing of the broader project framework. In June 2007 the project was officially launched.

Key to the AATP is the assumption that it is possible to produce a "qualified/certified" artisan in less than two years, after which the additional 2-year mentored experience in the workplace is added. On completion of the 2-year workplace experience, the employee can be referred to as a "qualified/proficient" or as a "fully fledged" artisan (NBI, 2009; Arcelor Mittal, 2011). While the working structures bear similarities to the apprenticeship route, they lead to the qualification via a more condensed and expedited way than the classic apprenticeship route. For further discussion and investigation, of the AATP model, the reader can refer to Du Toit (2011). Here the case illustrated the AATP mechanism's success in leading to sustainable employment, particularly, for unemployed participants.

Figure 2 illustrates the AATP model in the metal trades as compared to the traditional 4-year apprenticeship route:



Source: Adapted from Arcelor Mittal (2011)

Figure 2: AATP model as compared to 4-year apprenticeship route

The AATP model for the Metal trades is based on 80-90 weeks or 18 months of total training until certification as a certified artisan in the respective trade upon passing of the national trade test. For the Motor trades the training takes place over 4 competency-based phases: theory, simulated practical, workplace experience and, the phase tests, are completed in 26 weeks at each of the four levels.

Certified training may then be followed, as with Arcelor-Mittal model, by an additional year with structured practical supervision to become a junior/candidate artisan. After an additional year of practical work as an artisan, the learning outcome is termed a "qualified and proficient artisan".

Linked to the AATP training is the so-called milestone payment (equal to grant payments in the usual learnership/apprenticeship). These are paid to the employer on the achievement of certain defined milestones in the training.

The individual milestone payments for each stage within the AATP can be seen from Figure 3.

Source: Adapted from DB Thermal (2011)

Figure 3: Milestone payments for AATP

Entry requirements: Due to a shorter training period, there is increased learning pressure. To accommodate this, the following minimum optional entry requirements to the AATP have been defined for learners (MERSETA, 2011c):

- Four engineering related subjects at N3 level including maths and science, OR
- NCV Level 4 (Engineering), which is the curriculum offered at FET Colleges since 2007, OR
- Technical or academic matric with maths and science passes of 60% or more on standard grade, OR
- University students, who for various reasons, cannot complete their engineering studies

Employer participation requirements: Participation of employers in the AATP is subject to an apprentice intake of 10 or more candidates. Employers need to provide evidence that they have enough qualified artisans to mentor these apprentices with the ratio of one qualified artisan to two apprentices. In addition, companies wishing to participate, need to dedicate a senior employee to oversee the programme and related apprentice management systems (MERSETA, 2011c). Considering the requirements for participation, it is clear that the primary focus for AATP delivery is placed on medium to large companies, able to fulfil the criteria in terms of available resources.

Current registrations: Internal AATP Progress data from MERSETA demonstrates a total current registration of 2 438 AATP apprentices for the Metal sector and 549 for the Motor sector as at January 2011. This shows a strong bias to the Metal sector (MERSETA, 2011d; NIB, 2009).

An assessment of the contribution of these three major MERSETA learning pathways will provide valuable insight into the extent to which key skills need in the sector at artisanal skills level are being appropriately addressed.

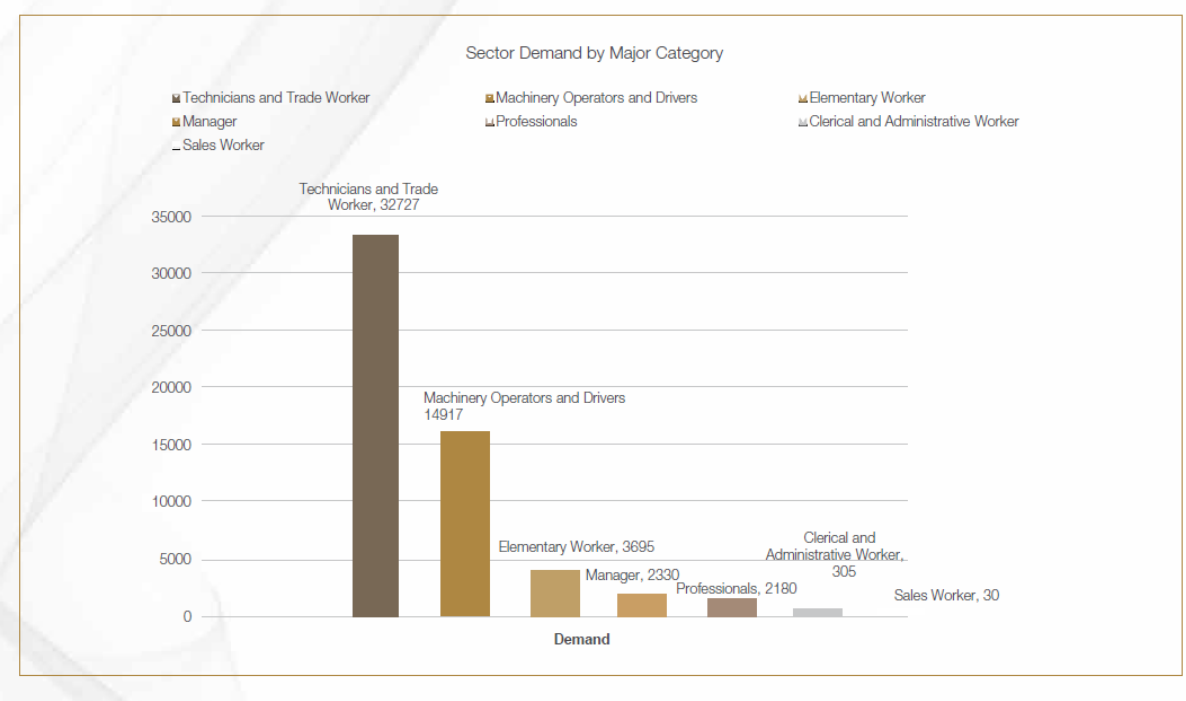
4. Scarce and critical skills shortages in the sector

Scarce and critical skills in the MERSETA sector are traditionally identified by the national chamber committees for each sub-sector. In 2009 the compilation of the SSP involved all stakeholders including industry associations, private firms and labour representatives, in the identification of the scarce and critical skills lists through surveys. This drive was supported by the movement from SIC codes to the Organising Framework of Occupations (OFO) codes and the establishment of a research and development sub-committee. As noted by the MERSETA

(MERSETA 2009) the process of identifying scarce skills is contested in the sector. This is why MERSETA engaged in a process of developing a more systemic model for the identification of scarce skills.

This model for sector skills planning was first used in the 2010/11-2015/16 SSP (MERSETA, 2009; MERSETA 2010, MERSETA, 2011b). The current SSP identifies the highest skills need across sub-sectors: technicians and trade workers, followed by machinery operators, then drivers and elementary workers (Figure 4). The two major identified areas in this overview are both on intermediary/artisan level, which reiterates the urgency to address skills needs at artisanal level.

However, as discussed earlier this urgent need is not yet adequately addressed with the necessary learnership and apprenticeship enrolment rates at the appropriate NQF levels.



Source: MERSETA (2011b: 148)

Figure 4: MERSETA Top 10 scarce and critical skills

Table 7 demonstrates the two largest scarce and critical skills areas identified by each sub-sector in the latest SSP (MERSETA, 2011b). Further to these scarce occupational skills identified at sub-sector level, skills shortages across all the MERSETA sectors include toolmakers, electricians, fitters and turners, millwrights, and electricians. Management and professional skills shortages span industrial engineers, mechanical engineers, production management and supervisors.

Table 7: MERSETA scarce and critical skills list 2011 as per sub-sector

Metal chamber			
OFO Code	Occupation	Demand	% Share of total demand
712101	Crane, Hoist or Lift Operator	7 000	29%
323201	Fitter (General)	2 500	10%
Motor chamber			
OFO Code	Occupation	Demand	% Share of total demand
321201	Automotive Motor Mechanic	4 500	32%
324101	Panel beater	2 385	17%
Auto chamber			
OFO Code	Occupation	Demand	% Share of total demand
321201	Automotive Motor Mechanic	1 085	24%
323502	Mechatronics Technician	1 070	23%
New tyre chamber			
OFO Code	Occupation	Demand	% Share of total demand
839202	Rubber Factory Worker	281	20%
711506	Rubber Production Machine Operator	245	18%
Plastic chamber			
OFO Code	Occupation	Demand	% Share of total demand
711504	Plastics Production Machine Operator	2 000	22%
839201	Plastics and Composites Factory Worker	1 500	17%

Source: MERSETA (2011b: 148)

General critical skills required across the sector, but which are not directly linked to a specific occupational qualification are: a positive attitude; solid work ethics; thinking skills related to mathematics and reading skills; problem-solving skills; and interpersonal and communication skills. Among artisans and professionals, critical skills also relate to specific technical abilities and a general knowledge of the industry (MERSETA, 2011b).

5. Current stakeholder views on the formation of skills

The following sections outline the primary trends, drawn from an analysis of the interviewee's perceptions. The discussion examines the extent to which the three current learning routes succeed in the formation of skills. Given the small size of the sample in the new tyre and plastics sectors, trends for these sub-sectors will be presented in a combined format, in order to assure anonymity of respondents.

5.1 Respondents' view on critical skills shortages

Respondents unanimously confirmed the existence of skills shortages in their respective sub-sectors. These are in line with the officially identified scarce and critical skills (refer to section 4). There are some notable differences, which will be discussed.

5.1.2 The metal sector view

Respondents involved in the metal sector primarily note shortages in the following trades and occupations. They are here listed in order of increasing skills level:

- Technicians (electrical, chemical and metallurgic)
- Boilermaking and welding (e.g. "constant demand")
- Fitters and turners
- Foundry men (moulding, melting and pattern making)
- Electricians
- Millwrights
- Tool and dye makers
- Engineers (e.g. "anything engineering related is a problem")

The millwright trade is perceived as scarce due to its extended training period. Since the trade includes two trades (electrical and mechanical), a number of companies shy away from the length of training and "tend to train fitters and electricians rather than millwrights". However, one provider noted that there is now an increasing demand for this specific "instrumentation trade" as companies had realised that electricians used in production did not have the right skills.

Some respondents argued that the shortage is not the number of trainees. The critical factor is quality-related in that learners are not equipped with sufficient specialised and technical skills, due to insufficient practical experience. According to one respondent, this "only comes over time and cannot be fast-tracked".

5.1.2 The motor sector view

In the motor sector, respondents pointed to the following skills shortages, here listed in order of highest demand with those prioritised marked in bold:

- **Motor- and diesel mechanics**
- **Auto electricians**
- Panel beaters and spray painters ("to some, but a lesser extent")
- After sales service advisory (customer relations skills)

With regard to the trades, in particular motor-/diesel mechanics, auto electricians and service advisors, respondents pointed to some "systemic hiccups". This applies to qualification design,

curriculum content, and the implementation of the different pathways (these will be discussed further in section 5.3).

Similar to the metal sector, two respondents from the motor sector pointed out that the shortage was not the quantity of artisans qualifying, but the quality, particularly through a "lack of high level competence". One respondent argued that: "[w]hat is regarded as high level in South Africa is considered average competence overseas". A particular shortage is on the diagnostics and electronics side as current artisans in the motor sector lack the understanding of "how the system works". Two respondents argued for the importance of the integration of the mechanical and the electronics side as "most of the diagnostic problems on vehicles today are not on the mechanical, but on the electronics side".

One respondent claimed that to his knowledge "the average age of artisans in the field is 54 years". The general feeling is that the number of artisans entering the field "is not the volume, which is required" for the necessary replacement (refer also to 3.4.3).

Throughout the metal and the motor sector respondents also noted a challenge at supervisory/management level. This one respondent related to the fact that "companies do not believe in supervisor development". As another respondent from the metal sector commented, "it is believed that a good boilermaker will be a good supervisor". However, candidates lack a number of skills related to effective supervision, such as communication, managing the discipline of workers, planning work, leading teams, etc.

5.1.3 The new tyre and plastics sector view

Respondents from the new tyre and plastics sector identified shortages in the following areas:

- Skilled laminators
- Pattern makers
- Electricians, fitters and turners
- Chemical engineering staff with specialised skills, particularly in polymer-technology

One respondent pointed to a lack of skills rather than the perceived deficiency in numbers of trainees, by saying that "properly trained laminators" are frighteningly scarce. By "properly" the respondent related to the inability of qualified learners to handle materials appropriately, particularly with health and safety precautions.

Overall, there were varying opinions regarding the shortage of fitters, turners and electricians. While two respondents indicated that "you just cannot produce enough of them" and that "it is impossible to find good candidates, and it is expensive" two other respondents felt that these trades are "in less demand" than 2 to 3 years ago, possibly because "the market is full". However, one respondent did opine that the decline in demand may be related to the economic downturn and that "demand may pick up again once the economy recovers".

These trends are not entirely consistent in relation to the top two critical skills identified by MERSETA for each sub-sector (refer to Table 7 in section 4).

While the MERSETA SSP list identifies crane, lift and hoist operators as the main skills demand in the metal sector, this shortage was not referred to at all, in the case study interviews. The motor sector respondents often referred to a shortage of auto electricians, which too, is not mentioned on the official MERSETA list. This trend was not unexpected for two SETA respondents: they indicated that skills shortages "is a complex issue" and "it is difficult".

Establishing the SSP lists is an "arduous process, with the need to balance the tension between the different chambers as well as business and labour". The "chambers tend to fight over numbers in saying ours is a bigger problem than yours". SETA respondents therefore emphasised the need for empirical labour market research to "get away from the subjective [feel] chambers". One respondent believed that to a certain extent actual numbers of the demand lists may not be that relevant when viewed against the backdrop of perceived shortages in the sector. The respondent stated that "one needs to train as widely as possible, in as wide areas as possible to ensure that the pipeline is consistently flowing".

These trends underline the importance of developing an institutional base for providing a robust and reliable sector Labour Market Intelligence (LMI). This is in line with the first goal of NSKILLS DEVELOPMENTS III: to establish a credible institutional mechanism for skills planning recognised by MERSETA as indispensable for making confident and informed planning decisions for the sector (MERSETA, 2011b).

5.2 The importance of skills development to companies in the sector

Given that all the companies interviewed are committed to training, skills development is regarded as a top priority by all the interviewees. The most common, and instantaneous, answer

from respondents to the priority of skills development in their company is that it is "very important". A number of companies argued that up-skilling across all levels is essential to "equip staff with the skills they require to perform better in their jobs". Most companies have numerous training and development plans in place across all the levels. Two respondents did concede that "a bit more could still be done on up-skilling existing staff".

The most common reason for skills development is related to production: "to produce at the most productive level", and hereby "outrun competition". Further arguments related to safeguarding the company for the future claim that skills development is essential to "stay ahead of the game" and "position oneself for the future". One respondent stated that training is "not considered an operational expense" as "without skills you don't have people doing it right the first time. So you actually save money". This perspective was shared by another respondent, who stated that it "makes business sense to train".

Yet another respondent expressed this well, saying, "if you don't skill and develop your people, you will not be able to function as a company – full stop!". Constant, lifelong training and, taking on new groups of learners or apprentices every year is therefore a "non-negotiable" and "something we need to do".

5.3 Adequate formation of skills for transition into employment

While the previous discussion is primarily concerned with the quantitative demands for skills, this section focuses on the central issue for the quality of the skills supply. Respondents commented on whether current qualifications and major pathways are equipping learners with the right kind of skills and capabilities required by the labour market.

5.3.1 The metal sector view

There are a number of challenges to adequate preparation that befall the metal sector. Most of the respondents from this industry claimed that the current qualifications do not prepare learners adequately with the skills level required. One respondent summarised this as follows: "the base qualification is not what the industry needs".

The lack of adequate preparation from the base qualification is related to the fact that "the curriculum content as well as the trade test requirements is out-dated". The severity of this shortcoming was summarized by one respondent as follows: "some of the content is still from

the 1950s" and "the company has to keep obsolete equipment, just to be able to prepare their learners for the trade test". To counter this, many companies provided additional "top-up training" over and above that required by the curriculum and the trade test. This ensures that their "own learners [are] well prepared".

One respondent did make the point that the trade test is currently under severe revision. Interestingly, many respondents considered this "the wrong way round". They believed that "you should first set up the curriculum and then revise what will be asked in the exam paper". The development of the Quality Council for Trades and Occupations (QCTO) for this purpose was viewed enthusiastically. Respondents believed that in future "theoretically should imply that qualifications become industry rather than provider driven".

The composition of the QCTO was questioned by sectoral participants. The QCTO is made up of role-players who represent the educational perspective. There are only 2 seats for industry. Consequently there was some resentment for there was the belief that industry is "once again going to be told, what they need". Interviewees preferred that industry communicate its needs, saying that the order should be as follows: "the content should be given by the industry and the educationalists should then write the curriculum". This view was shared equally by a public provider and a SETA respondent who said: "Industry should drive what we teach, instead of us driving, what industry should take" and that "industry needs to set the standard as otherwise they don't have ownership and employability in the end becomes difficult".

Concern about the driver of training was also evident in respondents' views of the different routes to artisanal training. A generalized mismatch of curriculum content and skills requirements was observed across all three qualifying routes:

AATP route: Respondents complained that learners qualifying through the expedited AATP route require at least further 1 ½ - 2 years of intense practical experience "to be considered real artisans" or to "fully qualify" (refer to 3.5.3). The absence of certain skills and capabilities is mainly related to a "lack of practical experience" for which "there is no quick fix and this needs time". As one respondent stated, "they still have a long way to go". Respondents emphasized the importance of adding practical experience under structured supervision. They reported that trainees are strengthened through continued top-up training in the workplace. Given the above, it is clear that respondents regard the AATP qualification as a base qualification for entry into the workplace. This route still requires further practical experience. One respondent summarized a base qualification by drawing a parallel with the example of the driver's licence: "You receive it

and you are qualified to drive, but you only learn, when you are left alone". These trends are highly consistent with the external review of the AATP, conducted for the MERSETA in 2009, which found that AATP graduates are not sufficiently competent and require further development of at least two years to be proficient as an artisan (NBI, 2009).

Some disagreement between respondents was recorded. This pertains to the appropriate length of training in the base qualification. While some respondents argued that the 18 months base qualification is sufficient, other respondents proposed that it should be extended to 24 months, as the "26 weeks of institutional learning is not enough" and "cramps the learning of 4 years into 26 weeks".

Importantly, respondents pointed out that the AATP route only works for learners who fulfil the "raised entry requirements" both in terms of entrance qualification and learning abilities. But, for other learners this route cannot work as they "would not cope with the learning" and consequently "don't pass the trade test".

While many doubts still exists about the suitability of the AATP route, respondents nevertheless admitted to its strength: the expedited AATP route allowed learners to qualify earlier, move into the company and, continue to be trained on a higher salary level.

Apprenticeship and learnership route: The concerns with the out-dated curriculum content and trade test were reiterated in relationship to the apprenticeship and learnership routes. In addition, respondents pointed to differences with regards to the two major pathways.

The learnership route was perceived to equip learners "more holistically", particularly on softer skills. Respondents believed that the "idea of learnerships is good as it is addressing the whole person and not just the technical side" and learnership qualifiers are "more holistically rounded in terms of softer skills, which are also important". However, when it comes to the trade test, learners who completed a learnership were perceived by one respondent as "not being on par" with apprentices due to their "lack of exposure on the practical side". A general concern was that the learnership route is "very labour intensive".

