



Achieve

closing the skills gap

merSETA Newsletter June 2008

SASCE 2008

INTERNATIONAL CONFERENCE
IN DURBAN

**we speak to new CFO –
Beaula Dziruni**

events and more ...





merSETA

MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

Vision:

The leader in closing the skills gap.

Mission:

To facilitate sustainable development of skills,
transformation and accelerate growth in
manufacturing engineering and related services.

www.merseta.org.za

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merSETA
MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

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Views and editorial opinion expressed in the merSETA newsletter are not necessarily those of merSETA, the publication or the publisher.



talking notes

Stemming from the 2005 Presidential Report's criticism of higher education's ability to produce enough graduates with relevant skills required by the country; felt it vital to take part in the South African Society for Co-Operative Education conference (SASCE) 2008.

The conference was held at the International Convention Centre in Durban with the focus on the challenges and successes, as well as the best practices from institutions and community organisations. The aim was to explore the pace with which skilled graduates can be introduced into the market

In this edition of *Achieve* we look into the impact of corporative education in providing the much needed skills in the required volumes and also take an opportunity to welcome our Chief Financial Officer Ms. Beaula Dziruni

We take this opportunity to encourage stakeholders to render their Mandatory Grant Submissions in order to meet the June 30th deadline – refer to the website for available extensions.

I trust that you will enjoy this quarter's edition as much as we have enjoyed putting it together for you.

Regards

Barry Sithe



a view from the top

This period of the year marks the beginning of the submission of the Annual Training Report (ATR) and the application for the Mandatory Grant. This year nine submission have been met with mixed reaction. For some it signifies an arduous bureaucratic period, whereas others view this submission as an opportunity to get training and education. The Workplace Skills Plan (WSP) submission for this year is different; it requires the employer to submit its training needs based on the Organisation Framework for Occupations (OFO) codes. This is new to the Manufacturing Engineering and Related Services Sector but not entirely unknown as the MERSETA team has been explaining this phenomenon to the sector since March this year.

Numerous petitions were made and submitted to the MERSETA to have this OFO phenomenon postponed for this year. We listened to, thought about and discussed these submissions, which resulted in us concluding that the WSP in the OFO format should continue as planned. The MERSETA would like to assist all levy payers to complete their submission accurately as this will assist us in compiling a proper Skills Plan for the Sector. The following arrangements are thus set in place to facilitate the prompt submission of your ATR and WSP:

- ⦿ Businesses that have completed the WSP electronically in compliance with the new OFO codes are required to render their submissions before or on 30 June electronically or via the net.
- ⦿ Businesses that only managed to complete the ATR and application should render their submissions before 3 June 2008 and request a postponement up to 30 August 2008 for the completion of the OFO (this concession is only applicable to businesses with a staff compliment of over 150).
- ⦿ Businesses with a staff compliment over 50 may request a postponement and can render their submission of WSP and ATR up to 30 July 2008.

The MERSETA wants to assist companies to participate in the training and development of their staff as their development will impact on your productivity and profits – we avail our staff to assist you in the completion of this onerous task. Any uncertainty regarding the submission of the WSP and ATR should be directed to any of our offices.

The MERSETA has also introduced a new format for the submission of the Discretionary Grants. We have identified close to 300 companies as Established Companies, these companies have complied with the following criteria:



MERSETA CEO, Dr Raymond

- ⦿ Have been up to date with Levy payments.
- ⦿ Have received Mandatory Grants for the last three years, where applicable.
- ⦿ Have an average pass rate of 70% in implementation of Learnerships and Apprenticeships.
- ⦿ Have a training committee in place if they have more than 50 employees.
- ⦿ Have a progression of placement average of 50%.

These businesses will be rewarded for their consistent contribution to the development of skills in the Sector, a Memorandum of Understanding (MOU), will be entered into with them for a period of two years.

Companies not complying with any of these criteria have been categorised as Developmental and the last category is New Business. For these companies we have published the Discretionary Growth Criteria, which will assist your training in addition to the commitments and efforts you have undertaken in your Mandatory Grants.

Training is important to your nation; companies that refuse to train will go the route of dinosaurs.



DISCRETIONARY GRANT CRITERIA 2008-2010

merSETA companies and stakeholders should kindly note that the 2008-2010 Discretionary criteria have been approved by the Governing Board. On the basis of their skills development participation history, all clients have been classified into three categories:

| CATEGORY | IMPLEMENTATION APPROACH |
|---|---|
| <p>Category 1: Established Clients</p> <p><i>Closing date: 15 July 2008</i></p> | <p>Established clients will be prioritised for access to the full spectrum of available grants, through a personalised and negotiated process, governed by a Memorandum of Agreement (MoA). Category 1 companies:</p> <ul style="list-style-type: none"> • Are up to date with levy payments • Have received Mandatory Grants for last three years, if applicable. • Have an average pass rate of 65% in implementation of Learnerships and apprenticeships • Have a training committee in place if they have more than 50 employees • Have a progression or placement average of 50% <p><i>Apply by making an appointment with your Client Liaison Officer in the Regional Office of the merSETA.</i></p> |
| <p>Category 2: Developmental Clients</p> <p><i>Closing date 15 July 2008</i></p> | <p>Grant award will be governed by Memorandum of Agreement (MoA) Discretionary grants will only be awarded following WSP submission (30 June 2008) <i>Apply utilising standard MS Excel template available on the website:</i> www.merseta.org.za</p> |
| <p>Category 3: New Business Development</p> <p><i>Ongoing</i></p> | <p>Category 3 companies are companies with limited exposure to skills development or have never worked with the merSETA before. They will receive advice and guidance from an allocated Client Liaison Officer.</p> <p>Grant award will be governed by Memorandum of Agreement (MoA) SMEs with less than 49 employees may access different categories of training directly through the SME Training Voucher Project: www.mersetatrainingvoucher.co.za</p> |



