

W&RSETA SSP UPDATE 2014/15

08 May 2015

training, educating & developing the skills workforce



Definition of SSP

- **Definition:** A Sector Skills Plan is a skills development “report” or “roadmap” developed by a SETA in **consultation with stakeholders** in a specific economic sector **to develop a highly skilled workforce, improve firm-level productivity and increase the competitiveness of the sector** through skills development.

Purpose of SSP

- Inform supply-side planning in post-school institutions;
- Determine funding priorities via the levy grant system;
- Support regional and employer plans;
- Inform allocation of resources to develop qualifications and learning programmes;
- Establish occupation-specific skills priorities for the sector.
- Inform education and training institutions of demand needs in the labour market.
- Enable individuals to make informed career choices.

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Monitor skills development provision in the sector.

Research methodology

- ❑ Primary and secondary research;
- ❑ Quantitative and qualitative research methods;
- ❑ Secondary (desktop) research was conducted on economic, social and development status and strategies;
- ❑ Primary research aspect of the study involved regional workshops in 6 provinces as well as in-depth interviews with a sample of large, medium and small companies, sector associations and other relevant stakeholders.

Economic sector profile

Key international trends

- ❑ Global economic growth is projected to be around 3.6% in 2014 and 3.9% in 2015;
- ❑ Growth in emerging market and developing economies is expected to increase to 5.1% in 2014 and to 5.4% in 2015;
- ❑ Global retail sales are projected to grow to 4.1% in 2014 and 4.2% by 2016.

Economic sector profile

Key national trends

- ❑ South Africa projected to grow to 2.3% in 2014 and 3.7% in 2018;
- ❑ Inflation will average 5.5% and will be on a sustained downward trend for period ending in 2018;
- ❑ Unemployment rate is forecast to be on a downward trend from 2014 to 2018. However, if the labour unrests currently being experienced in the country, the unemployment figures may need to be revised upwards.

W&R Sector Profile



- ❑ The sector contributed about 12.5% to the GDP making it the fourth largest contributor to the nation's economy
- ❑ Movers and shakers 2012-2013

Retail	Wholesale
Woolworths Holdings Ltd,	Buying Exchange Company
Shoprite	Independent Buying Consortium
Steinhoff International Holdings	Independent Cash & Carry Group
Pick 'n Pay	Elite Star Trading
The Spar Group	Unitrade Management Services

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W&R Sector Profile

- ❑ The sector employs about 3.1 million people (men 51% and women 49%);
- ❑ 67% of the people are in formal employment, whilst 33% are in informal employment;
- ❑ Over 64% of the top management positions are held by White males whilst the African males hold about 4.5%;
- ❑ African females with disabilities make up less than 1% of the top management workforce.