The process of learnership implementation was unanimously perceived as being "onerous" due to the fact that "there is a hell of a lot of paperwork that needs to be done and you need an assessor and moderator". A key concern around learnerships was the amount of administration and resources involved in its implementation, which make the process "very expensive" and,

according to one respondent "takes energy away from the really important issue, learning". Respondents complained of "killing the rainforest' as the Portfolios of Evidence require a substantial amount of paperwork. Respondents proposed vehemently that "what is needed is a simplification of the system".

In contrast, the apprenticeship route was said to have "very little red tape" and to require "very little input by the company". One respondent conceded that there was also a need to "re-test the model and find the appropriate solution".

All respondents qualified and suitably able to comment on both of these routes stressed that every route can be successful in terms of the formation of skills. As a result, respondents stated that they "do not favour a specific route" or "it does not really make a difference" in terms of outcome, but mainly in terms of "challenges of implementation of the learnership route". In order for both routes to be successful in terms of adequate preparation for the workplace, the decisive factor is "the curriculum content and that there is a final exit level exam". One respondent strongly supported the argument for the recognition of different pathways as well as a standard exit level test by saying that "it is difficult to understand, why within the system there is no recognition of the different pathways that learners come from and why not everyone does the same final test". In addition, one respondent argued for specific career pathways that make it possible for a learner to "grow from basic level, through artisan up to engineering level at university".

The careful selection and recruitment of learners is considered a key for the success of all pathways. One respondent elaborated, "if you select learners carefully your success is 95%". Two providers implemented strict selection tests. These examined learners on multiple levels before allowing them to enter a programme. The selection criteria, to avoid high drop-out rates, entail:

- the interest and motivation of the learner
- their aptitude for the profession
- their learning ability and,
- their personality.

These multiple selection criteria assisted one provider, to reduce the drop-out rates to 1, maybe 2, learners per group of an average 100 learners.

5.3.2 The motor sector view

Similar to their counterparts in the metal sector, respondents in the motor sector voiced concerns about the adequate preparation of artisans with industry relevant skills and capabilities. Their particular concern centred on the current curriculum content, the trade test, and the obsolete training material. The latter was of greatest concern as it impacts on training in the use of the latest technology.

As in the metal sector one respondent pointed to the necessity of "retaining old equipment to prepare learners for the trade test". The urgency to constantly update the curriculum in the motor sector is "particularly driven by constant changes in technology", which "requires a constant up-date of skills to keep artisans qualified and up to standard with the latest developments". Like their metal sector counterparts', training provider respondents add top-up training and more contemporary training material to prepare their learners for the workplace.

One respondent stated that MERSETA is currently updating learning material, but that the first revision released "left far to be desired". Another respondent doubted that the old material is written by subject matter experts: in one manual the tool of a "mechanic file" used in the trade is misinterpreted as "a paper file"! There appears to be consensus that South Africa was "re-inventing the wheel" even though internationally "others had already spent millions on developing adequate material". Respondents pointed out that they already base their training on international material (such as *Modern Automotive Technology* by James E. Duffy). This text is regularly updated and suits the requirements of the industry. With car manufacturers working globally, requirements in the trade were considered "to a certain extent consistent across the world".

One respondent further argued that using international material, adapted to the South African context, "ensure[s] international recognition of the qualification". This view was shared by one respondent from the metal sector who, similarly wondered why international training material is not used, and, where appropriate, adapted to the South African context. The same respondent argued that the United States faces similar challenges in terms of numeracy and literacy levels due to its high levels of foreign immigration. The same difficulties in the United States are found in South Africa.

There was agreement that there are deficiencies in the qualification and curriculum design. These do not meet the latest industry requirements. Two respondents expressed their concern

with regard to two other sector-specific qualifications: the auto electrician trade and the learnership qualification for service advisors.

With regards to the auto electrician trade one respondent claimed that it is out-dated and should no longer exist. Due to increased electronics in cars, all learners need to be well-informed on the electronic as well as the mechanical side "to be able to fix a problem". He consequently stressed that the auto electrical "needs to be merged with the mechanical side". He underscored the importance of this by pointing to an international trend in the industry that "Europe is going into the direction of a merged trade".

Another respondent spoke of the increased emphasis from manufacturers on customer satisfaction. Thus, there is a need for suitably trained after-sales advisors in the industry. One other respondent argued that the current learnership curriculum for service advisors was "too generic" with the "standards not being relevant for the workplace". The respondent claimed that the company he works for has consequently "not embraced the curriculum". This company trained their own employees to become after sales service advisors through their own in-house training.

Of those skills noticeably absent in the motor trade, respondents emphasized the inability of technicians to "diagnose a fault". Respondents argued that learners generally "lack an understanding of how the system works" and "they can only do what they are told to do". Most respondents related this lack of diagnostic skills to the learners' practical training, which does not provide sufficient exposure to the trade because of the pressure to meet production demands. One respondent formulated the challenge of production time conflicting with training time as follows: "You just don't have the time to wait until the learner figures it out, so you tell him what to do. Since the customer wants his car yesterday."

In addition, the increased computerization of diagnostics and the reliance on electronic diagnostic systems make practical exposure to basic diagnostics difficult. Respondents thus believed that there is currently "no real merger between theory and practice". The practice is not sufficiently monitored. There is also evidence that, in some cases, there is no institutional learning. Learners are provided, instead, with self-study material on the theoretical components of the qualification. The result is that the trade test preparation is often reduced to "how do I pass the assessment"? This, instead of building on achieved competence, and preparation in key learning areas.

As found in the metal sector, respondents argued that key to adequate preparation was practical experience, only gained over the years or, as one respondent said: "people that are proven the best are those that have been exposed to experience – as anything in life is about experience". Consequently, respondents felt that the qualification could only prepare learners at a basic foundational level for entry into the workplace. Two respondents brought this general sentiment to the point by saying "you only start learning, once you qualify" and "when you don't have someone on the side that assists you all the time".

AATP route: With regards to the AATP route, respondents shared the sentiment of the metal sector that the route provides a basic foundation. The main reason for the lack of competence is the "missing practical experience", which "can only be gained over the years". Respondents, who argued that the route is "too short to work", based this on the lack of sufficient practical experience, which must not be less than 3½ years, Nevertheless, AATP candidates after completion, are considered by some respondents to be of a higher calibre than the "usual old school apprentice". This is mainly related to the higher level of theoretical and institutional training and the provision of structured work experience with level tests that better merge theory and practice. In one respondents' view "the pros of having a capable person after two years far outweigh the cons of getting a mediocre person after 4 years".

Apprenticeship and learnership route: Similarly to the metal sector, respondents in the motor sector argued that learnerships are "highly complex to administrate" and that companies are not provided with a user-friendly format at all as "there is so much bureaucracy involved". Of concern also, was that MERSETA is "not providing sufficient guidance on learnership implementation" to employers, who, in turn, are "not training specialists" due to their own "lack of capacity to guide and advise". The assessor and moderator processes were also perceived to be "cumbersome" and a further "a waste of time" as the MERSETA "has no trust in the industry assessments and is re-assessing anyway".

One respondent noted that learnerships are more flexible than apprenticeships in implementation as they allow for RPL. There is also a lower risk to the employer as the contract is only for one year for each NQF level. Apprenticeships, however, involve "less bureaucracy" and are easier to implement. On the negative side, one respondent noted that apprenticeships are "less quality assured by the MERSETA" and "less flexible – no RPL possible". Add to this, the apprenticeship route comes at a higher risk to the company as it entails a 4-year contract.

Different standards and requirements for the learnership and apprenticeship route caused a great deal of confusion in the industry. Some respondents believed that there "should be one and the same standard for the different routes".

5.3.3 The new tyre and plastics sector view

Observations from the new tyre industry are in keeping with other respondents when it comes to the general qualification design and the outcomes of the AATP route in particular. The key to the successful formation of skills is considered a structured workplace experience with dedicated mentors. This is similar to one motor sector respondent who argued that the mentor system is a "key to the success" since "there needs to be on-going guidance of the learner".

Contrary to the other sub-sectors, respondents from the plastics industry generally claimed that the current learnership qualifications in polymer composite fabrication and plastics manufacturing (NQF level 2 and 3) equip learners well with "a basic foundation for the job". The good results relate mainly to the fact that the standards and related learning material were updated in 2002/2004. The training is "pertinent to their environment" and is "very much practically orientated".

One respondent proposed that the curriculum still needs to be updated in terms of the latest technology, but these skills can be upgraded in the workplace. The importance of practical work experience for ensuring employability was emphasized by one respondent who said that "if people don't have work experience – people don't want them". One respondent noted positively that "learnerships are amazing as it gives everyone equal opportunity to achieve a certificate".

Any present criticisms that relate to the development of skills and capabilities are mainly related to out-dated qualifications (curriculum, learning material and final assessment design).

5.3.4 The public provider view

Tellingly, a number of public providers struggle to provide a conclusive assessment of how well the current learnership and apprenticeship qualifications prepare learners with the right skills and capabilities for the workplace.

When an assessment was provided, providers commonly stressed the importance of practical work experience for adequate skills development. Contrary to the industry perception, most providers claimed that learners are currently well-prepared for the workplace. They base this

evaluation on the fact that training standards are in accordance with the SAQA registered qualification, and, therefore, "should be meeting latest industry requirements".

If "there is a gap" this needs to be addressed at SETA/SAQA qualification level, since, as providers "they provide what they are told to do" or as one respondent said: "It is not in our hands as providers". One respondent crucially noted that the response from industry indicates clearly that "some of the qualifications are not what they want". However since providers are not allowed to deviate from the SAQA qualification "you are forced to train what you already know is wrong".

This perceived mismatch raises concern over the current linkage of the FET sector with the industry, a sentiment expressed by one provider respondent in the study, who argued that the "FET sector is not yet sufficiently involved with the industry and what employers need". The necessity for a closer involvement and stronger linkage between FETs and the industry is strongly supported by Goal 4.3 of the NSDS III, which explicitly argues for "promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills" (DHET, 2011: 15). It is of concern that the FET sector is not yet adequately prepared for the task.

In addition to the systemic challenge when it comes to the FET sector, one provider shared a concern that different standards are applied to the recognition of the matric results as an exemption for "fundamentals in learnership training". This is in line with the complaint of one industry respondent of the learnership route that there is "far too much focus on fundamentals, which should have been learnt at school". These more systemic criticisms may point to constraining factors for the formation of adequate skills.

Trends that relate to qualification design clearly demonstrate the urgent need to address shortcomings in the curriculum as well as possible fundamental flaws underlying curriculum implementation in terms of integration of theory and practice, structured work-experience, and assessment standards. The need to address this shortcoming is stressed in the NBI (2009) report, which primarily focused on the AATP route, but can be considered equally relevant to the other routes.

5.4 Factors constraining the formation of skills for the transition into employment

In terms of factors facilitating or constraining the formation of skills that appropriately equip and prepare young learners for the transition into the labour market, respondents across all the assessed sectors commonly noted a number of constraining factors.

5.4.1 Schooling system

Major constraints perceived at school level that do not equip learners with the "right kind of skills" are: Mathematics; and "the use and command of the English language", considered "key for all learning to take place", and thus perceived as "a major language barrier". Given the focus of the industry, respondents predominantly argued that Mathematics and the Sciences are not delivered to a level that is "adequate for further education and training". Respondents complained that few learners take Mathematics to grade 12 as they are not encouraged by schools to "pull maths through" until grade 12. Instead, learners are advised to take easier subjects in order to improve school pass rates. Consequently, the level of Mathematics and Science is thought to be the "biggest problem for articulation" or, as one respondent stated: "Maths is definitely the subject with the biggest failure rate". The deficits are "despite a pass" grade at school level.

One SETA respondent commented that "we are lowering standards to make people pass, but that is not the answer. The gap will just grow and grow and the SETA and industry ends up filling the gaps". This sentiment was strongly shared by an industry respondent, who argued that the current educational strategy to pass people with below-average results "will backfire in that people with matric will need another year of bridging" in order to make them ready for the entry into further learning.

Academics like Jansen (2011: 1), in a review of current national senior certificate results, argue that lowering standards at matric level, particularly Mathematics, is a sure path to "sinking deeper into mediocrity" from which the country is "unlikely to emerge". The seriousness of this was pointed out by one respondent who reported that only 5% of the learners with matric, who, when tested for entry into learnerships with the very basic grade 8 level test, managed to pass.

Further skills lacking in school leavers are standard life or work-readiness skills: business ethics, dress code, teamwork, communication, knowledge of HIV/Aids, and money management. School-

leavers also lacked the skill to "manage themselves", a belief held by respondents. One respondent claimed that learners are "spoon-fed at school".

Some companies and providers, even, already offer bridging courses in this regard "to try and rectify what is lacking", since the school system "is not up to scratch".

The under-preparation at school level is considered the biggest constraining factor in up-skilling learners and preparing them for transition to the workplace. One respondent summarised the general feeling with the following succinct statement: "If we don't get the schooling right, you will never fix the skills shortage in this country".

5.4.2 Career guidance

The lack of good career guidance is a "big problem". Respondents identified a "lack of understanding of career possibilities" and "awareness of what programmes are out there". One respondent believed that lack of exposure to technical trades is a possible reason "why not many choose a technical trade". Once again, respondents placed this particular responsibility right back into the hands of educators in that "formal career guidance should happen at school level and opportunities for site visits and internships be given" in order to give learners "a reality check". While one respondent noted that a number of very good individual initiatives were in existence, "a collective approach, which is focused on national level" is missing.

The general lack of meaningful career guidance is a common cause for learners to be "lacking in passion and aptitude for the chosen profession" as they "don't know what they are going for" and are "ill prepared to make an informed decision". Once again, respondents stressed the importance of careful recruitment and selection.

5.4.3 Youth attitude

Another common challenge is the attitude of some learners. Respondents complained that there is often "a lack of motivation" or "laziness", which is displayed by a "sense of entitlement rather than achievement". Learners, according to one respondent "think they are owed and that things need to be served on a platter". Despite some learners' eagerness to learn, respondents observed a general "lack of respect and gratitude for the learning opportunity" and that "there is no commitment". This is demonstrated by a lack of accountability and a high rate of absenteeism. One respondent believed that this lack of self-motivation stems from the fact that "when people get something for free, they don't tend to take it that seriously and they are not committed".

Another possible reason is that "parents tend to pamper their children too much and they are not forced to work hard".

Respondents claimed that learners often have "high demands and expectations", particularly in terms of career progression and payment. Respondents therefore noted that learners "do not have the patience to grow, but just want to earn". The particular strong drive for money and status or, as one respondent called it "consumerism", is tied to the fact that many learners believed the programmes are "about bread on the table"; "a function of survival" in the sense of "I haven't had, now I need to get". Learners are satisfying physical needs rather than learning needs, since "they are low on the Maslow pyramid". However, one respondent reminded us that these attitudinal problems are "not only South Africa specific, but internationally experienced". Confirmation of this assumption was provided by one respondent, who said that learners "have a different approach to professionalism than the previous generation". These statements may point towards a possible generational issue alongside a difference in values.

Generally, respondents emphasized the importance of the right attitude of learners for success in learning. To this end, most respondents implement in-depth selection methods to assess motivation - apart from aptitude and ability - in order to establish if a learner's "heart is in the project".

5.4.4 Image of the industry and overall perception of vocational education and training pathways

An additional constraint on the supply side is the particular image of the industry, and vocational training pathways in general. According to respondents, candidates "do not want to get their hands dirty" and "entry salaries in the industry are low". The industry is, therefore, not attractive to new entrants and "struggles to attract high-calibre candidates". The learning system has a bad reputation among learners or as one respondent stated "working in a trade has no status". Completing a learnership or apprenticeship at an FET college is considered "somehow inferior" to other qualifications. One provider respondent noted that "there is a common misconception that FET colleges do not provide quality education and training". A SETA respondent highlighted the fact that FET colleges need to "become attractive places of higher learning; in the sense that achieved qualifications are raised to a standard that are recognised by the labour market - not only nationally, but also internationally".

Vocational education and training pathways face a specific kind of challenge in South Africa, as historically, vocational training is of a 'lower status' than higher education (Carton & King, 2004;

De Klerk, Matsha, McDermott, Sithole & Nkosi, 2011; Kruss 2004; Mummenthey, 2008; Umalusi, 2011).

5.4.5 Training delivery at FET colleges

Industry and providers noted constraints related to the delivery at FET colleges. A particular shortcoming was related to effective linkages with the industry, the relevance of training, and the responsiveness of FETs to industry needs.

As one respondent from the provider side argued, FET colleges have, until recently, been "operating in their own little silo" without being "sufficiently involved with the industry and what employers need in terms of changed technology". FET colleges have been "training the same old, same old over the years" without adapting to current needs. One FET respondent claimed that they are now in contact with employers, thus providing the opportunity for a regular exchange in which subject experts from the firm lecture at the college. In turn, FET staff are placed in the workplace to gain applicable current exposure. This respondent claimed that this kind of exchange is "vital and critical" and can turn into a "win-win-situation for both sides".

Such initiatives are useful to the FET college sector as industry respondents tend to perceive the main shortcoming in the "up-to-datedness" of lecturers. Facilitators in colleges are disparagingly called "educators, rather than subject matter experts" in the field. They are often out of the actual workplace for years and consequently lack the most recent practical experience. As one respondent stated "they are not jacked up to the current world of work". One respondent argued for the re-introduction of the previous compulsory system of the Motor Industry Training Board, which required every trainer to be exposed to at least 3 weeks of training in the workplace per year.

In addition to the challenges on the training side, there are challenges in relation to the capacity, state, and infrastructure, of some FET colleges. There is also a lack of resources, particularly funding. One respondent summarised his conception of FET colleges by saying that "some of the FETs are no better than barracks really" and that since "learners come from schools that are deprived, you don't want to move to a college that is deprived". Funding shortages were commented upon by a number of college respondents, which makes it difficult to keep workshops and training up to latest industry standards. Two respondents acknowledged the importance of equipment donations by companies in order to keep up with the latest technology.

One respondent was hopeful that this will be addressed by SETAs now being located under the DHET, who could possibly alleviate funding difficulties.

5.4.6 Training delivery at the workplace

FET providers also proffered statements critical of the workplace. It is especially difficult to find work placement for young people in order to gain practical experience after their theoretical training at the college. This is crucial for a successful transition into the labour market. Workplaces are "reluctant to accommodate learners". To counter this some FET colleges introduced job-finding centres to assist learners in securing work placements. Some FET colleges respondents were of the belief that these centres "are not geared towards work placements and don't have the manpower to do it".

Two respondents were hopeful about the proposed new PIVOTAL grant under NSDS III. This grant may provide future assistance in facilitating work placements. SETAs are also expected to play a stronger role in this area.

With regard to the actual training at workplaces, respondents observed a lack of structured and sufficiently monitored practical work-exposure as well as full exposure to the trade, particularly in the case of apprenticeships.