| Grant type and description | Target (min into of SLA, not # of available grants) | Eligibility criteria (who can apply and what conditions apply) | Grant structure <ul style="list-style-type: none"> • 33.3% on signing contract • 33.3% on submission of six month progress report • 33.3% on submission of project closure report and learner assessment records |
|---|--|---|---|
| <p>1. Learnerships 18.1. Grants to assist workers to access learnerships leading to basic entry, intermediate and high level scarce skills in the MER sector</p> | 2200 | <ul style="list-style-type: none"> • From scarce skills list • Subject to verification process | <p><u>Primary Focus Learnerships</u> R25000 per learner</p> <p><u>Non-primary focus Learnerships not aligned to Critical and Scarce Skills</u> R20 000 per learner</p> <p><u>Bonus grants for people with disability</u> R 10 000 per learner (proof to be submitted on registration)</p> |
| <p>2. Learnerships 18.2 Grants to assist unemployed people to access learnerships leading to basic entry, intermediate and high level scarce skills in the MER sector</p> | 550 | <ul style="list-style-type: none"> • From scarce skills list • Subject to verification process • NSDS Equity criteria applies 84% Black, 54% women, 4% PWD) | <p><u>Primary Focus Learnerships</u> R20 000 per learner</p> <p><u>Non-primary focus Learnerships not aligned to Critical and Scarce Skills</u> R18 000 per learner</p> <p><u>Bonus grants for people with disability</u> R 10 000 per learner (proof to be submitted on registration)</p> |
| <p>3. Apprenticeships</p> | 1650 | <ul style="list-style-type: none"> • Merseta workplace approval • Subject to verification process | <p>R90 000 per apprentice</p> <p><u>Bonus grants for people with disability (PWD)</u> R 10 000 per learner (proof to be submitted on registration)</p> |
| <p>4. The Accelerated Artisan Training Programme (AATP). The AATP Project is a flagship project of the Merseta designed as a JIPSA support initiative to place 12 000 new artisans into the economy by March 2010 through an accelerated mechanism by utilising FET graduates and providing an incentive to companies to train artisans beyond their immediate needs.</p> | 3560 | <ul style="list-style-type: none"> • Only Merseta levy paying employers who have trained apprentices in the past may apply • Consideration is only given to the traditional artisan trades. • Normal workplace approval is applied to determine the 1 to 2 ratio of qualified artisan to apprentice, including existing apprentices. | <p>AATP Discretionary Grant R90 000 for both accelerated apprenticeship and learnership modes of artisan development culminating in a Trade Test or NQF L4 qualification.</p> <p>Trade test must be undertaken within the specified timeframe for the sector and mode of delivery.</p> <p>Payment cycle differs according to trade, sector and artisan development route followed, as per project milestones and grant structure approved by the AATP Steering Committee.</p> |
| <p>5. New Venture Creation learnership L2 or L4: These initiatives will link the training provided to a set of other factors on which the success of New Ventures will depend: access to support, capital and markets. The major focus will be on synergies between new and existing businesses; and on developing and extending supply chains to and from businesses in the sector.</p> | 400 | <ul style="list-style-type: none"> • Merseta levy paying employers who have a previous track record in business incubation activities and successful implementation of learnerships. • Learners must already have been certificated for a Merseta technical qualification or skills programme, either through training or an RPL process • Business incubation activities of the learners must be within the manufacturing & engineering sector • All new ventures registered with SARS | <p><u>Basic Grant</u> R19 000 per learner (plus R130 for each credit over 120)</p> <p><u>Bonus for people with disability</u> R 10 000 per learner (proof to be submitted on registration)</p> |