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Change Drivers

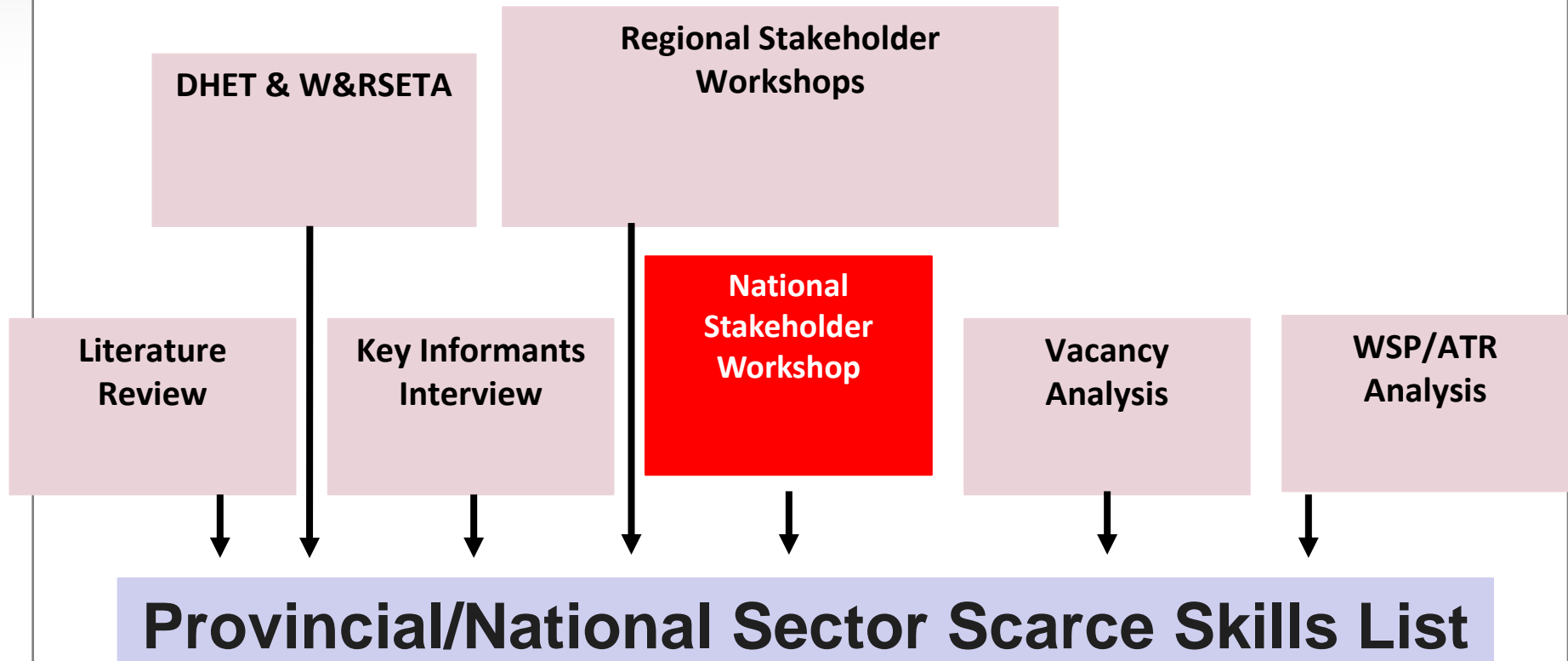
Change driver	Skills planning implications
National Credit Act	Training in managing personal financial management and debt management with the credit regulator.
Employment equity	Skills development to include measures to address the representation of black people in senior management positions and disabled people in particular.
Projected growth in TVET colleges	Employers will be expected to provide workplace experience for learners and lecturers.
Speed to market	Skills to work in complex supply chains; entrepreneurial mindset; ability to plan and communicate with suppliers; read the market environment; customer relationship management.
Black diamonds	More customer skills will be required at most levels in the sector.
Growth into Africa	Programmes to improve knowledge of the African trading environment.
Digital revolution, e-Retailing	Training is required in digital media, social networking and marketing.
Supply chain efficiencies	Development of talent pipelines to harness customer strategies. Development of qualifications and training in procurement, SCM, logistics, warehousing and distribution.
Skills shortage	Focus on pivotal learning programs.
High unemployment	Training to meet specific customer segments of the market caused by income disparities.
Growth of the informal sector	Learning programs for informal sector.
Small enterprise development	Learning programs for SMMEs.
Foreign direct investment	Skills biased technological change (SBTC).

Extent of skills mismatches

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Research Methodology



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Skills Shortage Indicators

Vacancies



Wages



Labour Market



Other Indicators



Definition of Scarce Skill

SCARCE SKILLS

Occupations in which there is a **SCARCITY** of **QUALIFIED** and **EXPERIENCED** people, currently or anticipated in the **FUTURE** because such skills are not available or are available but do not meet **EMPLOYMENT CRITERIA**.