Respondents noted that there are often "no proper workplace training schedules in place" and that apprenticeships are "without an allocated mentor or supervisor". In the motor sector there too, respondents noted a specific reluctance to provide full practical exposure to trainees. Most dealerships today are specialised and "farm out" certain work components such as, wheel alignment, engine overhauling, and gearbox repair. It is difficult for employers to provide real exposure to learners. Most companies resort to "simulated practical training" which, according to one respondent, only makes learners "provisionally competent" as they never apply the skill regularly.

Two correspondents noted that there is little care for gender integration in the metal sector. Workplaces have "not been geared up" with regard to infrastructure that accommodates female learners such as toilets and showers for female employees.

A difficulty facing competent training lies in the priority conflicts between production and training time. One respondent claimed that "production always comes first" and that there is a

"reluctance to release learners for training". Consequently, there is the perception that some, especially smaller companies, abuse learners and use them for productive labour instead of training them. An additional difficulty is that "mentors are paid by productive hours, and thus have little incentive to support learners and pass on their skills". There is record of one firm that has introduced an incentive system for mentors. They pay a bonus for a learner passing the trade test, and charge a penalty if the learner needs to be moved to another mentor due to inadequate training.

One respondent believed that it helps to have an in-house training centre as firms then "don't have the same conflict in that you are primarily a manufacturing and not a training plant". Mentors are often subject matter experts in their specific trades, and have "not been trained to train". The negative attitude of the workplace towards learning needs to be reversed. However, some workplaces "don't want learners to qualify", since this would mean "an increase in pay and the risk of the learner leaving". One respondent summarised the predicament thus: "You need people that want people to have skills and don't do training for the wrong reasons, such as financial grants".

5.5. Keeping up with the cutting edge of the industry

Respondents from the employer side generally stated that as a company they "need to be up to scratch with the latest technological requirements". A number of companies work "as global players" on an international level. These companies often have their own internal research units and consider themselves as being "on the most advanced level" and "at the cutting edge" of latest developments when it comes to technology. Their newest developments and technology are shared through internal measures: best practice forums, annual company-wide meetings, or internal training sessions. Suppliers conduct the external technical training. In the motor sector, manufacturers conduct advanced technical training.

Most public provider respondents defer to the SETA/SAQA provided qualification and unit standards as the guide for training. They noted the difficulty of being "stuck to the SETA qualification". One respondent pointed out that institutional training can only "provide the foundation for what is done in companies and cannot replace workplace specific training". However, a number of respondents noted that they increased "partnerships with industry" and also "other international training providers" in order to "ensure that learners and facilitators are

constantly exposed to newest market trends and developments". In addition, some providers implemented internal training interventions for their facilitators in order to keep them up to date.

Private providers noted that they have "strong personal ties with the industry" and "close company contact". This re-emphasises the necessity of strong linkages between providers and industry to ensure that training measures remain relevant on the supply side. Public providers have now responded similarly to this need. However, the public training presently on offer does still need to be re-evaluated.

5.6 Mechanisms managing the tripartite relationship

When questioned on the mechanisms that manage the tripartite arrangement, most respondents referred to the SETA qualification/curriculum as the main mechanism to ensure the alignment between theory and practice. Again, there was reference to the dated curriculum design.

The respondents' observed that public providers rely heavily on SETA-prescribed standards. Employers also pointed to the necessity of adhering to the curriculum standards of MERSETA: the "governing body that sets the standards and provides the guidance". The respondents stated that institutional training only provides the basic foundation; the employer takes training further. There is no detailed plan on how this is to be done.

Due to an outdated current curriculum, a number of respondents add their own training. But, there is no common standard. The only real managing mechanism, "tying up institutional training with the practical training", is identifying the use of the logbook. However, this is only the case of the apprenticeship or AATP.

From respondents' very limited avenues of assistance, it appears as if a strong integration between theory and practice has not yet taken root. The curriculum governed by MERSETA guiding strategies does not suffice as the manager of the tripartite relationship. Because there is no consistent benchmark requirement for the structured alignment of learning at the institution, nor the workplace.

5.6.1 Internal quality assurance mechanisms

In terms of regulating implementation through internal quality assurance mechanisms, both employers and providers have key mechanisms and procedures in place. The provider respondents listed their internal quality assurance mechanisms as set out below:

- Tasks and modular-based assessments after each module (depending on institution, no common standard)
- Internal QMS system/ISO 9001 certification (some public institutions)
- Monthly feedback sessions after assessments feeding into the training (one private provider)
- Learner post-training evaluation sheet (one private provider)

There is no consistent standard for internal quality measures on the side of the providers. Learner evaluations are only implemented in the case of a single provider. The importance of internal quality assurance is dependent on a specific institution. It is of concern that there is that no common minimum quality standard for learning.

Although employers have a number of internal mechanisms to ensure that standards are maintained, there is no structured common standard shared amongst them. The size of a company determines the number of measures for quality control within it. Among the most common measures are:

- Logbook/workbook checks (for apprenticeships and AATP only)
- Monthly AATP meeting (AATP only)
- On the job training
- Mentor/supervisor system (mentor/learner ratio: 1:2/1:1)

Only in some companies, are more intensive mechanisms found:

- Job rotation schemes and practical simulations (where no real exposure is possible)
- Internal top up technical trainings or self-study material
- Peer assistance through fellow learners
- Regular monitoring and measuring of learner performance (in the form of learner tracking systems or online assessments)
- Internal quality control through HR/head office
- Internal tests and assessments in preparation for trade test
- Study leave and a day off for trade test
- Incentive bonus and/or promotions for trainees, when passing level test

Four respondents declared that providing apprenticeship and learnership training is "more than just training". It is considered "a social process" since taking on learners usually implies more than just taking on the training responsibility. The responsibility for the learners "goes far beyond training" and "requires a support process throughout".

There is an urgent need to regulate exposure to the workplace. A minimum standard of practical experience needs to be in place and this must be implemented and monitored according to consistent structured assessment standards. Once this is in place, only then can skills be transferred between workplaces.

Due to the current difference in standards across the three learning routes, there is no consistent procedure to implement training. This significantly impacts on the uniformity and reliability of the outcome, resulting in confusion amongst providers and workplaces.

5.6.2 External quality assurance mechanisms

In terms of external quality assurance, all respondents referred to the MERSETA audits for maintaining accreditation of the learnership as well as moderation and verification visits. However, some respondents are concerned about the SETA accreditation process and annual site visits.

The general feeling was that there is no common standard. The audit process and its results are heavily dependent on the individual conducting the process. Apart from differences in standards, there are more differences between standards, caused by the intervention from the MERSETA head office and its regional offices. This makes adherence to standards very difficult for both providers and employers. The overall view was that "more subject matter expertise is needed for MERSETA audits", otherwise "they don't have the expertise to do the quality checks".

Some respondents also noted that the quality checks are superficial: checking policies and procedures, but not thoroughly checking "what is actually happening" during training. The primarily paper-based checks (sometimes adding learner interviews) are insufficient and are "completely missing the point". While most respondents felt that it is important that MERSETA is "regularly checking up on them", a number of respondents stated that there needs to be rules about the actual training: "more whip-cracking needs to be done" as "providers could get away with anything" by just providing proof on paper. For this however, suitably informed auditors are needed.

There is one challenge particular to MERSETA's administration of certification of learners. Two respondents commented that it could "take up to 3 years for learners to get their certificates because of the bureaucracy involved". Documents get lost as the "process goes through too many hands" leading to "a huge delay in turn-around time". The long period for certification was of great concern since "learners without a certificate cannot find work as they lack the proof of their qualification". These problems are avoidable. Referring to the AATP, respondents noted that "while MERSETA administration is often poor", the "weak admin has been deleted for the AATP".

The AATP is "well managed" and respondents were enthusiastic about the following aspects with regards to its management:

- guaranteed grant dispensation (payment flows as per agreement in milestones)
- level and standard of institutional training ("condensed at the beginning provides a good foundation")
- non-negotiable mentor attendance and support in the workplace
- the existence of logbook
- specific outcomes defined at certain stages
- very good admin processes/fantastic helpdesk
- continuous communication between providers through monthly meetings
- defined partnership ("with supporting each other")
- dedicated, high quality staff and team

"Part of the sweetener" commented one respondent is that "there is a bigger grant than usual on the table".

The complexity of managing a system in which a multitude of stakeholders is involved constantly evolves. This requires the constant re-alignment and adaptation from all parties for successful implementation (Davies & Farquharsons, 2004; Bamber & O'Shea, 2009; Mummenthey, 2008).

The key requirement is a strong and responsive governing body that regulates and facilitates the constant alignment of all partners through the relevant curricula. This body must regulate and maintain minimum consistent standards pertaining to the implementation of training measures. It is essential for industry to be consulted when designing qualifications. The absence of regulatory bodies is a particular weakness of the South African system. Two respondents opined, "there is a gap between intent and implementation" and "they have all these great policies, but they do not implement them". The importance of remaining flexible and making provision in the system for adaptations was summed up by one respondent: "you have to continuously work on the system

and wherever something doesn't work, set new benchmarks – rather than throwing the whole system away, which so often happens in the public sector".

6. Conclusion: The role of learnerships and apprenticeships in facilitating employability

This case study aimed to analyse the ways in which learnerships and apprenticeships effectively facilitate the development of technological skills and capabilities required at intermediate and artisanal skills level. Focussing on the sectors governed by the MERSETA, the analysis assessed the success of the common learnership and apprenticeship routes as well as the expedited AATP route.

Overall, the assessment revealed that the current qualifications in the metal, motor and new tyre sector do not equip learners with the right kinds of skills and capabilities as they are required by the labour market on intermediate, and particularly artisanal level. This was mainly related to the fact that training curricula, learning materials and final assessments and trade tests in these sectors were out-dated, most importantly when it comes to the latest technology. The severity of the lack of technological relevance was underlined by the circumstance that some of the curricula or assessments dated back to the 1950s. Companies had to retain old machinery in order to be able to prepare their learners for the trade test. Most of the companies provided own their top-up training over and above the standard curricula, in order to prepare their learners adequately for the workplace. A number of qualifications in the sector were noted to be insufficiently suited to the requirements of the industry, or no longer applicable in the changed work environments.

In contrast, the plastics sector demonstrated positive evidence of adequate preparation of learners. In this sector, training curricula had only recently been designed and up-dated (in 2002/2004) and the content had been contextualised to its specific work environment. A key success factor in the adequate formation of skills are regularly, up-dated curricula, which are relevant, contextualised to the work environment, keep abreast of latest technology and strongly informed by industry requirements. In order to ensure success in transition the qualification design process needs to be industry rather than provider driven. While it became clear throughout the evaluation that both industry and providers should be involved in the design process at certain stages, it emerged that the content of the curriculum needed to be defined and guided by the industry. The development of the Quality Council of Trades and Occupations was noted as a hopeful sign, which could enforce the involvement of industry as a key driver for

setting future standards in qualification and curriculum design. It remained a concern that future qualification design could still be too strongly driven by the educational side, due to the planned composition of the QCTO, with only 2 seats for industry.

Given the constraints of out-dated qualification design, the different learning routes did not demonstrate significant differences in terms of their outcome. However, in the metal, motor and new tyre industry, different standards related to their implementation could be identified. These indicated some important systemic factors for success in transition.

The AATP route aimed to deliver a good base qualification for artisans after 18 months. However, there was clear evidence that learners qualifying through the expedited route would still require at least 1 ½ - 2 years of structured practical work experience with some additional workplace training to be considered fully fledged artisans, resulting in a total learning period of 3-4 years. Sufficient practical experience is key to the adequate formation of skills. Given the trends in the study it can be concluded that the expedited route can certainly provide learners with the positive outlook of certification at an earlier stage, and thus the possibility to move faster into the work environment at a higher salary level. However, it cannot be considered “expedited” in terms of competent artisan development. The study demonstrated that the development of fully competent artisans demands a learning period of 3-4 years with sufficient practical experience, and this requirement cannot be fast-tracked. Learning periods need to be adjusted to the learning content, which is guided by occupational competence. The case study also showed that this route can only work for learners meeting higher entry requirements, since learners with lower skills levels would not be able to cope with the workload in the expedited period of learning.

Nevertheless, the route demonstrated additional positive factors that could enhance the outcome of other routes. The positives were: a higher level of institutional training with compulsory level tests and specified outcomes at certain stages of learning, structured work-exposure, non-negotiable mentor attendance and support with a prescribed mentor/learner ratio of 1:2 as well as reliability in SETA administration and grant dispensation.

The learnership route showed positive potential in equipping learners more holistically, particularly on the softer skills side. The set learning standards typical of the learnership route could be utilised to equip learners with a broader set of skills, focusing not only on the technical side. Of concern is the lack of practical exposure, which was found to be lower than in the apprenticeship route. Sufficient practical exposure is critical to becoming fully competent. Employers and providers perceived the administrative requirements for the implementation of

training, such as a portfolio of evidence, assessment and moderation processes, to distract energy from the learning process. They felt that although administrative processes are necessary, they require additional support if they are not to become overly bureaucratic. These problems discouraged employers from embracing the route despite the more holistic outcome in terms of skills levels. Demonstrated positives in the learnership route were its flexibility in learning as well as the application of RPL, which allowed access for all kinds of learners. What appears to be required is therefore a simplification of the route and clear implementation guidance by the MERSETA.

Compared to the learnership route, the apprenticeship route revealed very little red tape but also lower quality standards in implementation. In some cases no compulsory institutional training was implemented, learners were only studying based on self-study material, and not all learners were given broad, structured work exposure under the guidance of a qualified mentor, a key success factor for the formation of competence.

The differences in implementation standards demonstrate clearly that the different routes cause confusion among providers and lead to inconsistent outcomes. This hampers the transferability of skills and most certainly also, a successful transition into the labour market. No common standard was found to be applied on exit level. It can therefore be argued that independent of the route, all learners should pass the same final test in order to have a common standard upon qualification. Streamlining the three routes in terms of minimum implementation standards and outcomes is a priority.

Further factors inhibiting a successful outcome were found in the training delivery at FET colleges, particularly around effective linkages with the industry, the relevance of training, and consequently the responsiveness of FETs to industry needs. The major shortcoming was identified as the extent to which lecturers kept abreast of latest technology and innovations. Facilitators in colleges were argued to be educators, rather than subject matter experts in the field, who often had been out of the workplace for years, and lacked recent practical experience. A number of public providers had responded by establishing business partnerships or regular exchange agreements with the sector, but a consistent approach was not established on national level. Public providers were not adequately capacitated for the provision of industry-relevant training. Further challenges were identified in relation to the infrastructure of some FETs as well as the general lack of resources, particularly in terms of funding. It was hoped that the new structure of SETAs under the DHET would alleviate funding constraints. The overall trend emphasises the need for strong partnerships between public providers and industry to ensure

sufficient funding and resources, particularly with the anticipated expanded role of FET colleges in training delivery.

On the other side of the supply chain, training delivery at workplaces demonstrated key constraints. A particular difficulty was identified in finding work placements for gaining practical experience (after the theoretical training at the college), critical for a successful transition into the labour market. Workplaces were reluctant to accommodate learners and some FETs had introduced job finding centres in order to assist learners in securing work placements. Most FETs were not geared towards work placements and did not have the resources and capacity.

A lack of structured and sufficiently monitored work-exposure as well as full exposure to the trade, were identified as hampering factors. In some cases no structured workplace training schedules were found to be in place, also without an allocated mentor/supervisor. Broad learner exposure proved difficult due to the outsourcing of certain job tasks. Some companies had resorted to simulated practical training. Production schedules often conflicted with training time. Some, particularly, smaller companies tended to abuse learners as productive labour instead of training them. Mentor guidance and support were not adequate, firstly in terms of the attitude towards training, paid by productive hours with no incentive to train, and secondly, in terms of training capacity. Mentors were often only subject matter experts in their specific trades, but had not been trained to train or mentor learners. The general attitude of the workplace towards learning was important. Some workplaces did not want learners to qualify, since this would mean an increase in pay and the risk of the learner leaving. The inconsistent implementation of workplace learning demonstrates that a lot more guidance and improved quality assurance mechanisms are required.

The mechanisms to manage the tripartite arrangement between learner, provider, and the workplace were not well understood, or were found to be out-dated in a number of cases. Apart from logbooks utilised in the apprenticeship and AATP routes, no other real linking mechanism between theory and practice could be identified. Inconsistent internal standards and quality assurance mechanisms both for providers and workplace training were identified for the different routes. The governance of external quality assurance of training provision through the MERSETA was inconsistent, with differences between individuals and national and regional offices. A lack in subject matter expertise often reduced the process of quality assurance to a paper proof instead of actually assuring the quality of training.

In summary, the major constraints on skills development and transition to the workplace are the out-dated, and in some cases, perceived lack of relevance, of curricula. These all contribute to a lack of integration between theory and practice. Overall alignment of theory and practice could be better achieved through setting and maintaining a consistent benchmark for training at institutional, and workplace level. Minimum standards in terms of learning content and workplace exposure, together with a common standard for exit level exams, can considerably strengthen consistency in outcomes, implementation and assessment. This will positively affect transferability of skills between workplaces, and thus the overall employability of learners.

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Appendix A – List of interviews

Accelerated Artisan Project (AATP): Region: Gauteng

Role	Organisation (Sub-Sector)	Interview Date
MERSETA key interviews:		
Manager Research and Development	MERSETA	07.02.1011
Senior LETQA Manager	MERSETA	Written feedback 11.02.2011
Senior Project Manager (AATP)	MERSETA	07.02.2011
Manager: Performance Monitoring and Evaluation	MERSETA	10.02.2011
Employer key interviews:		
Apprenticeship Mentor	Lindsay Saker (Motor)	Written feedback 14.02.2011
Group Training Manager Training Manager	Arcelor Mittal (Metal)	08.02.2011
Training Manager	Bridgestone (Tyre)	09.02.2011
HRD Manager	DB Thermal (Metal)	08.02.2011
Group After Sales Manager Group Training Manager	Combined Motor Holdings (Motor)	Phone Interview 22.02.2011
Training Provider key interviews:		
CEO	Tshwane South College (FET) (Metal+Motor)	Written feedback (22.02.2011)
Training Manager	Gijima AST (Metal)	10.02.2011
Training Manager	AA Training Academy (Motor)	09.02.2011

Learnership/Apprenticeship programmes: Region: Western Cape

Role	Organisation (Sub-Sector)	Interview Date
Employer key interviews:		
CEO Training Coordinator	CME Cape Manufacturing Engineering (Metal)	07.03.2011
Training Coordinator	Sandown Motors (Motor)	08.03.2011
Skills Development Facilitator	Atlantis Foundries (Metal)	09.03.2011
HR and Training Manager	Beekman Canopies (Plastics)	10.03.2011
HR Manager	Elco Plastics (Plastics)	10.03.2011
Training Provider key interviews:		
Business Development Manager RandD and Accreditation Officer Head of Electrical Department	False Bay College (FET); (Metal and Engineering)	07.03.2011
Training Manager	Imperial Technical Training Academy (Motor)	10.03.2011
Senior Manager	Northlink College (FET)(Motor and Metal)	10.03.2011
Senior Lecturer Research and Curriculum Development Manager	College of Cape Town (FET) (Metal)	11.03.2011 Written feedback (11.03.2011)

Appendix B – Semi-Structured Questionnaires

SCHEDULE A

Semi-Structured Interviews with MERSETA

- What are the key skills shortages/ critical skills in your sector, and in relation to the sub-sector of the selected programme?