| Grant type and description | Target (min ito of SLA, not # of available grants) | Eligibility criteria (who can apply and what conditions apply) | Grant structure <ul style="list-style-type: none"> 33.3% on signing contract 33.3% on submission of six month progress report 33.3% on submission of project closure report and learner assessment records |
|--|---|---|---|
| <p>6. Adult Basic Education and Training (ABET) The achievement of a GETC qualification allows employees access to Learnership programmes in the MER sector and other sectors in the ABET section. Note: The merSETA is currently developing a sector wide ABET Strategy that will consist of a number of modalities, on a projects platform. ABET grant recipients will be kept updated as to the progress on this.</p> | 4000 | <ul style="list-style-type: none"> Category 1 and Category 2 clients, excluding those exempted from levy payment. Two learning areas per learner per annum | <p>ABET Placement Assessment: R150 per learner</p> <p>Levels 1 & 2 = R1800 per learning area</p> <p>Levels 3 & 4 = R2 500 per learning area</p> |
| <p>7. Skills Programmes: The merSETA funds the implementation of primary focus skills programmes in the MER sector.</p> | 825 18.1 800 18.2 | <ul style="list-style-type: none"> Skills programmes be registered and address critical or scarce skills in the MER sector. SP's up to Level 4: companies registered with the merSETA. SPs above Level 4: category 1 and 2 companies in the MER sector. Subject to verification process. | R190 per credit per learner |
| <p>8. Workplace Experience P1 & P2: Grants are paid to companies that provide experiential training for students needing to complete their HET qualification in fields of study linked to critical or scarce skills for the sector</p> | 1000 | <ul style="list-style-type: none"> Companies registered with the Merseta. While not strictly enforceable, the NSDS places a requirement on the Merseta to demonstrate 70% placement rates | <p>R12 500 per semester</p> <p><u>Learner allowance: R6 000 per learner per semester</u></p> |
| <p>9. Graduate Development Grants for (i) internships or (ii) projects that orientate unemployed graduates in critical and scarce skills areas to the world of work.</p> | 738 | <ul style="list-style-type: none"> Category 1 and 2 Companies registered with the Merseta. Agencies with a track record in this field. While not strictly enforceable, the NSDS places a requirement on the Merseta to demonstrate 70% placement rates | <p>R12 500 per learner per company.</p> <p><u>Learner allowance: R6 000 per learner per semester</u></p> |
| <p>10. Bursaries The Merseta provides bursaries to employees in the sector, as well as to unemployed people, for studies linked to scarce skills and priority occupations, as outlined in the Sector Skills Plan. The Merseta Bursary policy applies.</p> | 100 | <ul style="list-style-type: none"> Category 1 companies registered with the Merseta may apply for bursaries for full or part-time study for their permanent employees. Non-levy-paying companies Potential learners who wish to pursue studies linked to scarce skills. Current bursary holders of the Merseta. Bursaries will be awarded in accordance with the terms and conditions outlined in the revised Merseta Bursary Scheme Policy. | <p>Budget varies annually and according to institution and field of study and is paid on submission of term and semester results.</p> <p>Annually, in the case of Universities, and per semester in the case of Universities of Technology.</p> |



| Grant type and description | Target (min ito of SLA, not # of available grants) | Eligibility criteria (who can apply and what conditions apply) | Grant structure <ul style="list-style-type: none"> • 33.3% on signing contract • 33.3% on submission of six month progress report • 33.3% on submission of project closure report and learner assessment records |
|---|--|--|--|
| <p>11. NGOs, CBOs, and Co-operatives NSDS Indicator 2.5 and 3.2 provides for SETA support to Non-governmental Organisations (NGOs), Community Based Organisations (CBOs), and community-based co-operatives supported by skills development. These may be organisations working in training and development with a manufacturing and engineering focus, or organisations involved in the promotion of science, engineering and technology (SET).</p> | <ul style="list-style-type: none"> • 16 BEE Co-ops • 5 | <p>Established companies supporting NGOs, CBOs or Co-ops or the organisations themselves that meet the following criteria:</p> <p>Co-ops</p> <ul style="list-style-type: none"> • Duly Registered • Operational before 01 April 2007; • Producing Merseta aligned products and/or services; • Financial Records available to demonstrate year to year growth; • At least breaking even; • Using sound labour practices; • Must have a feasible plan to integrate end product into the market. <p>CBO's and NGO's</p> <ul style="list-style-type: none"> • Geographical proximity MER sector nodes, or new development nodes or companies; • All QA criteria per Merseta ETQA will be met, including if the proposal is for financial assistance towards achieving MERSETA accreditation. • Agencies not directly involved in teaching and learning, such as Science Engineering and Technology provincial centres and agencies, NGO's, educator development agencies; or • Organisations with previous experience working with people with disabilities or, • Previous experience incubating businesses in the MER sector | <ul style="list-style-type: none"> • Variable budget, project costs, to the maximum of 10% of the overall project costs to cover administrative expenditure related to managing and implementing the project. • Subject to approval of a project plan. |
| <p>12. Training for sector specialists, assessors and moderators</p> | <p>711</p> | <p><u>All three categories of companies.</u></p> | <ul style="list-style-type: none"> • Assessors R3 000 • Moderators R2 500 • Mentors R2 500 • SDFs R5 000 |
| <p>13. Institute of Sectoral and/or occupational excellence grant</p> | <p>3</p> | <p><u>Training Providers, Research Institutions.</u> <u>All three categories of companies</u></p> | <ul style="list-style-type: none"> • An amount determined by merSETA in accordance with the merSETA approval framework • Submission directly to the General Manager, LETQA |

UNISA Business School partners with MERSETA to empower women

“ if you educate a man, you educate an individual, but if you educate a woman, you educate an entire nation” ”

J. E. Kwegyir Aggrey

The UNISA Graduate School of Business Leadership (SBL) was awarded the contract to provide educational training services to MERSETA, one of 25 sector education and training authorities mandated by government to promote skills development in South Africa. MERSETA has joined forces with an independent consultancy, Kayser & Associates, in a pilot project that saw fifty women from the Eastern Cape, Gauteng and Kwa-Zulu Natal being granted bursaries to follow the Fundamental Management Programme, a short learning programme offered by the SBL.

The twelve-month programme is aimed at equipping entry-level managers with theoretical knowledge and hands-on skills to enable them to handle fundamental management aspects.

The aims of the initiative are to:

- 🌐 combat the shortage of female managers currently experienced in the engineering and related sectors;
- 🌐 ensure a regular stream of new female managers in these sectors; ensure selection choice is in line with accelerated broad-based economic empowerment and scarce skills;
- 🌐 actively participate in an intervention that would see women develop managerially and ensure growth in employment equity;
- 🌐 improve economic growth.
- 🌐 identify industry equity profiles.