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Criteria for Scarce Skills List

1 entry to the occupation requires a long lead time of formal education and training – **3 years**

2 skills which people acquire are being deployed for the **uses intended**

3 shortage of skills causes a **significant cost** to the company

4 **Hard-to-fill vacancies** – more than 3 months to find suitable candidate

5 There is **plausible evidence** to identify an occupation as a scarce skill

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6 Recommendation from a professional body or employer body in the sector

**W&RSETA
Regional/
National
Scarce Skills
List**

Definition of Critical Skills

Critical Skills

- **Critical Skills** refers to generic or specific skills which are key within an occupation

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National Scarce Occupations – Top 10

- Retail Manager
- Sales Assistant
- Baker
- Supervisor
- Butcher
- Sales Manager
- Buyer/Planner

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National Scarce Occupations – Top 10 (continued)

- Chef
- Supply & Distribution Manager
- Accounts Clerk

E-Retail: Scarce Occupations

- Scarce occupations
- Technical
- e-Retail Web Developer
- Marketing
- e-Retail Sales & Marketing Manager
- e-Retail Marketing Manager

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Scarce Occupations (continued)

- e-Retail Marketing Assistant
- e-Retail Analyst
- Operations
- e-Retail Operations Manager
- Business Intelligence
- Business Analyst

Fuel Retail: Scarce Occupations

- Service Station Manager
- Service Station Supervisor
- Back Office Manager

National Critical Skills – Top 10

- Selling
- Customer Service
- Management
- Product Knowledge
- Analytical thinking/problem solving
- Financial acumen
- Supervisory
- Computer (basic & advanced)

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National Critical Skills (continued)

- Numeracy & literacy
- Leadership

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E-Retail: Critical Skills

- Analytical/Problem solving
- Communication
- Computer (Advanced Excel)
- Customer relationship management
- Customer service
- Digital awareness.
- Entrepreneurially minded

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E-Retail: Critical Skills (continued)

- Networking
- Web coding

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Fuel Retail: Critical Skills

- Health & Safety
- Fraud management & prevention
- Customer service
- Site standards operations
- Cash payments handling
- Back office administrations
- Supervisory

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Fuel Retail: Critical Skills (continued)

- Merchandising
- Human resources management
- Analytical
- Data/report analysis
- Entrepreneurship

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National Priority Occupations– Top 10

- Sales Assistant
- Sales Representative
- Store Person
- Retail Manager
- Checkout Operator
- Service Station Attendant
- Supervisor

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National Priority Occupations – Top 10 (continued)

- General Clerk
- Accounts Clerk
- Visual Merchandiser



Qualifications offered to address needs of Fuel Retailers

- National Certificate: Service Station Operations (Cashier) Level 2 –
27Q270034221202
- National Certificate: Service Station Operations (Forecourt Attendant) –
27Q270033221202
- National Certificate: Service Station Operations (Car wash Attendant) –
27Q270035221202D
- National Certificate: Service Station Operations (Cleaner) –
27Q270032221202
- National Certificate: Service Station Operations (Merchandiser) –
27Q270037221202

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Skills Priority Actions

- Qualifications and programmes to develop selling skills are in huge demand, which must include sector-specific modules to provide the required product knowledge.
- Management courses need to be introduced at lower NQF levels.
- Supervisors need to be upskilled early on with basic skills.
- HR Managers need to remain up-to-date with legislative and regulatory changes.
- For large (and some medium) companies, Buyers and Planners are completely different roles and should therefore be separated by 2 OFO codes.

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Skills Priority Actions (continued)

- Colleges specialising in buying and planning are required.
- Programmes to develop customer service abilities in employees should be funded.
- Work-readiness programmes are very important for school-leavers and graduates.
- Training programmes must be practice-orientated and incorporate action learning elements.
- Retail-specific specialisations need to be provided by training institutions, for example retail logistics, procurement and merchandising.

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Skills Priority Actions (continued)

- Improved engagement from industry required to offer more workplace experience for learners (possibly through the use of incentives).
- Short non-accredited courses are needed as well as discretionary grant funding for learnerships for people with disabilities.
- Exposure of training providers and TVET College lecturers to workplace experience in order to stay current in the classroom and thereby be enabled to provide better quality training to students.

Thank You

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