- In what ways are your learnership or apprenticeship programmes preparing young people with the technological skills and capabilities that firms require? Are there any skills or capabilities you find missing?

- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?

- What measures have you put into place in order to ensure that the tripartite relationship and the workflow between SETAs, training providers, and firm workplace are managed well?

- How do you work with firms, industry bodies and training providers to make sure that programme design and curriculum development matches the demands of firms, and further, that they are up to date with the cutting edge and new developments in the sector?

- How do you work with training providers and firms to regulate and align the quality of theoretical training, practical training and workplace experience, particularly mentorship in the workplace?

- Sector specific questions?

-

SCHEDULE B

Semi-Structured Interviews with Employers

- What are the key skills shortages or critical skills in your sub-sector?
- How important is skills development as a priority for your organisation?
- In what ways does your learnership/ apprenticeship qualification prepare young people with the right kind of skills for the workplace? Are there any skills or capabilities you find missing?
- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?
- How does your firm keep up with cutting edge/latest legislative requirements in your sector? How does this feed into the workplace experiential learning you offer? How do you interact with SETAs and training providers and any other agencies in terms of the design of your experiential learning programmes?
- How well does the theoretical component offered by training providers match your needs by preparing the participants for the workplace?
- How do you align the work experience component with the theory courses offered by the training provider?
- How is workplace experiential learning implemented? What are the key processes, procedures and incentives?
- Is there any form of quality assurance of how you implement experiential learning internally, or externally by SETAs?
- There may be further *sector specific questions* that will be raised

SCHEDULE C

Semi-Structured Interview with Education and Training Providers

(Public and Private)

- What are the key skills shortages and critical skills in your sub-sector?

- In what ways does your learnership qualification prepare young people with the right kind of skills for the workplace? Are there any skills or capabilities you find missing?

- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?

- How do you keep abreast of technological development and the cutting edge in your sector? How do you keep up to date with the demand of firms? How do these feed into the design of your programmes?

- How do you interact with SETAs and firms and any other agencies in terms of the delivery of your programmes? In particular, how do you align the theoretical component of your course with what firms offer in the workplace experience component of the qualification?

- Is there any form of quality assurance of what you teach, internally, or externally by SETAs or another professional body?

- There may be further *sector specific questions* that will be raised

FASSET Case Study 2011: Skills development for the Financial Sector

A case study for the Department of Labour research project: Assessing the impact of learnerships and apprenticeships under NSDSII

Claudia Mummenthey, Glenda Kruss & Angelique Wildschut *January 2012*

Preface

"Skills development is about changing people's lives, about enhancing their employability and about aligning skills to our economy" (HWSETA Sector Skills Plan, 2005 – 2010: ii).

At the end of the five-year period of the National Skills Development Strategy II (2005 to 2010), the Department of Labour (DoL) sought to assess the impact of its evolving set of policy interventions and mechanisms to promote the goals of skills development in South Africa**.** The DoL commissioned the Human Sciences Research Council (HSRC) to conduct a suite of research projects to evaluate the impact of key programmes. The case study presented in this document represents only one part of the large-scale study investigating the impact of learnerships and apprenticeships.

The overall objective of this project is to measure the impact of the South African learnership and apprenticeship systems as they support employed and unemployed learners in the acquisition of scarce skills to enter employment.

Adopting a pathways approach (Raffe, 2003; Harris et al, 2006), the research investigates the extent to which the learnership and apprenticeship pathway systems develop the right numbers, levels and kinds of basic, intermediate and high-level scarce skills and capabilities required by firms across diverse sectors. What is the scale and kind of skills the learnership and apprenticeship pathway systems produce? What are the different learnership and apprenticeship pathways in the transition to employment? To what extent do the learnership and apprenticeship pathway systems build the kinds of skills and capabilities that equip young people for the workplace and enhance the transition to employment?

To address these questions, we designed a series of inter-locking research components. Firstly, we identified the numbers and levels produced by the apprenticeship and learnership systems, through an analysis of population datasets at key points in time (Janse Van Rensburg et al, 2011).

Secondly, we conducted two surveys, to trace the patterns of transition at an individual level, analysing individuals and groups in specific sectors that are more likely to enter employment, progress in employment or remain unemployed, after completing a learnership or an apprenticeship.

Finally, we devised three case studies to add a complementary dimension. The case studies analyse the extent to which learnerships and apprenticeships facilitate the development of the skills and capabilities required in the workplace in diverse sectoral contexts.

Equipping young people for the workplace, or employability, is both relative and absolute (Brown et al, 2003). An individual may be employable because of their absolute skills, abilities and qualities – whether imparted through a university degree, a further education and training qualification, a learnership or apprenticeship qualification - but they may not succeed in obtaining employment because of relative conditions in the economy and labour market at a specific point in time (Simmons, 2009). A successful transition to the workplace is strongly dependent on the structure of the economy and the ways in which the labour market is organised. The context of high unemployment and critical skills shortages in South Africa is a significant determinant of successful outcomes of the learnership and apprenticeship pathway systems, and there are distinct outcomes and levels of success associated with different sectors, particularly in the context of a global recession.

Thus, one focus of the case studies is to understand the labour market, skills demand and economic context of the learnership and apprenticeship pathway system in selected sectors. The main focus of the case studies, however, is on the absolute dimension of employability: the extent to which completing a learnership or apprenticeship qualification specifically imparts skills and abilities that may facilitate an individual's transition to the labour market.

Central to the pathways approach is its focus on the institutional and structural arrangements in education, the labour market, the production system and other social and economic institutions, that facilitate transition.

Unlike most university or FET college qualifications, learnership and apprenticeship qualifications rely on complex institutional and structural arrangements. A tripartite agreement exists between the SETA, the training provider, and, the firm to provide the theoretical and workplace experiential components of the qualification. The case studies investigate ways in which SETAs, firms, and, training providers, interact to ensure that the courses and experiential learning align with one another, that they align with scarce skills needs, and that they are in alignment with technological advancement in the sector.

The cases were selected to represent best practice in three sectors: programmes in a sector characterised predominantly by high-level scarce skills occupations, in a sector characterised

predominantly by artisanal and intermediate-level scarce skills occupations, and in a sector characterised by basic-skills level occupations.

The case studies would not have been possible without the active support and participation on the part of staff of the SETAs, firms and training providers, and of the Department of Labour and the Department of Higher Education and Training. Their generous collaboration was critical, and the research team trusts that their analysis and interpretation will be of wider benefit.

Project Leader
Glenda Kruss

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Angelique Wildschut
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Joan Roodt

Final Report

Table of Contents

List of Tables

List of Figures

List of Abbreviations

AAT	Association of Accounting Technicians
ABASA	Association for the Advancement of Black Accountants
ACCA	Association of Chartered Certified Accountants
ACFE	Association for Certified Fraud Examiners
ADRA	Association of Debt Recovery Agents
ATO	Accredited Training Office
CA	Chartered Accountant
CIBM	Chartered Institute of Business Management
CIMA	Chartered Institute of Management Accountants
CPD	Continued Professional Development
CSSA	Chartered Secretaries Southern Africa
CTA	Certificate in the Theory of Accounting
DHET	Department of Higher Education and Training
DST	Department of Science and Technology
ETQA	Education and Training Quality Assurance
FASSET	Finance, Accounting, Management and Consulting and other Financial Services
HSRC	Human Sciences Research Council
ICB	Institute of Certified Bookkeepers
ICSA	Chartered Secretaries Southern Africa
IIA-SA	Institute of Internal Auditors of South Africa
IMFO	Institute of Municipal Finance Officers
IPFA	Institute for Public Finance and Auditing
IRBA	Independent Regulatory Board for Auditors
NQF	National Qualifications Authority
NSF	National Skills Fund
QAP	Quality Assurance Partner
QE	Qualifying Examination
RTO	Registered Training Office
SAIBA	Southern African Institute for Business Accountants
SAICA	South African Institute of Chartered Accountants
SAIFM	South African Institute of Financial Markets
SAIGA	Southern African Institute of Government Auditors
SAIPA	South African Institute of Professional Accountants
SARS	South African Revenue Service

SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SSP	Sector Skills Plan
TIPPP/TOPP	Training Inside Public Practice/ Training Outside Public Practice
UKZN	University of Kwazulu – Natal
UNISA	University of South Africa

Final Report

1. Introduction to the case study

The objective of this case study is to assess the impact of the learnership system in terms of supporting employed and unemployed learners to acquire high level scarce skills, and to enter employment. Given its overall sectoral composition, FASSET (Finance, Accounting, Management Consulting and other Financial Services SETA) was selected as an appropriate case.

The case is distinctive for its long established sectoral pathway system, linking FASSET, SAICA as the professional body, higher education and training providers and the industry. The tripartite relationship and liaison between accrediting bodies, industry and training providers illustrates what is possible in a learnership system.

The report presents the case of FASSET. It examines the ways in which learnership programmes at the high-skills level succeed in adequate formation of skills for a successful transition into the field of chartered accounting.

2. Case study methodology

The case study consists of a combination of desktop research together with key informant interviews.

For the desktop research, various existing data sources and surveys on the accounting profession and the financial services sector, available mainly from FASSET were used. Industry publications were also consulted. The key informant interviews were conducted on the basis of a semi-structured questionnaire specifically designed for the purposes of this study and the respective interviewee groups (refer to Appendix B for the questionnaires).

Two FASSET registered Chartered Accountant Learnerships (NQF Level 7) offered by SAICA were selected as focus programmes for the study. The focus programmes were selected because the respective learnerships form a significant proportion of overall training provision, and, the accounting/auditing sub-sector is the largest provider of employment in the sector, with the attendant need for appropriately skilled staff. Further, the programme was selected as it was considered a best practice programme by FASSET.

For the key informant interviews samples of accredited employer and education and training organisations were drawn from the SAICA database. Twenty key informant interviews were conducted for the purpose of the case study. Interviews were conducted from 21st – 25th of February 2011 and the 28th of February – 2nd of March 2011. The interviews included 9 employers (small, medium and large; public and private employers), 7 education and training providers (universities and private training providers), and 4 SAICA/SETA representative interviews.

Table 1 below tabulates the interviews, which are spread almost equally across the Western Cape and Gauteng. There is a slight bias towards Gauteng due to the SAICA and FASSET representative interviews. For ease of reading, the organisations in Table 1 have been classified into sub-categories.

Table 1: Key informant interviews as per organisation and region

Organisation Type	**Number of organisations**	
	Western Cape	Gauteng
Public employer	1	1
Private employer (large)	0	3
Private employer (small-medium)	4	0
Tertiary institutions (universities public and private)	2	3
Private training providers	2	0
SAICA/FASSET	0	4
TOTAL	**9**	**11**

The organisations were contacted via email or telephonically. Personal interviews were arranged with the SAICA Training Officers/Head of Departments responsible for the training of Chartered Accountants (CAs). Respondents were emailed the semi-structured questionnaires in advance in order to be able to prepare for the interview. The majority of interviews were conducted in person, barring a single instance each of telephonic and emailed interviews. Although telephonic or e-mailed interviews are often viewed as impersonal and less effective, in the case of this study, these enabled the research team to include individuals who would otherwise not have been able to contribute to the study. These methods have the advantage of offering a wider geographical and greater general access to respondents, while sacrificing what the contextual factors (body language, environment, etc.) surrounding an interview might convey. Given the type of research project, which did not have as its focus an analysis of the context within which the interview occurred this loss was deemed acceptable.

All personal interviews were digitally recorded and later transcribed into summary notes. For details of the interviews please refer to Appendix A.

All interviewees held leading positions within their organisations and were directly involved in the implementation of training as either, SAICA-appointed training officers, learning and development managers, or in the case of universities, private training providers as senior lecturers, head of departments, or directors. All interviewees have practical exposure to the SAICA-training model for at least a year (most interviewees have exposure for more than 2 years). Accordingly, the results of the assessment are based on a substantive cross-section of stakeholder opinions.

Given the restricted timeframe of the assignment and the period in which it was conducted (the end of the financial tax year) it was difficult to obtain commitment for an interview from the organisations approached. Some of the invited large firms did not respond to email requests at all. When followed up by telephone, some possible respondents declined to participate due to the excessive workload, or the opinion that their input would not be of any value to the study. Participation from smaller employers proved to be exceptionally difficult, since the time window of the study fell into the peak working period. Most indicated their willingness to participate at a later period.

The organisations that declined to participate were replaced, as far as was possible, with similar organisations drawn from the SAICA database. The sample frame has further been limited to the two major provinces involved in the training of CAs (SA): Gauteng and the Western Cape. It is expected that the data will indicate key trends that can be considered representative for the overall view of SAICA stakeholders, but the sample may be limited in terms of the perspectives of small to medium enterprises as well as the other South African provinces.

3. General background information on FASSET

FASSET was originally established in March 2000 alongside the other SETA's promulgated under the Skills Development Act No 97 of 1998, FASSET was recently re-licensed in the announcement of the New Sector Education and Training Authorities landscape (2011-2016). FASSET is one of 12 SETAs, which are to be re-established without any change to their structure or mandate (DHET, 2010).

3.1 FASSET's main sub-sectors

The sector served by FASSET in terms of national account datasets belongs to the broader Financial Services Sector (Finance and Insurance subsector and the Business Services subsector). This includes 17 categories of the Standard Industrial Classification (SIC). The organisations belonging to the sector have been re-organised **into 7 sub-sectors**, in order to facilitate the meaningful analysis of data for the purpose of the Sector Skills Plan (SSP). The 7 sub-sectors of FASSET are displayed in Table 2 (FASSET, 2011a):

Table 2: FASSET's 7 sub-sectors

• Investment entities and trusts and company secretary services;
• Stock-broking and financial markets;
• Development organisations;
• Accounting, bookkeeping, auditing and tax services;
• Activities auxiliary to financial intermediation;
• Business and management consulting services and;
• South African Revenue Service (SARS) and government departments.

According to FASSET's Sector Skills Plan Draft 2011- 2016 the Accounting, Bookkeeping, Auditing and Tax Services sector was the largest sub-sector in 2009, accounting for 37% of employment in the sector. This is followed by the South African Revenue Service (SARS) and Government Departments, with 16% of total employment, and Business and Management Consulting Services with 15% (FASSET, 2011a).

According to FASSET's SSP some accounting and auditing member organisations also provide business and management consulting services, but because accounting and auditing is their main business, they are classified into the sub-sector Accounting, Bookkeeping, Auditing and Tax Services for the purpose of the SSP. This factor should be taken into account, when viewing the above percentages.

3.2 FASSET's main stakeholders

In the 2009/2010 financial year FASSET's sector consisted of 3, 202 levy-paying organisations, as well as a number of non-levy paying employers. The number of non-levy paying employers are mainly small bookkeeping and accounting firms that became non-levy paying with the increase of the levy threshold from a payroll of R250 000 per year to R500 000 in 2006.

However, these non-levy paying employers still remain active with FASSET and its provided services (FASSET, 2011a).

The majority of employers in FASSET's sector are micro to small enterprises, employing fewer than 50 people. Interestingly, these organisations have increased their employment share in the sector from 19% in 2001 to 27% in 2009. However, the comparatively smaller number of large organisations, those that employ more than 150 people, still employ more than half (60%) of the sector's workforce as per latest data available from 2009. Within the same year, all organisations together employed approximately 115 000 people.

The largest proportion of the employer organisations (44%) render accounting, bookkeeping, auditing and or tax services, followed by 18% which are involved in business management and consulting services, and 16% who are engaged in stock broking and the financial markets (FASSET, 2011a).

3.3 Overall composition of the sector and related skills needs

The total employment in the sector increased from 67 061 in 2001 to 119 327 in 2008. This represents an average annual growth rate of 8.6% over the 7-year period. From 2008 to 2009 total employment decreased by 3.9%, although no large-scale retrenchments occurred in the sector during the 2009 recession. Employment in the sector was largely reduced through natural staff attrition. Very few, if any, new positions were created during this period.

In 2007/2008 the FASSET Sector Survey stated that 14.5% of employees in the sector were employed as managers; 38.8% as professionals (including trainee accountants); and 24.9% were employed as clerks and administrative staff. The occupational composition of the sector has remained fairly constant over the decade of FASSET's existence (FASSET, 2011a).

FASSET is a highly regulated sector. Many of the functions performed in the sector are regulated by legislation and government policy. Similarly, most of the skilled workers in the sector are subject to professional regulations. Increasingly stringent regulations, stricter legislation and new audit recommendations (e.g. the King III Code of Governance) issued over the past few years have tended to increase control over the functions of the sector and have contributed to the greater need for accountability, professionalism and enhanced skills requirements within the sector (FASSET, 2009; Fourie, 2010; Van Zyl, 2008). The new standards and compliance

measures, which aim to redress risks of corporate failure and the worldwide drive to promote sound corporate governance and ethics, constantly increase the demand for professional skills both on a quantitative and qualitative level (FASSET, 2011a; FASSET, 2009; Fourie, 2010, Van Zyl, 2008).

This sector requires highly skilled employees in more than half of its occupations. Entry-level skills are the first step to becoming proficient in the sector. People with post-school qualifications are in strong demand. Tertiary qualifications are a minimum requirement. A study conducted by FASSET in 2007 demonstrated that 94% of the sector's employees held qualifications at National Qualifications Framework (NQF) level 4 and above. 70% of the workforce had tertiary qualifications (FASSET, 2009). Even though the demand for semi- and unskilled workers increased between 2001 and 2009 it remained far below 10% of total employment (FASSET, 2011a).

3.3.1 The sector's largest professional group: Accounting and Auditing

In terms of professional groups the largest group in the sector is made up of general accountants, trainee accountants, taxation accountants and external and internal auditors. Administrative occupations consist mainly of general clerks, accounting clerks and bookkeepers. As noted earlier the Accounting, Bookkeeping, Auditing and Tax Services sector within FASSET was the largest sub-sector in 2009 (FASSET, 2011a).

The most recent data from the Department of Labour (DoL) database from the 2010 as obtained for the purposes of this case study also demonstrated that the Chartered Accounting: Auditing Profession (NQF 7) accounted for the highest number of learners within the FASSET sector, with a total number of 2 593 completed learnerships (HSRC, 2011). This coincides with numbers published by FASSET in 2011, which indicate that the majority (96.2%) of learnerships between the inception of the learnership system in 2000 and June 2010 were at NQF Level 7. Most of these learnerships led to the qualification of Chartered Accountant: Auditing (FASSET, 2011a: 52).

This sector's largest professional group is made up of accounting/auditing professionals who account for the highest number of completed learnerships in the sector. An assessment of this specific learnership will provide valuable insight into the extent to which a key skills need in the sector is being appropriately addressed.

3.3.2 Regional distribution of the sector

The FASSET sector is concentrated mainly in the urban areas of Gauteng, the Western Cape, and KwaZulu-Natal (FASSET, 2011a; SAICA, 2008), where 70-80% of workers in the financial occupations reside (SAICA, 2008).