In late January, the group attended their second school of study and were addressed by Chappie Bo-

gopa, SBL's HR & Operations Director, Dr Raymond Patel, CEO of MERSETA and also received a message from a representative at the Office of the Deputy President.

In his address, Bogopa explained that the joint SBL/MERSETA initiative derives its mandate from the Accelerated and Shared Growth Initiative for South Africa (ASGISA) and Joint Initiative on Priority Skills Acquisition (JIPSA) interventions which are in turn being championed by the Deputy President's office. "The over-riding goal of this initiative is to address the critical skills shortages, and consequently, reduce poverty and unemployment of the people in South Africa by meaningfully empowering our women," he shared.

"We are delighted to be part of this programme, and in planting



Dr. Raymond Patel, CEO of MERSETA addresses students and guests on empowering South Africa's women as leaders

seeds today, we ensure the survival of tomorrow and beyond. We achieve this through our commitment to tirelessly accelerating the entry of well-equipped, previously marginalised persons – in this case women – into the mainstream economy and beyond." It is hoped that this programme will inspire the SBL's peers in leadership and management training to enter into similar ventures and that other SETA's will also see the opportunities to develop the leadership cadres of their sectors.

"We will only feel satisfied once we can contribute, even on a small scale, to the development of human resource capital," notes Bogopa. "If we all play our part we can make as astounding difference." Bogopa says that many of the participants he has spoken to are very excited about the opportunity they have been given.

"Many of them see this as much more than simply a development opportunity," he explains. "For some it is a welcome form of recognition and for many others it has re-ignited in them a hope for the future."

As a pilot project, the programme was put together by the SBL and MERSETA, based on certain assumptions. Now that it is running, lessons can be learned and a blueprint created for an intervention that can be successfully replicated. Bogopa encouraged all the women to openly engage and share their experiences to allow for effective planning of similar programmes in the future.

Sumaya Tarmahomed, for example, is a qualified engineer but has realised that engineering studies are not enough for becoming a good manager. "After doing the courses in financial management, leadership,

occupational health and safety and employee relations, my understanding of business and people management, as well as the legal implications of an organisation, has allowed me to excel in all aspects of my job as a project and continuous improvement engineer," she declares. "I used to look at long-term strategies on a financial and engineering level, but now I look at how it will affect people and the environment as well."

As a qualified engineer working in Denel's aviation division, Marian Loyd has already been granted the opportunity to develop herself in management, however, she had not had formal training. "I'm finding this course helpful in just cementing my current skills and finding opportunities for new and better methods," she shares. "We often do things in a specific way without thinking why we do them that way, but through studying the principles, I have not only gained a better appreciation for them, but also see where alternative methods can be used and where improvements can be made."

Tessa Ennassiri, a service manager for a Mercedes-Benz dealership, found herself in a management position without any clear guidelines, hoping someone might have the time to show her each new function as she needed to perform it.

"This programme has given me the guidelines and shown me how to do what I need to do," she notes. "It is a practical tool for all managers and aspiring managers. It gives you the tools to be effective and with the



proper skills, a good leader can be a brilliant leader because you don't feel threatened by a lack of knowledge."

"The programme is very practical and I can already start implementing what I have learned," agrees Helen Tembe, who works as an executive assistant at an engineering and project management company. "It is building my confidence and has opened a new chapter of learning and understanding. I know it will take a while to be recognised as a good leader, but the first step has been taken, which is making a big difference."

According to Dr David Abdulai, Executive Director and CEO of the SBL, women form an integral part in the transformation of South Africa's growing economy. He quotes the famous Ghanaian educator, J. E. Kwewgyir Aggrey, who said that: "if you educate a man, you educate an individual, but if you educate a woman, you educate an entire nation".

This is why it is important for the SBL, being in the business of training people, to maximise their management and leadership potential and to be specifically committed to the empowerment of women as leaders.

Tracking SBL's achievements

The SBL is an operationally autonomous academic department of the University of South Africa (UNISA), which is the only comprehensive distance education university in Africa. In 2007 the SBL saw a total of 36% of the students registered for its flagship programme, the Masters of Business Leadership (MBL).

The school also presents a Masters of Business Administration (MBA), which is aimed at equipping students

with the ability to understand and manage processes of development, learning and change, which is essential for managers to enhance their own performance and move into more complex areas of responsibility. In 2007, the MBA boasted a 32% female registration for the programme.

In addition to its formal programmes, the SBL also offers a number of leadership and management programmes that address the needs of the international management community, with special focus on the African continent.

The SBL encourages women to participate in these programmes as they serve as a bridging education before embarking on more advanced management development programmes, such as the Management Development Programme, which could articulate into an Executive Development Programme.

As a result of the SBL/MERSETA initiative, women have been empowered within their work environments, and the impact this will have, both on their own careers and the development of people around them, will be a lasting legacy.





merSETA: Providing opportunities for the disabled

“ Companies and organisations should give disabled individuals opportunities that will challenge the stereotypical mindset of people who are disabled ”

The Manufacturing, Engineering and Related Services SETA heeded the call by Umsobomvu Youth Fund of inviting people with disabilities to work. The pilot project, a first of its kind, took place in Gauteng, Kwazulu Natal, Limpopo and the Western Cape. More than 60 companies and organisations came on board.

The main objective of the initiative was “to expose disabled people to the working environment as the majority have never been employed and as a result, find it a new and different experience,” says Peter Muller, owner of PM Projects. “It also makes it easier for companies to make the necessary preparations to accommodate them.”