In 2009, 48% of all sector employees were based in Gauteng, 24% in the Western Cape and, 11% in KwaZulu-Natal (FASSET, 2011a; FASSET, 2009). The table below highlights the same pattern of regional distribution of learners who *enter* and complete their learnerships in Chartered Accounting: Auditing as those who *work* in these provinces (Table 3). There are various possible reasons why registration is highest in Gauteng. For instance, it is the economic hub of South Africa, with the largest concentration of industry and consequently employment opportunities, post learnership completion.

Table 3: Chartered Accounting: Auditing (NQF 7) learnership entered/completed per region

Province	No. of learners entered	No. of learners completed
Eastern Cape	212	123
Free State	165	109
Gauteng	1578	1387
KwaZulu-Natal	404	369
Limpopo	69	22
Mpumalanga	68	31
Northern Cape	51	13
North West	24	29
Western Cape	664	510
TOTAL	**3235**	**2593**

Source: DHET (2009/10)

3.3.3 Racial and gender distribution in the sector

The need to correct racial imbalances in the workforce is a steady driver of transformation of the South African financial landscape.

In 2004, 67% of financial services professionals were white, while the composite group of black professionals numbered only 33%. In comparison by 2010/11, more than 56% of the people in the sector are black (Van Zyl, 2008; FASSET, 2011a). White employees currently constitute 44% of the workforce, black/african workers 34%, Coloureds 12% and, Indians 9%.

By 2011, the overall CA (SA) population has grown by 49% to 31 165. Black CAs (SA) reflect a 237% increase to 5 302 practitioners while the number of white CAs (SA) expanded by 34% to 25 863 (SAICA, 2010a). The impressive percentage growth originates from a small base, but it nevertheless demonstrates that the sector is slowly transforming. That transformation is gaining momentum can be seen also from the latest SAICA numbers for black candidates entering final examination for CAs (SA) and the pass rate. The number of African black candidates entering the QEII has risen by 66% since 2009 and the pass rate has also increased from 49% (2009) to 69% in 2010. This data positively resonates with FASSET's latest SSP, which indicates that the number of qualifying African graduates (NQF level 7) grew from 264 in 1999 to 1 342 in 2008, showing an average annual growth rate of 19.8%. In contrast, the number of white graduates grew by 1.2% over the nine-year period, albeit from a much higher base. Most of the qualifications awarded were honours degrees and postgraduate diplomas (FASSET, 2011, a: 46).

The growing number of qualified black entrants into the industry is related to the joint effort of two major professional bodies: SAICA and the Association for the Advancement of Black Accountants (ABASA). There are some other industry role-players in the *Thuthuka* project that contributed as well (Van Zyl, 2008; SAICA, 2011). "Thuthuka" is a Zulu verb, meaning "to develop". Since its inception in 2002, Thuthuka has grown from one provincially-based project to over 20 national projects. Including full bursaries and focused training programmes at multiple levels, a key focus area is tertiary development. The main aim of the programme is to assist promising black learners through technical and non-technical interventions from undergraduate, through to CTA (Certificate in the Theory of Accountancy) level, and eventually taking the final exam to becoming a qualified chartered accountant, i.e. CA (SA) (Van Zyl, 2008, SAICA, 2011). The success of the programme is visible in its results: black students funded by the programme achieved a pass rate of 66% in 2010 compared to the overall percentage of 51% in Part 1 of the Qualifying Exam (SAICA, 2010b). The funding of the project is coming from various sources such as the National Skills Fund (NSF), FASSET, Provincial Departments of Education, Department of Higher Education and Training (DHET), DST, as well as various employers in the sector (Van Zyl, 2008). Overall, the number of students funded by the Thuthuka Bursary Fund in 2009 exceeded the 1 500 mark (SAICA, 2009a).

The steady transformation in terms of the entrance and pass rate into the financial sector overall is, however, not yet adequately reflected at the higher level of employment in the sector.

In 2009, almost two thirds of the clerical and administrative workers (62%) and technicians and trades workers (61%) in 2009 were black and only 28% of the managers (FASSET, 2011a).

While the facet of racial representation has not yet been fully addressed, gender transformation in the sector has been achieved at least in terms of numerical representation. At present more women are employed in this sector today than men. In 2009 56% of all employees in the sector were women. African women constituted 18% of the total workforce, coloured women 8%, Indian women 5%, and white women 25%. The overall women's share in employment has remained fairly constant since 2001 at 55%, while black women's share has increased from 23% in 2001 to 31% in 2009 (FASSET, 2011a; FASSET, 2009). Of course these trends do not suggest that gendered obstacles in the sector have been successfully dealt with, but it at the very least points to a commitment to equal employment of women. Although skills development issues formed the outright focus of this study, one of course recognises that a more equal gender representation is only the start to ensuring true equity in the sector. A much more nuanced statistical analysis of gender trends is required in terms of for instance, access at more senior levels, access to different specialisations in the sector, etc. This should form the focus of future studies in the sector.

3.4 The role of professional bodies in the sector

A distinctive feature of this sector is that a large proportion of organisations and employees are members of professional bodies. The professional bodies play a pivotal role in the economic sector and contribute to a large extent towards skills development and the professionalising of the overall sector. Membership within a professional body and professional qualifications conferred by these bodies are highly regarded by employers, the professionals themselves, and their clients. This contributes to the central role of professional bodies driving and controlling the supply of professional skills in the sector (Van Zyl, 2008). A few professional bodies act as quality assurance partners of FASSET and actively assist with the quality assurance of qualifications and learnerships that fall within their scope as Quality Assurance Partners (QAP).

3.4.1 Quality Assurance Partners (QAP) model

In its interaction with professional bodies, FASSET's Education and Training Quality Assurance department (FASSETETQA) uses the Quality Assurance Partner (QAP) model. It is the first, and only, SETA to date to embrace this specific de-centralised model for quality assurance in consultation with its stakeholders (FASSET, 2007; FASSET, 2010a). Within this model, FASSET uses the existing expertise of professional bodies, which have historically ensured the quality of

professional qualifications prior to the existence of SETAs from 2000. This concept was born out of the idea not to "re-invent the wheel" by creating two parallel quality assurance systems which may interrupt training delivery in the sector, but, to rather use the already existing quality assurance expertise (FASSET, 2010a).

In terms of the QAP model, FASSET endorses professional bodies with respect to the processes that they use to accredit their education and training and workplace providers. As a result, FASSET accepts the professional body's accreditation of providers and workplaces that fall within their scope and registers them on its own database. FASSET retains the overall responsibility for the accreditation of providers and its core mandate in terms of quality assurance. QAPs are accredited by FASSET for a five-year period. They are also managed through a strict Service Level Agreement (SLA). They are monitored by FASSET annually and audited in their fourth year, with the option of re-accreditation (FASSET, 2010b).

The current QAPs registered with FASSET are listed in Table 4 (FASSET, 2010a).

Table 4: Quality Assurance Partners of FASSET

Association of Chartered Accountants (ACCA)
Association or Accounting Technicians (AAT)
Chartered Institute of Management Accountants (CIMA)
Institute of Certified Bookkeepers (ICB)
Chartered Secretaries Southern Africa (CSSA)
Pastel Accounting

Qualifications, professional designations and membership of professional associations within FASSET are closely interlinked. Most of the professional bodies confer upon their members, qualifications that have been registered on the National Qualifications Framework (NQF) (FASSET, 2011a). The professional bodies are also represented on FASSET's management board and, accordingly, are closely involved in the activities of FASSET and its sub-structures.

Table 5, below, provides an overview of all FASSET-registered professional bodies as of July 2010, of which the 4 largest membership organisations are indicated in bold (FASSET, 2011a: 37).

Table 5: Overview of FASSET's Professional Bodies

Professional body	Acronym	Total membership
Association of Accounting Technicians	AAT	2 273
Association for the Advancement of Black Accountants	ABASA	2 500
Association of Chartered Certified Accountants	ACCA	2 900
Association of Debt Recovery Agents	ADRA	214
Association for Certified Fraud Examiners	ACFE	3 000
Chartered Institute of Business Management	CIBM	1 435
Chartered Institute of Management Accountants	CIMA	6 000
Institute of Municipal Finance Officers	IMFO	1 669
South African Institute of Professional Accountants	SAIPA	8 159
South African Institute for Tax Practitioners	SAIT	2 027
Institute for Public Finance and Auditing	IPFA	1 271
Institute of Certified Bookkeepers	ICB	26 898
Institute of Internal Auditors of South Africa	IIA-SA	7 091
South African Institute of Chartered Accountants	SAICA	41 246
Chartered Secretaries Southern Africa	ICSA	2 439
South African Institute of Financial Markets	SAIFM	500
Southern African Institute of Government Auditors	SAIGA	2 000
Southern African Institute for Business Accountants	SAIBA	800

3.4.2 The South African Institute of Chartered Accountants (SAICA)

The South African Institute of Chartered Accountants (SAICA), the first national institute for Chartered Accountants (founded in 1980), is by far the largest professional body in the financial field (SAICA, 2011a; Van Zyl, 2008). Further to its leading position as the pre-eminent accountancy body within South Africa, it is recognised as one of the leading institutes in the world. SAICA has reciprocal membership and qualification recognition arrangements with a number of international chartered accountancy bodies. Qualified members of SAICA are either automatically recognised by the respective international bodies for membership or evaluated on a case-to-case basis, depending on the date of qualification. Members of international bodies can also apply for SAICA membership.

SAICA does not operate as a QAP in its co-operation with FASSET as do the other professional bodies noted above. It serves as an ETQA in its own right, accredited by the South African Quality Assurance (SAQA).

SAICA is the only professional body offering the Chartered Accounting, CA (SA) designation through FASSET-registered learnership routes. SAICA works in close partnership with FASSET in implementing its learnerships (FASSET, 2011b). Once a learnership agreement is approved by SAICA, processing grant payments as well as any applicable tax incentives is performed by FASSET.

3.5 Learning pathways towards Chartered Accounting

Training professionals through a combination of educational qualifications plus added practical workplace experience on completion of the academic qualification has a long history within the financial services sector. This made the conversion of existing programmes into learnerships "an almost natural process" (Van Zyl, 2008: 377). Many of the pre-existing academic-workplace training arrangements in the sector have consequently been converted into learnerships with the practical training component taking 3- 5 years, and most of them are registered on the National Qualifications Framework (NQF).

The full range of learnership qualifications offered by FASSET, are detailed in the table 6 below.

Table 6: Learnerships offered by FASSET as per the website (2011)

	TITLE	NLRD No.	NQF	PROFESSIONAL BODY
1	Professional Qualification: Chartered Certified Accountant	63550	7	Association of Chartered Certified Accountants (ACCA)
2	Certificate: Certified Accounting Technician	20397	5	
3	Professional Qualification: Chartered Management Accountant	20400	7	Chartered Institute of Management Accountants (CIMA)
4	National Diploma: Management Accounting	67694	6	
5	National Certificate: Business Accounting	24418	5	
6	Post Graduate Professional Qualification: Professional Accountant in Business	20392	7	South African Institute of Professional Accountants (SAIPA)
7	Post Graduate Diploma: Professional Accountant in Practice	20391	7	
8	Certificate: Accounting Technician	73710	3	Association of Accounting Technicians AAT(SA)
9	Certificate: Local Government Accounting	59751	3	
10	Advanced Certificate: Local Government Accounting	73712	4	
11	Further Education and Training Certificate: Accounting Technician	77143	4	
12	Certificate: Accounting	80189	5	

13	National Certificate: Bookkeeping	58375	3	Institute of Certified Bookkeepers (ICB)
14	National Diploma: Technical Financial Accountant	36213	5	
15	National Certificate Small Business Financial Management	48736	4	
16	Certificate: Office Administration	23618	5	
17	Further Education and Training Certificate: Bookkeeping	48376	4	
18	Certificate: Public Sector Accounting	20352	4	FASSET
19	Diploma: Public Sector Accounting	20353	5	
20	Chartered Accountant : Auditing	48913	7	South African Institute of Chartered Accountants (SAICA)
21	Chartered Accountant : Financial Management	48912	7	
22	FET Certificate: Debt Recovery	49021	4	FASSET
23	Certificate: General Internal Auditing	20359	7	Institute of Internal Auditors (IIA)
24	Advanced Certificate: Forensic Practitioner	67269	6	Association of Certified Fraud Examiners - SA Chapter
25	Diploma: Financial Accounting (IAC Accounting Officer)	35957	6	The Institute of Administration and Commerce (IAC)
26	CIS Professional Qualification: Governance and Administration	60651/LP6 0154	5	Chartered Secretaries - Southern Africa
27	CIS Professional Advanced Qualification: Governance and Administration	60655/LP6 0151	6	
28	CIS Professional Qualification: Management and Administration	60653/LP6 0149	5	
29	CIS Professional Post–Graduate Qualification: Company Secretarial and Governance Practice	60654	7	

Now having a general sense of the levels and types of learnerships offered through FASSET, let us move to a closer consideration of those learnerships in which the majority of learners are involved in in this sector.

3.5.1 FASSET's registered learnerships in Chartered Accounting offered by SAICA

The two FASSET-registered Chartered Accountant learnerships offered by SAICA within the profession of Chartered Accounting (NQF Level 7) are (SAICA, 2011c; FASSET, 2011c):

Chartered Accountant: Audit specialism

The Audit Specialism focuses specifically on Auditing, allowing registered Chartered Accountants to approve annual financial statements in Public Accounting and Auditing Practice when registered with the Public Accountants' and Auditors' Board.

Chartered Accountant: Financial management specialism

Chartered Accountants in the Financial Management Specialism function as Heads of Accounts Departments in the roles of Financial Director, Chief Financial Officer, Financial Manager and Financial Controller.

3.5.2 The study path towards Chartered Accounting

The study/career path towards acquiring the qualification of a CA (SA) has been clearly mapped out by SAICA and includes certain key building blocks of learning as they are displayed in Figure 1. The entry point of the qualification is a matric exemption, together with mathematics or accountancy.

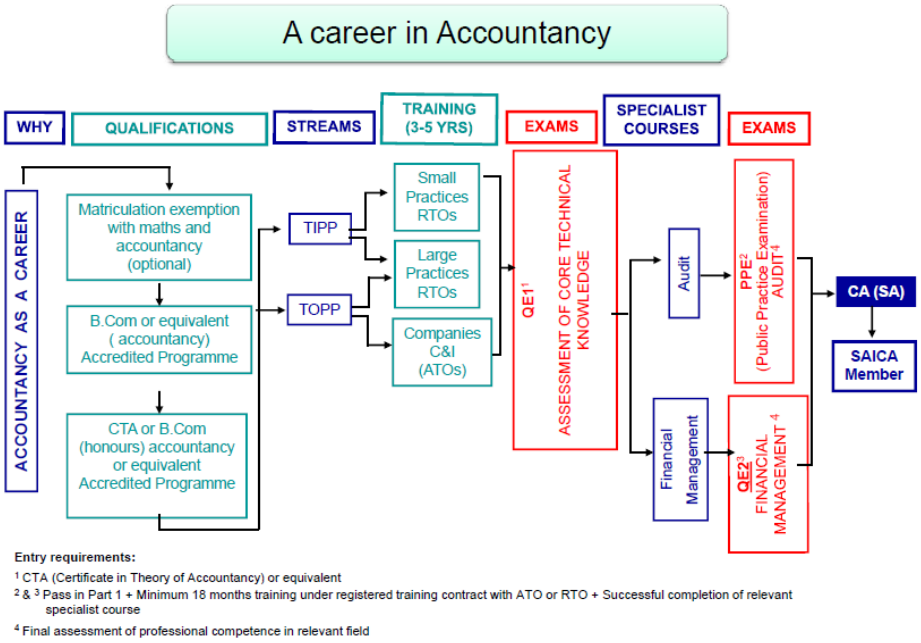
The first building block of the qualification is a 3-year BComm Accounting degree or an equivalent CA (SA) undergraduate qualification at a university that is accredited by SAICA.

The second building block is constituted of the Certificate in the Theory of Accounting (CTA) or a relevant Honours qualification at a university that is accredited by SAICA. The CTA course focuses on Accounting, Auditing, Taxation and Financial Management and takes a minimum of 1 year.

The third building block is the so-called "articles" of the industry, which implies gaining practical work experience in the field. Within this work experience block candidates can choose to specialise in auditing or in financial management. If a candidate wants to specialise in auditing, they have to enter into a three to five year training contract (learnership) with an auditing firm that is a Registered Training Office (RTO) of SAICA. If a candidate wants to specialise in financial management they can enter into a learnership with a firm in commerce and industry, which is an Accredited Training Office (ATO) of SAICA. The length of the learnership contract depends on whether the candidate approaches the route full or part-time and on the level of qualification, when entering into the learnership. Learners on a learnership

contract as per the terminology of the industry are "doing their articles" and are also referred to as "trainee accountants".

The fourth building block is constituted of national examinations. In order to qualify as a CA (SA) learners are required to pass two Qualifying Examinations: QEI and QEII. All candidates can enter the first Qualifying Examination (QE1) set by SAICA once they have completed the CTA or Honours qualification. The QEI assesses the candidate's *core technical knowledge*. The second Qualifying Examination – QEII (written after passing QE1, is normally written towards the end of the learnership, but at the earliest, after 18 months into the learnership contract). The QEII assesses the candidate's. Learners in the audit specialisation stream write the qualifying examination (QE2) set by the Independent Registration Board for Auditors (IRBA), while learners who specialise in financial management write the QE2 in financial management set by SAICA (FASSET, 2011c; SAICA, 2011d; UNISA, 2011).



Source: SAICA (2011d)

Figure 1: Career path of Chartered Accountants (SA)

TIPP/TOPP stream: In Figure 1 the option available to learners when entering the workplace for their *practical* exposure can either choose between the Training Inside Public Practise (TIPP) or Training Outside Public Practise (TOPP) route.

TIPP is offered by Accountancy firms of all sizes (small, medium and large), which offer clients a range of services, such as audit, tax, management accounting, consulting and forensic accounting services. TOPP is offered by companies from commerce and industry and offers

learners exposure to financial management, financial accounting, taxation, information technology, internal auditing and cost and management accounting. The TOPP Programme was developed created by a need where the traditional training route (TIPP) could no longer produce accountants in the numbers required to support the South African economy. Since the vast majority of Chartered Accountants left public practice upon qualifying to take up positions in commerce and industry, knowledge only of auditing was insufficient. Chartered Accountants required more exposure to financial management and business principles (UNISA, 2011). While this distinction still applies to a number of learners in the present system, the new SAICA competency framework (applicable from 2010, refer to 3.6) the distinction between TIPP and TOPP will be removed (SAICA, 2009b).

Full-time/part-time route: Learners have the option to either pursue the qualification on a full- or part-time study basis. When choosing the part-time route, learners can immediately enter into a 5-year learnership contract with a registered or accredited training office to complete the programme up to CTA level part-time. A second option is to study the undergraduate programme full-time and then enter into a 4-year learnership at an RTO or ATO in order complete the CTA or equivalent on a part-time basis.

The *part-time route* is usually followed by candidates who are financially and begin to work immediately to earn an income and to support their families. This route, since it is only offered via distance learning (through SAICA-accredited UNISA or UKZN), is often approached by learners from more remote/rural areas who do not have access to SAICA- accredited residential universities. Moving to another region adds additional cost over and above tuition. The part-time distance-learning route is, therefore, the only viable option for a number of candidates to pursue their studies towards accounting (ASA, 2011). Odendaal and Joubert (2010), in a study conducted amongst final year UNISA students, confirm that this route is an indispensible means for South Africa to increase its Chartered Accountant trainees. In addition, they stress the necessity of distance learning programmes given that residential universities can only accommodate a limited number of students.

It is evident that SAICA places great emphasis on learners acquiring a high standard of theoretical knowledge and on gaining extensive practical experience. Coupled with this training is the requirement for all CA (SA) candidates passing a two-phase national professional examination. This indicates an overall minimum training period of 7 years.

3.6 Key drivers of change in the sector

Globalisation in business, increasingly stringent professional standards, a more complex business legislative and policy environment, and ongoing technological advancements are key drivers in the transformation of the professional field of chartered accounting (Van Zyl, 2008; SAICA, 2008a; SAICA 2008b). The skills-sets required for Chartered Accountants and Auditors to function effectively in the contemporary work environment are continuously evolving. There is pressure to enhance the level and quality of skills acquired, and the need for constant peer review (Fourie, 2010; Roos, 2010; SAICA, 2008a).

Extensive consultation with SAICA members, training officers and other stakeholders in 2008 indicated the need for change in the current training programme to effectively meet the future demands of the sector (SAICA, 2008b). The key strategic drivers for change identified within this process were the following (SAICA, 2008a; SAICA, 2009b, 2009c):

- Globalisation demands for new knowledge and skills
- The impact of information and communication technologies on the work performed by CAs (SA)
- Corporate law reforms, which could have an effect on the demand for auditing services and consequently the demand for auditing skills
- Increased skills demands for improvements in corporate governance and ethics
- Generation Y (i.e. the entry skills levels and demands of the young generation entering the training)

Past learnership programmes relied heavily on a knowledge-based syllabus to inform education and assessment programmes. Industry stakeholders increasingly demanded the development of personal and interpersonal skills (particularly communication). Other skills more in demand included business-related and entrepreneurial skills and more exposure to ethics and corporate governance. On the technical level, stakeholders felt that the emphasis on auditing skills was too strong. Overall, it was felt that the programme was far too prescriptive and inflexible to make provision for the unique circumstances of each training environment (SAICA, 2009b).

3.6.1 The SAICA competency framework 2010

Based on the requirements formulated by its key stakeholders and the clear objective to retain the rigorous standards and the credibility of the CA (SA) qualification, SAICA embarked on the

development of a new qualification framework. The newly established Competency Framework was based on the UFE Candidates' Competency Map of the Canadian Institute of Chartered Accountants (CICA. Among industry players, this is widely acknowledged as setting international Best Practice for the Chartered Accounting profession (SAICA, 2008b). Through an extensive consultation process over a period of 18 months with stakeholders, members and trainees, across the country, SAICA tested and refined the working model, which was then formally implemented in 2010.

The 2010 Competency Framework describes the professional competencies that a CA (SA) should demonstrate *at entry point to the profession*. These are: knowledge, skills and attributes. The is understood to mean that, "on completion of the required education, training and assessment, [the] person is eligible to register as a member of SAICA in order to use the CA (SA) designation" (SAICA, 2008b: 12). Figure 2 displays the competencies as they are defined in the new framework.

Source: SAICA (2008b)

Figure 2: Defined competencies as per the SAICA 2010 Framework

The new Framework, in recognition of stakeholder requirements, places an increased focus on professional values, ethics, and business acumen, within the area of "pervasive skills". The 2010 Competency Framework clearly articulates the competency requirements. It is supplemented by two guiding documents:

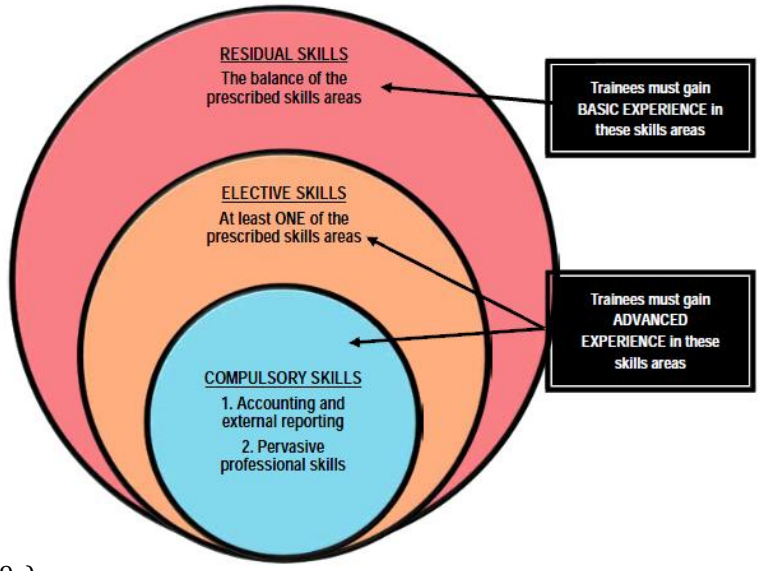
- ***The Education Programme***, detailing information on the teaching, learning and assessment process in the academic and professional programmes;

- ***The Training Programme,*** detailing information on the implementation of the training programme and the assessment of competencies in the workplace.

This ensures that education and training programmes fully complement each other in the acquisition of the required competencies (a criticism of the previous framework) These documents also provide standardised guidance for education and professional training providers in the consistent implementation of the programme (SAICA, 2008b).

3.6.2 The SAICA skills model

The overall framework ensures that, on qualifying, candidates have "the necessary level of underlying knowledge and the practical skills and experience to apply that knowledge effectively" (SAICA, 2008b: 6). Within that the requested flexibility in implementation for trainees and training offices is provided in the application of a three-fold skills model, which determines the level of practical exposure that needs to be given. The model displayed in Figure 3 demonstrates the three interrelated skills, which are compulsory, elective and residual skills.



Source: SAICA (2009c)

Figure 3: The SAICA compulsory, elective and residual skills model

- *Compulsory skills* require all trainees to be exposed to Accounting and external reporting and pervasive professional skills on an *advanced level in a complex context.*
- *Elective skills* allow trainees to choose at least ONE technical skills area in which they want to gain *advanced experience in a complex context.*

- *Residual skills* are determined by what has been selected as elective skills, in that all remaining technical skills areas must be covered with basic experience in a simple context.

The above model according to SAICA allows that all trainees gain exposure and achieve competence in *every* skills area, but to varying degrees of complexity. The depth and breadth of a trainee's exposure will be determined by the nature, industry, and business model, of the training office, which *removes* the previous distinction between the TIPP/TOPP route (SAICA, 2009b).

Consistent with the traditional study pathway (see 3.5.2), candidates studying according to the new framework must successfully complete all components of education, practical experience and assessment in order to earn the CA (SA) designation. The essential building blocks of the qualification have thus not changed within the new framework, but the underlying competencies required to attain the profession have.

4 Critical skills shortages in accounting and auditing

While the sector is underlying continuous change, numerous studies, surveys and articles on the financial services sector (including the FASSET SSP) have revealed a constant high demand for the profession with a marked shortage on the supply side (De Jager, 2010; FASSET, 2011a; Odendaal & Joubert, 2010; SAICA, 2008a; Van Zyl, 2008). A study commissioned by SAICA in 2008 (just ahead of the economic recession) demonstrated a shortfall of 17 000 accountants and 5 000 CAs (SA) (SAICA, 2008a; SAICA, 2010b) to fill vacant positions. This was a conservative estimate. Shortages were experienced at all levels from clerical through to professional level (in financial management, accounting and auditing), but highest at the professional level - practitioners with NQF level 7 qualifications and who are members of a designated professional body.

The skills shortages are much higher in the public than in the private sector (SAICA, 2008a; De Jager, 2010). The vacancy rates in the public sector in 2008 manifested in excess of 20% (SAICA, 2008a). Highly skilled graduates tend to take up non-financial positions in the private sector rather than moving into positions in the public sector. The difference in salary packages offered in the private sector compared to the public sector is the main contributory factor, coupled with

this, is the cumbersome recruitment procedure in the public sector. These intertwined factors contribute to a stigmatised image of not being "an employer of choice".

In addition to the existing shortage in the financial sector itself, a number of professionals, particularly CAs (SA), leave the sector upon qualifying to take up roles in other sectors of the economy, often in managerial or top management functions (FASSET, 2011a; SAICA, 2008a). 75% of all SAICA members work in general commerce and industry, and consequently fall out of the sector serviced by FASSET (FASSET, 2011a:35). The acute shortage experienced in the sector is thus also related to the fact this sector is, to a very large extent, the training ground for supplying qualified financial professionals to the rest of the economy.

The overall shortages experienced in the field are not considered unique to South Africa, but a worldwide phenomenon (Odendaal & Joubert, 2010, SAICA, 2008a). A global survey of the International Federation of Accountants in 2008 confirmed that the worldwide shortage of accountants was expected to increase despite the global meltdown of financial markets (Odendaal & Joubert, 2010). Adequately assessing the skills demand is challenged by the fact that few employers are able to predict their *medium-term* skills demands with *certainty*. A number of *uncertainties* in external influences affect their projections: innovations in technology, changes in governments policies and legislation, shifts of political power and major global events, exchange rate movements and inflation, and, general economic growth. The uncertainty of many of these factors has increased rather than decreased over time (SAICA, 2008a).

A FASSET study found that some employers tend to overestimate the skills required for certain functions and employ highly skilled professionals in functions that can be performed as well by those with lower, more technical, levels of education (Van Zyl, 2008). These trends must be considered when reflecting on estimated quantitative demands.

Looking at the supply pipeline, it becomes apparent that the number of graduates coming out of the higher education system has grown steadily over the last 10 years. The most recent available data demonstrates that the *total* number of graduates awarded the NQF level 7 qualification grew at an annual rate of 6.1% from 2 406 in 1999 to 4 117 in 2008. The four-year basic degrees awarded increased by 21.1% per year from 215 in 1999 to 1 208 in 2008. However, honours degrees and postgraduate diplomas increased by only 3.2% per year over the same period (FASSET, 2011a: 45). SAICA (2008a: xiv) has argued that supply-side problems are concentrated at the honours level, where in turn the industry has its highest demand.

Assuming steady levels of economic growth SAICA (2008a), argued that in 2008 the number of honours graduates exceeded the number of people needed by only 3% (by 2018 the shortage would reach 35% at least), confirming that a gap existed then between demand and supply. Given constant growth, this gap would enlarge over time, if the supply side was not dramatically increased. However, it is important to bear in mind that the labour market is a dynamic system. The supply and demand sides of the market are in constant interaction with each other implying continual change. This may place the shortage in supply at a lower level than presently estimated.

5 Current stakeholder views on the formation of skills

The following sections outline the primary findings of the case study from the stakeholders' perspective. Guided by the main research question the discussion establishes the extent to which the current learning pathway succeeds in the formation of skills required within the sector.

5.1 Respondents' view on critical skills shortages

The respondents almost unanimously confirmed existing skills shortages in terms of CAs (SA) as described above. They very often referred to the quantitative results of the SAICA (2008a) study itself (refer to Section 4).

5.1.1 The demand side

Large employers perceived the biggest shortages at CA (SA) level: one respondent commented that "there is not nearly enough CAs coming through". On the CA (SA) level, there is a skills shortage amongst Black-African trainees who have passed the final exams and for whom there is "fierce competition across sectors". One university respondent, referring to own its internal statistics, stated that while the pass rate of white students at his institution was at 80-90%, Black-African students demonstrated a much lower pass rate of 65-70%, which he considered due to their often disadvantaged background.

In contrast to large employers, *small-to-medium sized enterprises as well as public employers*, perceive the biggest shortage to be at a much lower skills level: the level of trainee accountants

(honours level). Companies argued that they were struggling to find candidates who had passed the CTA stage considered "the first and biggest stumbling block." Since most large private competitors (the big 4 auditing companies) tend to recruit and sign up good students already in the 1st year of study (or as noted by one SETA respondent sometimes even earlier at Grade 10 level - a further indicator for the fierce competition for good candidates), smaller private and also public employers are at the "bottom of the picking system". Or as one respondent stated: "Small to medium employers are left with the batch of candidates that are kind of dicey, [or] are they or are they not going to make it?". This finding is consistent with previous data trends that showed supply-side problems are concentrated at honours level. Public employer respondents noted a particular difficulty to attract good candidates due to the "stigma that the public sector carries", a trend consistent with previous SAICA studies in the field (SAICA, 2008a).

The difficulty in finding and attracting candidates who have passed the CTA stage, often leaves employers with candidates who attempt to pass honours level through the part-time route, which one respondent considered "a recipe for disaster". While not all respondents may share this extreme view, all respondents were clear that the part-time route places particular burdens on candidates and most learners "struggle enormously" to pass in one year. This is because of the excessive workload (the volume and complexity of material) and, that while the study load needs to be covered, there is also the demanding stress of the workplace. For coping with the material, in the opinion of respondents, trainees have to invest an average of at least 20-25 hours of learning per week besides their actual work. This according to one respondent "means the end of your social life". The particular difficulty of the model is reflected in UNISA's first-time pass rate, which according to some respondents is only around 10-15%. The 2009 data that combines the results of the two part-time offering institutions, UNISA and UKZN, do not fully confirm this claim (26.8%).

In Table 7, however, there is tabulated evidence of the significantly higher first-time pass rates for full-time residential universities (73.2%) (ASA, 2010) compared to those who follow the part-time distance learning route.

Table 7: First time pass rates on CTA 2009 (Comparison: part-time and full-time route)

	2009					
	First timers		Repeats		Total	
CTA UNIVERSITY NAME	No. of PASSES	% of total	No. of PASSES	% of total	No. of PASSES	% of total
UNISA and UKZN DL	412	26.8%	334	76.6%	746	37.8%
Full time residential universities	1124	73.2%	102	23.4%	1226	62.2%
Grand Total	**1536**		**436**		**1972**	

	2008					
	First timers		Repeats		Total	
CTA UNIVERSITY NAME	No. of PASSES	% of total	No. of PASSES	% of total	No. of PASSES	% of total
UNISA and UKZN DL	398	27.1%	412	65.7%	810	38.6%
Full time residential universities	1071	72.9%	215	34.3%	1286	61.4%
Grand Total	**1469**		**627**		**2096**	

	2007					
	First timers		Repeats		Total	
CTA UNIVERSITY NAME	No. of PASSES	% of total	No. of PASSES	% of total	No. of PASSES	% of total
UNISA and UKZN DL	345	26.2%	380	65.1%	725	38.2%
Full time residential universities	970	73.8%	204	34.9%	1174	61.8%
Grand Total	**1315**		**584**		**1899**	

Source: ASA (2010)

Given the indisputable lower pass rates of part-time students, all respondents who reflected on the suitability of the part-time model, stated clearly that the current model needs. While some respondents felt that the part-time route could not work anymore as "the syllabus is too large and complex", others felt that if the learning period was extended over 2 years (instead of currently 1 year) it could work. Respondents argued that the distance learning element with no/little contact sessions provided an additional challenge (ASA, 2010). A number of respondents indicated that their companies were offering internal CTA support programmes without which the part-timers would not pass. Nevertheless, one respondent stated that despite these support programmes they had only been able to push the pass rate up to 47%. Three respondents indicated that UNISA had reacted to the growing concerns among industry by extending the honours degree to 2 years from next year onwards. Respondents noted this as "a positive change that should be seen in pass rates", but one would "need to see that in the future".

Another "potential gatekeeper" in the part-time route was perceived in the fact that all 4 technical subjects needed to be passed in 1 exam sitting. This was considered "very rigid". However, respondents urged that "standards should be kept high". One respondent felt that "to a certain extent it appeared as if one was trying to fit an old qualification model onto a changed environment." Generally, there was consensus that the part-time route should succumb to being the vehicle of lowered standards, but that it be a vehicle designed to offer more time for trainees to cope with their studies. Or, as one respondent formulated it: "Stretch the time for part-timers,

but have high standards in the end". Two respondents underlined the "economic necessity" of the part-time route in the country "as a lot of people simple cannot afford full-time studies". Interestingly, despite all the concerns around a shortages in the quantitative supply some respondents (large employers and providers) argued that while "SAICA may still have the view that there is a shortage", there is "enough/too many CAs at the top level" and "a number of CAs not finding jobs". One respondent furthered this argument saying that "finding work to some has been a bit more difficult lately, taking longer and maybe not finding what they initially wanted." CAs, according to one respondent "are aiming too high in terms of jobs they want" as the CA (SA) has become an "elitist qualification". Some respondents' perception was that more CAs are required who want to work at government and public/SMME company level, and "not only the big 4 companies" This applies as well "on the professional level of general accountants and tax practitioners".

Respondents felt that the perceived oversupply may be related to the "credit-crunch", and the global recession, but may also be a "mismatch" in that candidates aim for high-level jobs only. Two respondents perceived a recent "flow back from the international markets" due to the global crisis, which may contribute to increased local competition for the high-level jobs "as not so many students are going overseas anymore".

The differing perceptions emphasize the argument that labour demands are highly dynamic and complex, underlying a number of uncertainties in their accurate projection, and also the continuous contextual change. This is supported by the comments of two respondents that "the issue of skills shortage is complex" and that "there are always a lot of ifs and buts surrounding that."

5.1.2 The supply side

There is a an acute shortage of Black employers, despite providers' acknowledgement that in terms of enrolments, there is an increase in Black students over the last 4-5 years. One respondent felt that there is "a good organic growth" for designated groups, which coupled with the efforts of the Thuthuka Programme (refer to 3.3.3), also support positive trends in pass rates. Another respondent stressed that "keeping standards high is the only way to go" and rather "supporting students through programmes such as Thuthuka, than lowering standards to achieve pass rates".

According to employer and provider respondents alike, gender is not much of an issue, as the enrolment numbers show an even spread between male and female students. This finding is consistent with FASSET (FASSET, 2011a).

Despite the positive trends noted by some providers in university enrolment patterns, employer-respondents remain concerned over the schooling system that feeds into the tertiary system. Respondents argued that there is "too little [a] pool" of good matriculants with higher grade Mathematics and Accounting. These learners can enter the financial profession, but "everyone wants them". Once again, the most notable shortages are amongst Black learners (this shortage is perceived across the racial spectrum). This finding is consistent with SAICA's research (2008a) that Accounting is competing with other fields of study such as Engineering, Medicine, and Actuarial Science for a relatively small pool of Mathematics learners. SAICA (2010c) argues that "the industry is crying out for skills, which require learners to study Mathematics and not Maths Literacy". However, learners often take the easier Maths Literacy option in order to achieve a better matric result, which reduces the overall supply-base of school-leavers available to the sector.

5.2 The importance of skills development to companies in the sector

The importance of skills development as a priority for firms was noted by all interviewed to be "huge" or "very important". All companies argue that they were taking training "very seriously" and that learning and development is "a very high priority". This is related to the fact that the industry, in its key operations and consequently business earnings, are highly reliant on the work of trainee accountants. Trainee accountants conduct the actual accounting/auditing work, but are paid less than what they earn for the company. One respondent brought this aspect to the fore by saying: "the whole business is designed around trainees' success as the firm makes money out of them". Not having adequately competent trainee accountants implies the "risk of re-work", and ultimately the risk of "losing clients". Or, as one respondent said: "Skills development is a non-negotiable, since if a trainee accountant is not well-trained and cannot provide a quality service to the client it implies a professional risk to the firm." Furthermore, the primary and only driver to differentiate oneself in the sector was considered the "quality of people". Consequently, better qualified trainees are "the bigger the financial benefit".