The legislature compels organisations and companies to give people with any form of disability an opportunity to showcase their skills and talents by employing them. Disabled people contribute to a large and growing proportion of the working-age population and research shows that employment rates among disabled people are low, at around 40 percent, and continues to remain stable.

merSETA offered Philadelphia, Lydia Matona and Desiree Gallon an opportunity to test the workplace and proved that being challenged physically as opposed to mentally shouldn't be a contributing factor in marginalising and discriminating against them.

The Disability Discrimination Act (DDA) of 1995 aims to end the discrimination that many disabled people in our country face. This was echoed by Desiree who said “people don't take you seriously when you are bound by a wheelchair. Companies and organisations should give disabled individuals opportunities that will challenge the stereotypical mindset of people who are disabled.”

Although such challenges will continue to prevail, it is up to the communities and big businesses to start accommodating disabled individuals as they often feel isolated from certain activities because it is assumed beforehand what they can or can't do.



Philadelphia, Desiree, Lydia and Dr Patel

merSETA endeavours to alleviate such despondency by providing a platform for these young ladies and encouraging other organisations to follow suit and take the skills development to another level. In order to address the skills shortage in our country we need to start by addressing the needs of the disabled.

Embracing new challenges

Achieve speaks to the CFO – Beaula Dziruni

Beaula Dziruni, newly appointed CFO of MERSETA, was initially attracted to the challenges MERSETA faces, especially those surrounding its financial management discipline. According to Dziruni, several SETA's struggle with a reputation for poor financial management, yet MERSETA continues to distinguish itself while still undergoing a turnaround phase.

"My challenge is to be a part of that turnaround in financial management, reporting and compliance," highlights Dziruni.

Dziruni is determined to bring strong financial management and discipline, focussing more specifically on the development of strong internal control systems and reporting. "I hope to play a defining role in inspiring an ethos of accountability and financial discipline," she enthuses.

"This will undoubtedly be a challenging transition, however, I take comfort in knowing that I am surrounded by a team of hard-working people with a passion for skills development. Much can be achieved in such a friendly, supportive environment."

Among the challenges that Dziruni already foresees are in changing people's perception of financial disciplines. She believes that a stronger system of internal controls should not lead to bureaucracy, long complicated procedures or even in delays in trying to get things done. It should ideally improve efficiency and turnaround times while at the same time providing easy to understand financial information that facilitates real-time decision making.

"Consequently, my mandate is to strengthen MERSETA's financial and reporting systems and ensure that they are on par with the best in the corporate field," explains Dziruni. "This ensures compliance with legislation and helps to cultivate a culture of financial discipline, transparency and accountability."



Chief Financial Officer of MERSETA
Beaula Dziruni

“ This will undoubtedly be a challenging transition, however, I take comfort in knowing that I am surrounded by a team of hardworking people with a passion for skills development. ”



“merSETA is one of the better performing SETA's and also one of the larger one's, so it is more than probable that it will remain as is.”

In order to achieve her divisional objectives, Dziruni has compiled a strategy list as follows:

- 🌀 Align all policies to legislation and to the auditors recommendations;
- 🌀 Look at improvements to the current systems, checks and balances;
- 🌀 Look at current IT platforms and see whether these are being used effectively;
- 🌀 Develop an ethos that everything has a financial impact.

Dziruni also plans to align certain activities, such as procurement, so as to permit greater efficiency and to comply with legislation. “I am determined to improve on the provision of accurate financial information to guide management in decision making,” she adds. “Another priority is to ensure that merSETA has a clean bill of health from the Auditor General.”

Confident about the future

The Minister of Labour's decision to reduce the number of SETA's due to the predominant mismanagement of funds hardly discourages Dziruni in advancing merSETA's continuous growth. “merSETA is one of the better performing SETA's and also one of the larger one's, so it is more than probable that it will remain functioning as is,” notes Dziruni.

“However, it should also be said that we should not be satisfied with complacency by just maintaining the current status quo, but rather continue to encourage positive changes that will improve SETA's efficiency and allow them to have a greater impact on the skills development arena.”

Dziruni says that the number of SETA's are still too high and that a reduction of these would actually contribute to its goal of efficiency, while also creating an opportunity to align industries with similar skills development needs. “merSETA may therefore lose some chambers but also gain other chambers in the process,” she adds.

Dziruni also concurs with the Minister of Labour's proposal to develop a new SETA landscape and to align the SETA's system with the National Industrial Policy Framework, especially after the frustration caused by the failure of some SETA's to accelerate the implementation of skills development.

“I think that this would result in a positive change in the right direction,” says Dziruni. “SETA's aim is to produce learners and apprentices that the industry will inevitably employ, so SETA's should be involved in areas that have a greater shortage of skills.”

Dziruni further highlights SETA's crucial role in producing and supporting skills development that are in line with specific industry needs. “Industry together with SETA's need to research and articulate these needs correctly so as to incorporate them successfully into the policy,” says Dziruni.

Fostering a legacy

Dziruni's ongoing passion and dedication to her role at merSETA are evident and will undoubtedly promote positive change and transformation within this SETA, while her ambition will continue to inspire those around her to participate in her goal of creating a strong system of financial management and reporting that can be compared with the best private companies in the country.

“I am driven to establish a strong culture of financial discipline that will prevail long after I have gone,” concludes Dziruni.