Given the direct link between training and business success in the sector all companies interviewed, depending on their size, had more or less elaborate internal training and support programmes for trainee accountants in place. These included measures such as:

- individual counselling programmes for trainees through personal mentors/supervisors
- formal training programmes in technical, and professional/soft skills such as time and stress management; people and conflict management; leadership; and, client communication
- job-rotation schemes with supervision/mentoring through senior staff
- individual development needs assessments and development plans
- study leave and bursary schemes

On average respondents indicated at least 15 training days per year are added on top of the actual on-the-job exposure. Depending on company-size, the investment in training on the monetary level was noted to be at least R 20 000, going up to R 80 000 per trainee per year. This, one respondent observed was "just the direct monetary value" and did not account for the time and effort going into the trainees' development.

Most of the large companies indicated that their own retention rate out of the qualified trainee accountants fluctuates between 10% and a maximum of 30%. They developed the remaining share for the other sectors as "the rest goes back into the market and feeds into the economy". This confirms the argument that the sector serves as a training ground for the rest of the economy.

5.3 Adequate formation of skills for transition into employment

While the previous discussion was mainly concerned with the *quantitative* demands of skills this section discusses the *quality* of skills supplied to the sector, which according to (SAICA, 2008a) are closely interrelated. Respondents were asked to comment on whether they felt that the current qualification equip learners with the right kind of skills and capabilities required in the present labour market.

Once again, there was strong agreement among respondents. Respondents unanimously feel that the current qualification generally equip trainees "very well", particularly on a technical level. This sound preparation, to some respondents, is strongly related to the structure and way the programme is implemented. Firstly, it ensures the "alignment of theory with practice", and

secondly, the 3-year articles give "sufficient practical exposure in the workplace". One respondent observes that "the SAICA route/path is well laid out and has clear descriptions of what needs to be done until finalisation of articles". Respondents argue that the qualification sets high standards and the market rewards this with concomitant salary packages, local and international acceptance, placement rates and demand, since "CAs are a highly sought after group". One respondent emphasized the importance of practical experience gained during articles as an addition to the theory trained at universities by saying: "[t]hat is why CAs are in demand. They have both the theory and the practice". Another respondent comments aptly, saying: "The structure of the learnership breeds a professional that is very professional". Very few respondents refer to the term 'learnership' itself, but rather to the CA (SA) qualification as such, and the practical work experience component as "articles". The concept of the qualification being implemented as a learnership, is not well-known, or of any particular importance to the industry.

In line with the SAICA framework (refer to 3.6.1) some respondents note that the qualification equips trainees at an "entry level" and "with a foundation for further specialisation". One respondent describes them as being "raw", hereby stressing that this is not meant in "a sense of not being ready", but requiring further work experience in order to get to a higher executive level. Some university respondents found it difficult to comment on the actual preparation with skills for the workplace as they "only know the academic side" and the "university has the role in technical training". This could potentially become a problem if the alignment of theory and practice is not well managed by the body governing the design of the qualification.

Overall, in terms of skills preparation respondents perceive "very little flaws with the SAICA programme", where there is "nothing much that needs to be done." The skills and abilities which are missing, are all identified in the soft skills area. The most common concern is articulated around communication skills (verbal and written) and, in particular report-writing skills. This is "not only a race or 2nd language issue", but perceived across the board. Grammar and spelling is alarmingly poor as is the ability to write full sentences that are critically reflective (describing a situation or circumstance in a professional format). One respondent refers to these as "the higher level of verbal and written communication skills." Another respondent notes that students tend to write in sms-style, where they "write as they speak", and accordingly, "view working documents more casual[ly] and informal[ly] than is required from [a] business and legal perspective". Depending on where the CAs would seek work after qualification, some respondents also argue for more business management, leadership and people orientation, and, entrepreneurship skills.

Respondents feel positive that with the new SAICA Competency Framework 2010 (refer to 3.6.1) the identified skills gaps on the soft side should be better addressed, with "the new framework placing a stronger focus on softer skills, next to the technical side". The technical side, according to one respondent, "has always been there and has been up to standard". Respondents expect the extension of the framework on the "pervasive skills side" to work well and "people being even better equipped" through the new framework. The increased flexibility of the framework is encouraged, including the allowance of certain percentage of simulation if real exposure cannot be provided. Another positive improvement is the "broader exposure and variety" trainees now obtain, which is considered important for both adequate skills development as well as an informed career choice: "Trainees can make an informed decision on what is out there". In the previous framework the range of exposure had depended highly on the firm context in which a trainee completed his articles.

Some concern with regards to the implementation of the new framework is noted by providers in particular, but also by employers, with regard to the increased workload in an already full curriculum. Universities perceive a particular challenge in placing stronger emphasis and improving their teaching methods in the soft skills areas. Respondents argue that soft skills can only be taught in small group components. They also argued that "it is extremely time-consuming" and "labour intensive to teach soft skills", particularly in an environment with large student numbers. It is accordingly felt that these skills can only be taught to a limited extent at universities and that "it is always going to be the case that these skills come with experience". Consequently, respondents feel that the development of soft skills needs to be a *shared* responsibility between the universities and the workplace, with the universities delivering on the basic skills sets. This confirms a strong alignment between theoretical and workplace providers, and forms an important feature for the success in transition.

5.4 Factors constraining the formation of skills for the transition into employment

In terms of factors facilitating or constraining the formation of skills that appropriately equip learners with the skills sets that successfully transfer into the labour market respondents commonly note a number of constraining factors.

5.4.1 Schooling system

A major constraint is perceived at school level where learners are not equipped with the right skills sets demanded by the university or the workplace. Apart from deficits in *writing, verbal communication and numeracy skills*, respondents feel, in particular, that the schooling system does not teach learners "to think broadly" and learners show "*little ability to think critically-analytically*". Learners, according to respondents, "cannot think for themselves", as they are "taught to the test". One respondent states it bluntly saying: "they regurgitate the things they have been told", but "do not understand concepts or can test principles". University respondents stress that good marks in matric are not an indicator of better results, since a large number of students "despite good marks do still not have the inherent logical ability".

Some respondents comment that they thought Outcomes-Based Education (OBE) is supposed to teach the understanding of *concepts* and "looking into things more deeply", but the current feel of respondents is that it does not. This, according to respondents, is mainly related to a lack of teaching capacity at schools. Two respondents feel that the education system, also, does not equip learners with study skills, so a number of students lack the ability to manage their own time and establish study plans. Some university respondents also feel that the school system does not expose learners sufficiently to the concept of failing as "you can pass with 30%", which means that "some students think they will pass, because they have attended class". As a consequence, learners need to be guided into a "new thinking at university".

Overall, both universities and employers feel that increased "bridging needs to be done", which is a tremendous concern as both universities and employers feel they are "dependent on what schools provide them with". These concerns resonate with those highlighted by a SAICA study that refers to similar challenges around secondary school education (SAICA, 2008a). Within the SAICA (2008a) study, respondents equally argue that tertiary education only has a limited corrective impact on the effects of the sub-standard education received by students in their preceding years at primary and secondary school level.

5.4.2 Youth attitude

Another common challenge is related to the attitude of young trainees (also SAICA, 2008a). Respondents feel that there is often what they describe as a "*sense/culture of entitlement*". Trainees are described to often "have unrealistic expectations" both in terms of payment and career progression, and lack the patience to go through the necessary steps of a career: "They want to be a CA tomorrow" or display the attitude "I have done my CA (SA), now I am entitled to xyz".

Respondents further feel that a number of trainees do not take ownership of their training contracts by "making use of the opportunity provided", but "expect others to do it for them". The attitude of trainees is of great concern to respondents since the outcome of the learning and development process is "highly dependent on the student", or, as one respondent argues: "Attitude determines altitude." Limited "self-motivation" and "self-discipline" is often perceived as being primarily motivated by external monetary incentives: in particular, "the bling" or the "yuppie status" as one respondent called it. In general, some respondents feel trainees have more of an attitude of "what is in it for me" rather than "taking pride in their work" and wanting to give back to the company. They are thus perceived to demonstrate less loyalty than the previous generation.

Given the above, some respondents argue that the challenges perceived on the ability as well as the attitudinal level may be related to differences in the generations. It is a generational issue, or more specifically, "a Generation Y problem". Respondents feel that there is sometimes "a bit of a disconnect between what the business gives them, and what the trainees need from a generational point of view". Since this new generation is purported to be different to the previous generations, employers and universities alike find it difficult to devise the right mechanisms for coping with and incentivising them. Or as one respondent simply commented: "Generation Y is confusing us."

Generation Y, otherwise also known as the "Millennials", are considered to be individuals born in the timeframe around 1977-2002. While there is substantial scientific debate around the boundaries of the generation, literature defines the beginning of Generation Y as early as 1977 and as late as 1981 and ending as early as 1994 and as late as 2002 (Bearfield, 2009; Lancaster, 2004; Spiro, 2006,).

Due to the extended lifespan and prolonged working life of individuals, today's organisations face the unique situation of dealing with four different generations in the workplace or as one author phrased it: "This is the first time in history that four generations are likely to find themselves looking at each other over the same conference table" (Lancaster, 2004: 1). "Generational collisions" and conflicts, according to researchers, are likely to arise as each group of generations has its own distinct set of values, view of authority, orientation to the world, loyalty, expectations of their leadership, and ideal work environment, which is shaped by the unique historical influences each generation has been exposed to (Bearfield, 2009, Lancaster, 2004, Spiro, 2006). Their unique exposure bear some distinctive characteristics, which prove to

be beneficial, when utilised as a strength in the workplace, yet can be extremely challenging if misunderstood by the previous generation.

Some common influences and positive traits (and related negative stereotypes) as qualified by international researchers for Generation Y are outlined in Table 8 (Bearfield, 2009; Lancaster, 2004; Spiro, 2006).

Table 8: Generation Y influences and characteristics

Influences	Expansion of technology and the media; parents' continued financial and emotional support from parents with strong ties, drugs and gangs, pervasive violence (e.g. terrorist attacks), devastating natural disasters, widening chasm between have and have-nots; immigration growth;
Common positive traits	Media and technologically savvy ("the digital generation") Identifier: "work that has meaning" rather than the organisation itself High expectation on employers for personal development ("expects to climb the career ladder at a rate considered unreasonable by co-workers of other generations") Desire for immediate responsibility Expect flexibility in their work schedules and positions Place high value on the ability to maintain a substantial work-life balance Desire constant feedback from their superiors and seek knowledge from older generations in the workplace. Prefer to use the strengths of team members to accomplish individual tasks Culturally accepting, embracing diversity Believe in "career fluidity" (anticipate switching jobs and careers frequently)
Common negative stereotypes	Sense of entitlement Short attention span; lack depth and "want everything on the press of a button" Unaware of lack of skills Require excessive affirmation

The views of generation Y about money is one of the more debated characteristics of the generation (Bearfield, 2009). While some consider it a key driver, other researchers find that the value of work, a good work-life balance, and especially flexibility in work hours and time off, to be far more important.

The common characteristics displayed in Table 8 for Generation Y strongly coincide with the respondents' view of the attitude of trainees as well as some further observations made by respondents: "they want big results in a short time", or, "they acquire a skill quickly and want to move on without perfecting it", "they tend to communicate through media (email, skype, social

media) rather than face-to-face", "they are a lot more militant, demanding answers to their questions", and, "they just download information, instead of drilling down and understanding things deeply." In line with the influences outlined in Table 8, two respondents also feel that parents of students from the middle-class tend to overprotect and "molly-coddle" their children and, as a consequence, some learners "had lived too conveniently, without physically working hard."

While the issues identified above demonstrate a lot of commonalities with international research conducted on Generation Y, far more in depth research on the South African Generation Y, and its particular influences, is needed. Such research could provide the benefit of being able to fully assess whether current challenges or constraints in the system are purely generational issues, or also limitations of the schooling system. Research in this area could thus provide valuable insight into designing education and skills programmes that not only sufficiently address the perceived constraints, but also adequately address the learning needs and expectations of the new generation through appropriate educational mechanisms.

5.4.3 Business acumen and work-readiness skills

Another common concern noted by respondents is related to general business acumen and life skills. Trainees particularly, but not only, from disadvantaged backgrounds, are found to lack "a proper sense for the business environment", that is: basic business ethics, dress code, and the skill to interact and communicate with colleagues and clients on a professional level in the workplace. Some companies react to this by bridging the perceived gap through introductory courses. These aim to equip trainees with what they called "work-readiness skills".

5.5 Keeping up with the latest requirements of the industry

Respondents from the *employer* side state that as a business "it is a requirement to be up to date with the latest standards" as "otherwise they cannot do their job". Most large employers operate on an international level, and have their own technical research units or departments. As global organisations one respondent argues that "best practice comes to them". Regular in-house forums, continuous development programmes, technical updates as well as web-based or e-learning technology are used to circulate the latest standards and requirements immediately to regular staff, alongside trainees. In addition, staff and trainees are required to do their own internet research over and keep up abreast of the latest requirements. One respondent notes

that for CAs, proof of Continuous Professional Development (CPD) is a requirement of SAICA to be able to keep their SAICA membership.

On the *provider* side, all respondents refer to the SAICA Competency framework as the main driver for guiding their work. Respondents stress that this framework is up-to-date and would be adapted by SAICA, if and where necessary. University respondents, however, indicate that adapting to new frameworks is difficult "as it takes a while to change the syllabus". Despite the difficulties perceived in changing the syllabus, one university respondent claims that with business becoming more and more complex "there are rapid changes at an ever increasing rate" and that "textbooks needed to be reviewed every year". University respondents generally note that they seldom have direct interaction with companies in order to remain au fait with the latest requirements. Most universities rely on their own research and technical training sessions or brown bag lunches to maintain the latest standards.

The interaction with companies, if at all, is mainly informal or on an ad hoc basis, via company presentations, recruitment days, or specific project interactions. One respondent feels that no direct interaction with companies is necessary as "the university is on the forefront of development."

5.6 Mechanisms managing the tripartite relationship

Unlike a number of other qualification routes, learnership qualifications rely on complex institutional and structural arrangements, a tripartite agreement between the SETA (in this case SAICA), the education or training provider to provide the theoretical foundation, and the firm to facilitate the workplace experiential components of the qualification. Learnerships are by definition "stakeholder-rich interventions", which have to be implemented in a multidimensional environment consisting of multiple stakeholders and the often complex interactions between them (Davies & Farquharson, 2004). It is thus important to investigate the ways in which these parties interact to ensure that the theoretical courses and experiential learning align well with one another.

When questioned on the mechanisms managing the tripartite arrangement for the accounting learnership, all respondents consistently referred to the SAICA Competency Framework. Respondents argue that "alignment is done by SAICA" and the "implementation is guided by the SAICA framework" or, as one respondent states: "the competency framework aligns everything".

Respondents note that the framework clearly prescribed responsibilities and requirements through the syllabus. Regular meetings and consultations conducted by SAICA with both education and workplace providers keep the framework up to date and ensure alignment. Drawing from respondents' comments it appears as if the major linking element for alignment between education and workplace providers is SAICA and that no regular, direct interaction between universities and workplace providers is taking place. Employers noted that they "do not get involved with universities and what they teach"; universities instead focus on their SAICA-prescribed syllabus. One respondent said that he had "heard that SAICA sometimes does meet with firms. However, how this does feed back into the syllabus is hard to say". Interestingly, the two private training providers, stated that they were "closely interlinked" with companies and consulted in terms of "what they offer in the training and if it is in line with what businesses require". This again underlines the importance of a close co-operation between providers and business to ensure the adequate formation of skills.

While it is generally felt that SAICA is "highly competent" and that "SAICA regulates the alignment between theory and practice particularly well" some respondents state that "inevitably there will always be a gap between theory and practice" since "it is an old debate between universities and business: The university wants it as theoretical as can be and the business wants a lot more practical." There is internal conflict that higher education tends to stress intellectual qualities expressed as critical faculties, while professional groups emphasise concrete practical activity and performance as a matter of skill is shared by another account (Bamber and O'Shea, 2009: 338). In line with this thinking one employer respondent notes that they favoured the universities, which have adapted and become more practically orientated as "the practical element makes the transition into the workplace a lot easier".

5.6.1 Internal quality assurance mechanisms

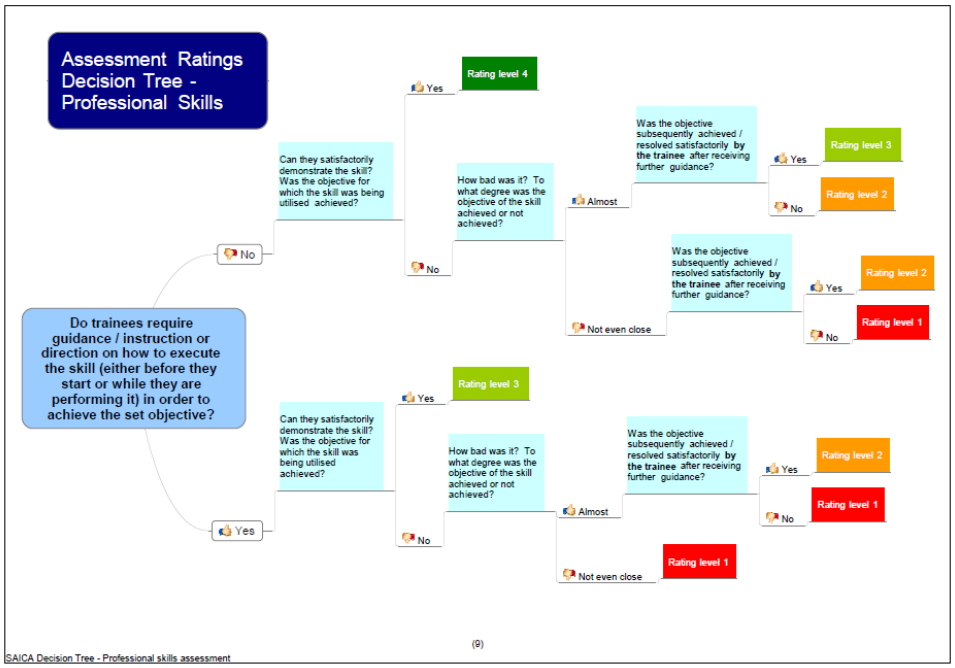
In terms of regulating implementation through internal quality assurance both universities and employers had a number of key mechanisms and procedures in place.

The *university* respondents most often referred to the following typical academic internal quality assurance mechanisms:

- internal, and external 2nd, examiners of exam papers;
- head of division/department/peer reviews of course material and exams,
- student evaluations per module/course (for both lecturers and course).

- a university's culture determines the seriousness with which student reviews are considered.

Internally, employers focus on regular performance assessments and feedback with the identification of development needs as prescribed by SAICA for quality assurance. The performance assessments are conducted via a sophisticated process. In this process the trainee firstly assesses her performance and is only then evaluated by the supervisor. The aggregated result is moderated in case there are any differences. Two respondents refer to the SAICA decision tree (displayed in Figure 4) as the guiding document for assessing the trainees' competencies.



Source: SAICA (2011e)

Figure 4: SAICA decision tree on professional skills

A number of respondents from both employer and workplace providers stress the importance of regular progress monitoring and performance assessments as being "essential for success". One respondent clearly stated: "You need to know what is going on, before you can improve".

Depending on the size of the company, employer respondents noted key workplace procedures and incentives that had been put in place to guide the implementation of the workplace-based experience. Among them the most common were:

- induction sessions (on business etiquette, company-specific rules and procedures)
- job rotation plans, job assignments (according to SAICA prescribed exposure – i.e. tied to competencies)

- simulation trainings in areas where "real" exposure is not possible
- performance reviews on every job performed
- monthly performance feedbacks as per SAICA requirements (3 engagement reviews in a 6 month-cycle)
- personal counsellor/mentor system for each trainee
- additional in-house and/or external technical (also based on e-learning) and professional/soft skills training
- incentive bonus or promotions for trainees, when performing well in exams or on assignments

The depth and amount of workplace procedures put in place increases with the size of the company. However, all employers emphasize that they comply with minimum procedures that SAICA required, as well as the related outputs in terms of competencies. Having strict guidelines according to one respondent "makes the process easier", "they are helpful and they are a protection for both employee and employer".

5.6.2 External quality assurance mechanisms

All respondents in terms of *external quality assurance* refer to the regular SAICA audits that maintain their accreditation. These were felt to be "very detailed and thorough" and "an extremely rigorous process". As respondents noted "quality assurance is taken very seriously by SAICA" and regulations are strictly adhered to "as SAICA is ruthless in taking rights away from training offices" if shortcomings are not addressed within a given grace period (6 months). The site visits through SAICA are "ever so often according to the risk SAICA perceives". As confirmed by a number of respondents and SAICA itself, SAICA works with a "risk-rating" system in accreditation. This system regulates the intervals at which the accredited offices or universities are audited (less risk, longer timeframes between audits). While sometimes perceived as "onerous", respondents generally felt that it is positive that "SAICA has stepped up quality controls" over recent years.

Most employers note that depending on their membership, they were also reviewed by other professional bodies. Universities are equally subject to additional reviews either through other professional bodies with whom they are accredited or through university review panels. This factor is believed to lead to a "constant quality assurance by different bodies".

Quite unique to the sector, FASSET respondents noted that it had been a working concept right from the start to use SAICA as a "functioning body" for quality assurance, as it was best practice and a working model. The FASSET respondents regard the fact that FASSET does "not fiddle" with the functioning system as "part of the success". One FASSET respondent particularly emphasizes the specific role of SETAs in the tripartite arrangement as *"facilitation agents for the sector"* with the following statement: "SETAs need to realise that they are facilitation agents. If we facilitate what the market needs both from an employer's perspective and from the perspective of a learner seeking employment, these initiatives will work, because they add a huge amount of value. It is when we try and intervene and socially engineer processes that the market does not want, that things start to fall apart." In terms of matching demand and supply it was felt that SETAs needed to make sure that there is a market need and then "match and facilitate as SETA".

6. Conclusion: The role of learnerships in the transition to employment

This case study aimed to analyse the extent to which current learnership routes facilitate the development of the skills and capabilities as they are required by the labour market. It specifically targeted the FASSET sector and the Chartered Accountant learnership as a case study of the high level scarce skills occupations.

6.1 The success of the Chartered Accountant Learnership

Skills shortages were confirmed on the CA (SA) level, particularly for black candidates, as well as at honours level, mainly due to the design of the part-time route. The current skills shortage in the sector may no longer be as acute as before the economic recession. Shortages are greater on skills levels below CA (SA). While the views on shortages appear to be contradictory, these trends are not based on sufficient evidence to draw immediate conclusions, and certainly point to the complexity and fluidity of labour market demands. These require constant re-assessment through sectoral institutions, in this case SAICA and FASSET, in order to ensure that the supply-side mechanisms are matched with the "real" demand.

Overall, the evaluation established positive evidence in terms of the outcome of the Chartered Accounting learnership. Respondents unanimously reported that the current qualification

equips trainees very well, particularly on a technical skills level. A pro-actively adapted qualification design, flexibility in provision and a broad exposure of trainees to the overall profession appear to be key elements for the successful formation of the skills sets in demand. The adequacy of skills formation is demonstrated in local and international acceptance of the qualification, high placement rates, and salary levels, and the constant high demand for CAs (SA) across sectors.

The skills and abilities absent to some extent are identified in the soft skills area, with the most common concern around verbal and written communication skills, and report writing skills. Depending on where the CAs seek work after qualification some respondents also argued for more business management, leadership and people orientation and entrepreneurship skills. The current gaps perceived, are likely to be addressed by a new SAICA Competency Framework 2010, with the first graduates coming through in 2014. In relation to the new framework, respondents noted the increase in flexibility, allowing for a certain percentage of simulation where real exposure could not be provided, and the broad exposure given to trainees, independent of their workplace provider.

Some concern was noted with regard to the increased workload in the new framework, since the curriculum had already been quite full before the change. Universities perceived a challenge in placing further emphasis on the provision of soft skills, due to their large student numbers. In addition, it was felt that these skills could only be taught to a limited extent at university; instead they require practical experience. Consequently, respondents feel that the development of soft skills needs to be a shared responsibility between the universities and the workplace, with the universities delivering on the basic skills sets. This supports a strong alignment between theoretical and workplace providers and forms an important feature for the success in transition.

A pronounced concern was voiced in relation to the qualification, when pursued over the part-time route. The part-time route offering was considered an economic necessity, due to financial and geographical constraints of students, as well as the limited capacity of residential universities to accommodate full-time students. All respondents were clear that the way in which the route was currently implemented requires urgent revision. The volume and complexity of learning in the new framework as well as an increasingly demanding workplace is the cause for learners not coping with the workload in the part-time learning period of 1 year. This results in significantly lower pass rates. Respondents disagreed on whether the part-time route was still a viable option in today's work reality. Respondents argued for an extension of

the learning period to 2 years, while maintaining high standards at the end, or suggested greater flexibility in terms of the number of subjects required for examination in a single sitting. UNISA reacted to the industry's concern with an extended learning period over 2 years from 2012 onwards. Respondents considered this a positive change, but remained cautious in terms of future results. Thus, for a successful transition, learning periods need to be evaluated against the prescribed learning content, and if necessary, individually adjusted to suit each learning pathway. It also appears prudent that the implementation of the new part-time model should be closely monitored and adaptations made where necessary, in order to ensure the future success of this key supply route into the accounting profession.

Assuming that the current changes in qualification design will increase the quality of the outcome, it appears indisputable that the current learnership content and setup is adequate for facilitating the transition of learners into employees. The Chartered Accounting learnership may thus demonstrate systemic success factors, which could possibly increase transition rates of other learnership routes.

6.2 Factors supporting success

A key supporting driver of the success of the programme is the long history of workplace-based training in the sector. This made the introduction of learnerships far easier than in other sectors. Indeed, there was seldom reference to the term learnership as such, but more often, to the traditional CA (SA) qualification. The CA (SA) qualification is linked to an established profession for which a continued and strong demand exists, another key factor for the successful transition of learners.

The sound preparation of learners is related to the structure and way the learnership programme is implemented. The qualification is regulated through a competency framework (the "articles), which firstly ensures the alignment of theory with practice. Secondly, through 3 to 5 years of work experience provide for sufficient practical exposure in the workplace. While the framework defines and aligns theory and practice, effectively, it also relates all learning back to competencies as they are required to perform in the profession at entry level. The qualification has thus been driven by industry demands in terms of required competencies. An existing international competency framework is utilised and adapted through consultation with employers and providers to the South African context. This approach ensured reciprocal recognition beyond the borders of South Africa, and most importantly, the alignment with local industry requirements.

The adaptations to the framework are based on continuous consultation with education and workplace providers. The pro-active consultation indicates a change in skills demands early enough to be able to address it in time. SAICA demonstrated flexibility in responding to the identified need with a revised qualification. A key success factor is consequently the constant pro-active consultation of the governing body with industry and training providers on skills requirements and the flexibility in responding to the changing demand of the qualification.

Another factor is that the qualification is based on both industry and provider input, which ensures that, while driven by industry standards, theory and practice will link well in implementation. Thus, a reflective and consultative practice in qualification design appears critical to adequately match skills demands. Taking into account that the new framework is only in its initial stages of implementation and some concerns were noted around its actual execution, a close monitoring of results and adaptation would be advisable to ensure a continued success of the programme.

Strong guiding mechanisms in managing the tripartite relationship are key to a successful outcome. All respondents consistently refer to the SAICA competency framework as the main linking mechanism. The framework regulates implementation as well as assessment standards by providing clear learning pathways and at the same time strict guidance to all stakeholders. Education and workplace providers know their respective responsibilities and the set minimum requirements in the implementation of training. This ensures consistency in learning as well as broad workplace exposure for all trainees. In addition, all trainees must pass the same examinations to qualify for the profession. Examinations follow a set national standard in order to maintain the high status of the qualification and to ensure recognition in the industry. Minimum standards in implementation, with clear training provider guidance as well as a final, national exit exam (driven by industry standards), are key factors for the successful transition of learners into the labour market.

Respondents argued that alignment between stakeholders is facilitated by SAICA and that the implementation is guided by the SAICA framework. The major linking element between stakeholders is SAICA, and there is no direct, regular interaction between universities and workplace providers. While in general SAICA is highly competent and regulated the alignment between theory and practice well, the alignment of theory and practice could further be enhanced by regular, moderated exchanges between universities and employers. Assuming that a more isolated workplace provides the potential risk of opening a gap between theory and

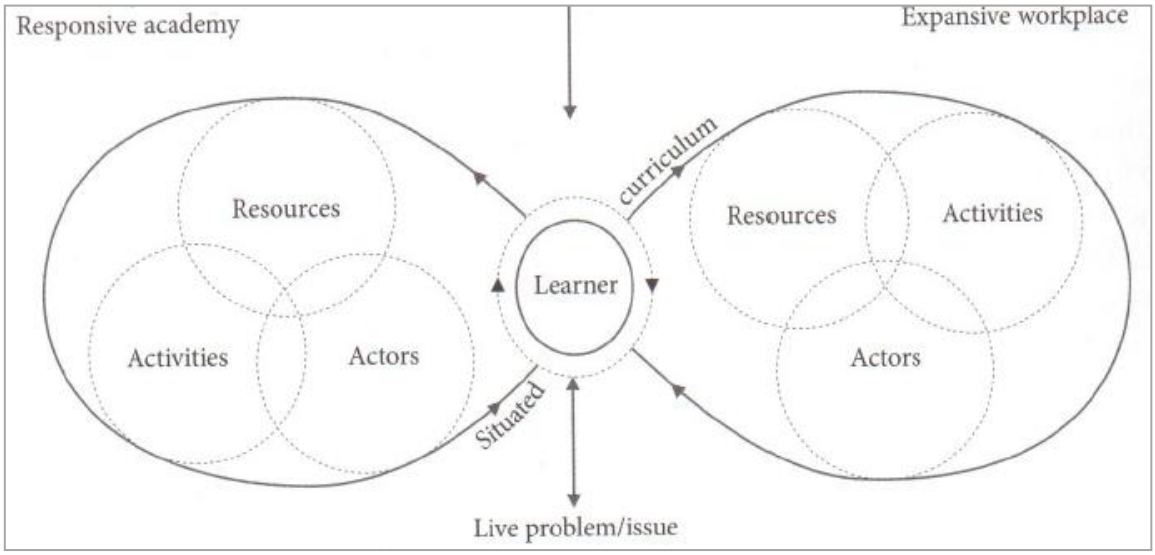
practise, an organised, direct exchange, potentially at an annual forum, may be a worthwhile consideration. Such an exchange could only be of value to avoid the inherent theory-practise divide between universities and business, but also in the implementation of the new framework, which requires adapted teaching and training methods. A strong governing body that professionally manages a regular interaction and exchange between education and workplace providers can be considered another key element for a successful outcome.

Strict quality assurance mechanisms have been formulated on a policy level, monitored and controlled stringently by the governing body, with negative consequences for non-compliance. Thereby, all quality monitoring is managed according to the actual risk perceived in accreditation. As a consequence, stakeholders maintain a consistent and minimum standard in implementation, without the burden of being continually subject to quality assurance checks (provided all processes are in order).

The unique set-up FASSET has created in co-operation with SAICA is a further positive factor. SAICA, as a recognised professional body, accepted by industry, manages implementation and the quality assurance. FASSET regards itself as a facilitation agent for the sector that establishes market needs and matches its education and training measure through consultation to those requirements. Compared to the approach of other SETAs, the governing bodies work in a partnership with stakeholders to achieve a successful outcome for both learners and industry, and ensure transition to employment.

6.3 Managing a multi-stakeholder system

The mechanisms involved in regulating this tripartite relationship demonstrate clearly how the process of managing a multi-stakeholder system is complex and dynamic. The process requires constant re-alignment and adaptation, from all parties involved. Bamber and O'Shea (2009) elaborated a useful model for interlinking the three elements of successful training partnerships, which are displayed in Figure 5.



Source: Bamber and O'Shea (2009, p. 346)

Figure 5: Integrated model of work-based learning

Three key elements for success in "critical competence" are:

- **responsive academies,** effectively aligning and integrating theory and practice through a "situated learning in the context of live issues and/or work problems", attuned to the needs of students (work-based and part-time)
- **expansive workplaces**, that are systematically supporting learning and development,
- **active learners**, who take responsibility for their own learning.

The learner stands in the centre of the model as the pivotal element in securing an effective learning experience. All interaction is fluid and dynamic around a situated curriculum, which is contextualised by issues that characterise the field of practice and need to be constantly adapted. While an institution like FASSET or SAICA is not included in the model, it is apparent that the relationships between the identified stakeholders require the oversight of a strong governing body. This body needs to facilitate exchange, balance various needs, and manage all stakeholders in a close partnership in order to ensure a successful outcome. The importance of remaining flexible and making provision in the system for adaptations was summed up by one respondent as follows: "The learnership is a dynamic system, which deals with people and should thus not be cast in stone, even though this is what so many are trying to do at the moment."

The model acknowledges that training is taking place in an overall social-cultural context that influences learning and the interactions between all stakeholders. It highlights the importance of unique, contextual constraints that may be faced by a learning system and its various

pathways. The specific South African constraints in the context of Chartered Accounting have been outlined - the school system, youth attitude and generational issues, business acumen and work-readiness skills. For a successful transition of learners these constraints will need to be taken into account, when designing future learning pathways.

This case study is illustrative of the successful implementation of a highly regulated sectoral pathway. However, there is a need for sectoral flexibility for the successful transition of learners into the workplace, for young trainees to remain abreast of current trends in the South African and global context. FASSET is restrained by some of its inherited inhibiting factors, but sensitized to workplace requirements careful tracking of industry-related change will ensure that it retains its identity as a successful guardian of high-level skills acquisition.

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Appendix A - Interview schedules

Chartered Accounting (Accounting/Auditing): **Region: Western Cape**

Role	Organisation *(Sub-Sector)*	Interview Date
Employer key interviews:		
HR and Training Manager	RSM Betty Dickson	21.02.2011
Partner/SAICA Training Officer	Mazars	22.02.2011
SAICA Training Officer	Metropolitan	23.02.2011
SAICA Training Officer	Auditor General	24.02.2011
Managing Director	Nicol Botma and Kie	25.02.2011
University/Training Provider key interviews:		
Joint Managing Director	Accounting professional Training (APT)	24.02.2011
Head of Department Accounting	University of Cape Town (UCT)	24.02.2011
Senior Lecturer, Chairperson Department of Accounting	University of the Western Cape (UWC)	25.02.2011
Director	NSOA Learning (Pty) Ltd Learner Tracking Systems (Pty) Ltd	09.03.2011

Chartered Accounting (Accounting/Auditing): **Region: Gauteng**

Role	Organisation *(Sub-Sector)*	Interview Date
SETA/SAICA key interviews:		
Project Director: Training	SAICA	28.02.2011
CEO	FASSET	02.03.2011
Director Skills Planning	FASSET	03.02.2011 (telephonic) 02.03.2011
ETQA/Learnerships Manager	FASSET	22.02.2011 (written input)
Employer key interviews:		
Partner and SAICA Training Officer	Ernst and Young	28.02.2011
Director Learning and Development	KPMG	01.03.2011 (telephonic)
SAICA Training Officer	Deloitte and Touche	01.03.2011
Senior Manager and SAICA Training Officer	Auditor General	02.03.2011
University/Training Provider key interviews:		
Head of the School of Accountancy	University of Witwatersrand	28.02.2011
Head of Department Accounting	University of Pretoria	02.03.2011
Senior Lecturer, Head of the auditing discipline	Monash University South Africa	03.03.2011

Appendix B – Semi-Structured Questionnaires

SCHEDULE A

Semi-Structured Interviews with FASSET

- What are the key skills shortages/ critical skills in your sector, and in relation to the sub-sector of the selected programme?

- In what ways are your learnership or apprenticeship programmes preparing young people with the technological skills and capabilities that firms require? Are there any skills or capabilities you find missing?

- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?

- What measures have you put into place in order to ensure that the tripartite relationship and the workflow between SETAs, training providers, and firm workplace are managed well?

- How do you work with firms, industry bodies and training providers to make sure that programme design and curriculum development matches the demands of firms, and further, that they are up to date with the cutting edge and new developments in the sector?

- How do you work with training providers and firms to regulate and align the quality of theoretical training, practical training and workplace experience, particularly mentorship in the workplace?

- Sector specific questions?

SCHEDULE B

Semi-Structured Interviews with Employers

- What are the key skills shortages or critical skills in your sub-sector?
- How important is skills development as a priority for your organisation?
- In what ways does your learnership/ apprenticeship qualification prepare young people with the right kind of skills for the workplace? Are there any skills or capabilities you find missing?
- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?
- How does your firm keep up with cutting edge/latest legislative requirements in your sector? How does this feed into the workplace experiential learning you offer?
- How do you interact with SETAs and training providers and any other agencies in terms of the design of your experiential learning programmes?
- How well does the theoretical component offered by training providers match your needs by preparing the participants for the workplace?
- How do you align the work experience component with the theory courses offered by the training provider?
- How is workplace experiential learning implemented? What are the key processes, procedures and incentives?
- Is there any form of quality assurance of how you implement experiential learning internally, or externally by SETAs?
- There may be further *sector specific questions* that will be raised

SCHEDULE C

Semi-Structured Interview with Education and Training Providers

(Public and Private)

- What are the key skills shortages and critical skills in your sub-sector?

- In what ways does your learnership qualification prepare young people with the right kind of skills for the workplace? Are there any skills or capabilities you find missing?

- What facilitates and what constrains the development of skills and capabilities that will equip young people for a transition into the labour market?

- How do you keep abreast of technological development and the cutting edge in your sector? How do you keep up to date with the demand of firms? How do these feed into the design of your programmes?

- How do you interact with SETAs and firms and any other agencies in terms of the delivery of your programmes? In particular, how do you align the theoretical component of your course with what firms offer in the workplace experience component of the qualification?

- Is there any form of quality assurance of what you teach, internally, or externally by SETAs or another professional body?

- There may be further *sector specific questions* that will be raised