“ I hope to play a defining role in inspiring an ethos of accountability and financial discipline. ”

Encouraging Co-operative Education

“ We have a mission to build the skills that help build the Nation and we have a mandate to unlock the doors of learning that lead to paths of opportunity. ”

Raymond Patel is the CEO of the merSETA. The merSETA is the SETA for Manufacturing, Engineering and Related Services, covering the metal and engineering, auto manufacturing, motor retail and components, new tyre and plastic industries. Patel believes that for a successful relationship between institutions of higher learning and industry, South Africa should emulate the Zimbabwean educational experience. There is equal value placed on both the theoretical and practical components. Patel says students should spend two years at a university and another two in industry.

Original extract first appeared in SASCE's Co-op @ Work newsletter on 21 May 2008

The Southern African Society for Co-operative Education (SASCE) 2008 Conference was hosted by the Durban University of Technology in KwaZulu Natal from the 19th to the 22nd of May. The underpinning principles of this Conference is ensuring and promoting skills development to support and enhance continued professional development.

In 2005, a Presidential report criticised Higher Education for not producing enough graduates with the relevant skills required by the country. According to SASCE's website, www.sasce.dut.ac.za, another research report showed that 70% of graduates from the former Technikons (now Universities of Technology), and only 30% of graduates from the traditional academic universities were employed within their first year of graduation.

This marked difference was attributed to the fact that the technikons have co-operative education. Such co-operation between education institutions and industry or community provides experiential learning for students, which in turn make them more employable. At the same time, co-operative education also ensures that curricula remain relevant.

Too often, co-operative education has been underplayed in South Africa because different institutions practise it in different forms. This has posed significant challenges for industry partners who accept students from different universities.

The SASCE Conference therefore examines these challenges, the successes and the best practises from institutions and community organisations. Resolutions from the various plenaries and workshops are created as a best practice framework for the practice of co-operative education and presented at the final plenary session.

Co-operative education also bridges the Departments of Education and Labour and representatives of both were expected to participate. Also participating were Further Education and Training Colleges and Sector Education & Training Authorities (SETAs), since work-based learning and skills development are the cornerstones of their mandates.

Towards the New Revolution

Dr. Raymond Patel, Chief Executive Officer of merSETA delivered a powerful presentation entitled, "Towards the New Revolution", by building on the vision of a society whose people are empowered to work and an industry that works on the power of change.

"We have a mission to build the skills that help build the Nation and we have a mandate to unlock the doors of learning that lead to paths of opportunity," declares Patel. "We have the duty and the privilege of planting the seeds for a better world, where the war against want can be won."



Patel believes that there have been significant changes within the education and training environment during the past ten years of democracy and lists the following as some of the reasons:

- 🌐 redress;
- 🌐 issues of access and affordability;
- 🌐 new legislation governing education and training;
- 🌐 the merger of institutes;
- 🌐 the emergence of technology for learning;
- 🌐 globalisation;
- 🌐 new emerging needs and opportunities; and
- 🌐 new learning and economic realities.

He continued to explain that the driving forces behind the provision of training and education have also changed. "The role of industry (through the SETAs) is exerting a large amount of influence on how, what and where training is delivered," shares Patel. "In the past, training institutions prescribed to students what to study. Today, the market prescribes."

The system in which the SETAs are the authority

According to Patel, SETAs operate in a trans-disciplinary knowledge-production environment that is characteristic of economic sectors and therefore, by definition, formal academic disciplinary qualifications will suffer from an a prior degree of mismatch. "It is within such economic sectors and realities that SETAs have been legislated into existence as the authorities on education and training," comments Patel. "Consequently, they are responsible for ensuring that effective learning and development takes place. To do so, they need to recognise the various components of the learning

environment in which they operate."

The first component that Patel identifies is a knowledge-production environment whereby knowledge is produced at all levels within companies and is not limited to high level research only.

"Learning is another component that happens by design or default," says Patel. "More and more, change, which is the need to learn new things, is recognised as pervasive and ongoing."

Patel also believes that "experts" are to be found at all levels in these knowledge-production environments and are usually characterised by their "experience" and not by formal qualifications. These are the coaches and mentors required to ensure that learning in the environment actually happens and have little, if any, training to fulfil these roles.

Patel further notes that many businesses are extremely resource-rich learning environments that have the people, physical resources such as books, manuals and procedures and systems, particularly electronic, in place to enable learning to happen readily if properly harnessed.

"Clearly, the emerging learning system that the SETAs are developing will need to recognise existing components of the system and integrate within it," says Patel. "It cannot operate as an entity outside of this reality."

Patel concluded his thought provoking address by quoting Confucius, who, thousands of years ago, looking at the challenges and opportunities represented by his own society, said:

"If you think in terms of a year, plant a seed; if you think in terms of 10 years, plant trees; if you think in terms of 100 years, teach the people."

For more information on SASCE 2008 go to www.sasce.dut.ac.za

Higher education institutions in South Africa are failing to produce enough students who are adequately prepared for the working world, contributing to the growing skills shortage. This was a theme at the Southern African Society for Co-operative Education conference in Durban.

Academics and industry stakeholders said tertiary institutions should form partnerships with industry so that students obtained market-relevant qualifications. Manufacturing, Engineering and Related Services SETA CEO Raymond Patel said training institutions had in the past prescribed to students what to study, but today the marketplace prescribed.

"The intellectual predominance of universities and universities of technology affects all of society. It is only recently that the relevance of the training being received by students has begun to be questioned.

"The fact that increasing numbers of graduates struggle to find employment despite their qualifications has thrown into stark relief the mismatch, in many cases, between tertiary qualifications and the requirements of knowledge-intensive economic and social sectors," he said.

Prof Roy du Prè, president of the education society and Durban University of Technology vice-chancellor said this was a worldwide problem. "The world has changed, but higher education institutions have not changed as quickly and as effectively. Varsity must produce students who are educated and competent," he said.

Qualifications Authority CEO Samuel Isaacs said the level of recognition given to workplace training should be improved. Sometimes it was treated as if having less value.

Original article first appeared in the Mercury on 21 May 2008

SASCE 2008 DURBAN

INTERNATI



ONAL CONFERENCE



STEP BY STEP

committed to project management



Derek Peo, GM: Projects

Although historically merSETA has always had various projects underway, it was only 2007 that the organisation consolidated its efforts and formed the Project Management division, headed by Derrick Peo.

"There was a growing realisation that, for reasons of cost efficiency and control, it was necessary to establish an internal project management capacity within merSETA," says Peo. "I joined the organisation to head this division in the beginning of June last year, on the day we launched one of our flagship projects, the Accelerated Artisan Training Programme (AATP). It was a case of in at the deep end and start swimming!"

Peo says that his game plan from the outset was to meet with everyone who was involved in projects, and perform an audit of where the organisation stood from a projects perspective. "It transpired that some

projects were being run by functional divisions, some by chambers, and others by industry associations," he says. "My next step was therefore to identify the main project streams, and allocate projects to each stream accordingly."

Leading from the front

The first stream identified encompassed those projects that deal with how the SETA engages with government's ASGISA and JIPSA initiatives. "These included the AATP, Recognition for Prior Learning (RPL), bursaries for graduates, graduate experience, workplace experience and interventions around science and maths in schools to improve the feeder system into careers in our sector," says Peo.

Piggybacking on the successes and lessons learned from the first phase of the AATP, merSETA has put forward a complex funding proposal to the National Skills Fund for an amount of R136-million, backed

by an R80-million contribution from the SETA. "Counting the R70-million from the first phase of the programme, this will mean a R286-million direct investment into artisan development," says Peo. "This will see 4 320 artisans trained in the second phase. Added to the 1 300 provided for in the first phase, this will see 5 620 artisans trained through the accelerated training model by 2010 across twenty trades. The approval of this programme is an indication of the confidence the Department of Labour has in merSETA, and will see us taking the lead in the national artisan training drive."

The project management portfolio is designed to address the key challenges of the sector, which, in addition to skills development and training, include developing black women managers, and dealing with HIV/AIDS in the workplace.

Supporting SMEs

SME skills development support projects are the second stream, and they speak to one of the challenges the sector experiences – an abundance of SMEs. "There are over 40 000 in our sector, but historically, through our programmes, we were only reaching about 6 000," explains Peo. "Realising the imperative to increase our footprint among SMEs, we performed a research and scoping study to understand how best to reach this section of our sector."

A complicated strategy then emerged from this study, and one of Peo's first challenges at merSETA was to set about simplifying it. "We pared it down to three key areas," he explains. "First, we reinstated the training voucher system for levy paying as well as non-levy paying



SMEs with less than fifty employees. This was done with the aim of growing these companies, and it is a very exciting project that we launched at the beginning of February this year. It represents direct training support by accredited providers, and through it, students can acquire credits. Applications for vouchers takes place through an Internet portal that provides a wide variety of NQF-aligned short courses, from IT and transport management to business skills and traditional technical courses."

Peo says the reason for offering such a wide variety of courses is because in the SME context, the concept of scarce and critical skills is not definitive, and the MERSETA thus needed to diversify its range of offerings. "We didn't want to limit the value-add we could offer," he says.

The second key area was ongoing operational activities. "Each of our regional offices has client liaison officers, who are being trained to provide an expanded range of service offering," he says. "They need to be positioned to provide a broad range of advisory services from business development to dealing with HIV/AIDS in the workplace. Their key tool will be the voucher project, and these officers have already received training in this regard."

The third area is the emerging and growing informal sector. "There is currently a lot of debate in skills development circles around whether SETAs should be active in SMME development, and the general feeling is that they shouldn't," says Peo. "However, the fact is that the current NSDS requires small business support, with new business creation as a performance indicator for SETAs, so we have to be active in this arena. MERSETA

therefore provides grants for NGOs, CBOs, BEE SMEs and small business through a three-pronged strategy that will shortly see a R90-billion investment in these areas.

The third programme stream caters for another controversial area when it comes to how people perceive SETA responsibilities – ABET. The targets that the Department of Labour has set for SETAs are mechanistic, and based on the size of the sector, and have been traditionally been provided for via discretionary grant funding and SME projects. "However, within SETAs and amongst their stakeholders, questions have been raised as to what exactly has been achieved many years and millions of Rands later," says Peo. "Coming from an ABET background myself, I am intensely loyal to it, and believe in its worth. However, when it is viewed from the perspectives of project management, return on training investment, funding formulas and financial models, one has to ask whether the traditional methods are the only way to achieve these goals? I believe the time has come for a more occupationally-directed ABET, although I don't believe there is one magic solution."

With this in mind, MERSETA has commenced an impact study that will hopefully bring direction on a new ABET strategy.

Tactical development

MERSETA's fourth programme stream is focused on enhancing the research and development capabilities of the organisation. "Our anchor is our Sector Skills Plan (SSP), but the issue is how to position ourselves as a thought leader in our sector, and we aim to do this through innovative pilot programmes, disseminating informa-

tion, knowledge management and research," he says. "The results from any research or impact study conducted should feed directly into our SSP – it should not be a stand-alone entity, but rather a considered strategy based on assessment and review."

A special focus

The fifth and final stream is that of special projects – this stream caters for projects that do not fall under any of the previous four, yet warrant attention and investment if the SETA wants to be responsive to the sector's needs. "We needed a mechanism for dealing with external or unsolicited project proposals that may have merit," explains Peo. "At MERSETA, we have the luxury of being able to be innovative, and through this stream we have developed ideas such as best practice models for dealing with HIV/AIDS in the workplace."

Another area that falls into special projects is achieving equity targets for people with disabilities. "The nature of the sector is such that the majority of training is technically-oriented, and we have identified a need for a well-thought out project that focuses on qualifying people with disabilities and placing them," says Peo. "Our target in this regard is 750 people, and we have begun a scoping project with Umsobomvu Youth Fund, through their Invite a Person with a Disability to Work campaign."

The Courseware Project also falls under special projects, and this deals with developing curricula, teaching and learning material and assessment guides for MERSETA core qualifications.

events

Skills Revolution Rocks Newtown

The 5th BHP Billiton Career Exhibition & Sci-Bono Discovery took place at the heart of the Johannesburg CBD, in Newtown. MERSETA was amongst the exhibitors that took the initiative of sharing the gospel of skills development. The shortage of skills currently facing our country has seen MERSETA preaching the gospel of skills revolution throughout the country. The concept and format of the BHP Billiton career exhibition was a blend of the traditional expo as well as breakaway sessions.

The breakaway sessions were in the form of motivational talks by role models in the Science, Engineering and Technology fields including talks by guest lecturers and industry presentations. Motivational speakers from the communities also graced



Closing the Skills Gap in Morula Sun

The continuous operation to take MERSETA to the people gained momentum as the leading SETA took to Pretoria to participate in this year's Youth Development Exhibition with a Difference.

This new and emerging player in the arena of development of youth, skills entrepreneurship and empowerment was aimed at tackling the issues surrounding the shortage of skills as a result of a lack of available information and capacity to access opportunities available to the young people.

Alpheus Maphosa of Therololo Consulting, tasked with the responsibility of coordinating and organising the exhibition says, "we are targeting areas where others dare not to visit as we endeavor to bring development capacity closer to the people, where

the occasion and were supplemented by talks covering bursaries, learnerships and sector/industry specific career opportunities.

According to Phelelia Sekele, the BHP Billiton Career Centre Manager, "the exhibition was a big success with invitations sent to all twelve school districts in Gauteng." Sekele further highlights that numbers were limited to the extent of the capacity of the venue to ensure quality interaction with the exhibitors as well as rich interactive exchanges with role models and presenters. One thousand four hundred and eleven learners attended the career exhibition that took place over two days. If this year's 5th BHP Billiton exhibition is anything to go by, we anticipate a brighter future for the youth of our country who were given a five star performance by the exhibitors.

it is most needed, hence we have dubbed the exhibition *Bringing it Closer to the People*."

The exhibition targets education institutions from further public and higher education, private training and education providers, SETA's, youth business development funders (Venture Capitalist) and financial institutions.

The exhibitors were outstanding and the learners were left asking for more. As Jeremy Kitson notes, "Destiny is not a matter of chance, it is a matter of choice. It is not a thing to be waited for, it is a thing to be achieved."

Funds, in the form of bursaries, and opportunities, in the form of learnerships and apprenticeships have been made possible for young people. Now it is up to them to grab the opportunities that are at their disposal.

VWSA and Merseta: Closing the Skills Gap



The partnership between Volkswagen South Africa (VWSA) and MERSETA proved yet again to be unshakable, when a total of 285 learners graduated in the Eastern Cape.

VWSA is a MERSETA – accredited training provider and its training centre has certainly made a name for itself. This multi-purpose centre not only trains VWSA learners, but also trains learners from other institutions such as the AIDC, Coega Project, Continental and General Motors.

Speaking at the ceremony, CEO of MERSETA's, Dr Raymond Patel, quoted Anthony Robbins in saying: "success is not an accident; it is not some random roll of the dice. There are consistent, logical patterns of action, specific pathways to excellence that are within reach of us all; we simply must learn how to turn on and use our minds and bodies in the most powerful and advantageous ways by triggering these seven basic success mechanisms".

Many learners struggled to hold back tears of joy as they ascended to the podium to receive their certificates. Seventeen Artisans received their certificates, a total of 111 learners received their Amic certificates, ABET produced a total of 70 graduates in different levels and 53 group leaders on level 5 also received their certificates.

Two of the learners who graduated on ABET Level 5, Mzimkulu Wellman Vazi and Mzwandile Richard Nelani couldn't conceal their jubilation. Having started at VWSA in 1987 as a forklift driver, Mzwandile has now graduated as a paint shop operator, and he says this is his biggest achievement thus far and he will treasure it for the rest of his life. "I feel great for having come this far – if you have a dream it is important to believe in yourself and work hard," he said.

Dr Patel took the opportunity to urge young people to take their personal training and development seriously in contributing to the mainstream economy of this country.



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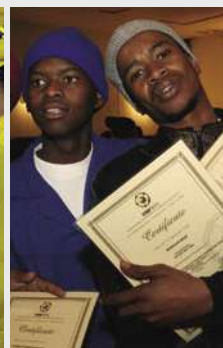
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merSETA

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growth in manufacturing, engineering and related services.



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