

# Building strategic capability for supporting the implementation of the NSDP



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MANUFACTURING, ENGINEERING  
AND RELATED SERVICES SETA

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merSETA Inter Chamber  
Conference  
16- 17 May 2019

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**LEADERS IN CLOSING THE SKILLS GAP**

# Outline



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# Introduction



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The development and implementation of a responsive and context relevant strategy is underpinned by the need to constantly scan the environment for new developments, opportunities or threats to delivering the mandate of the organisation.

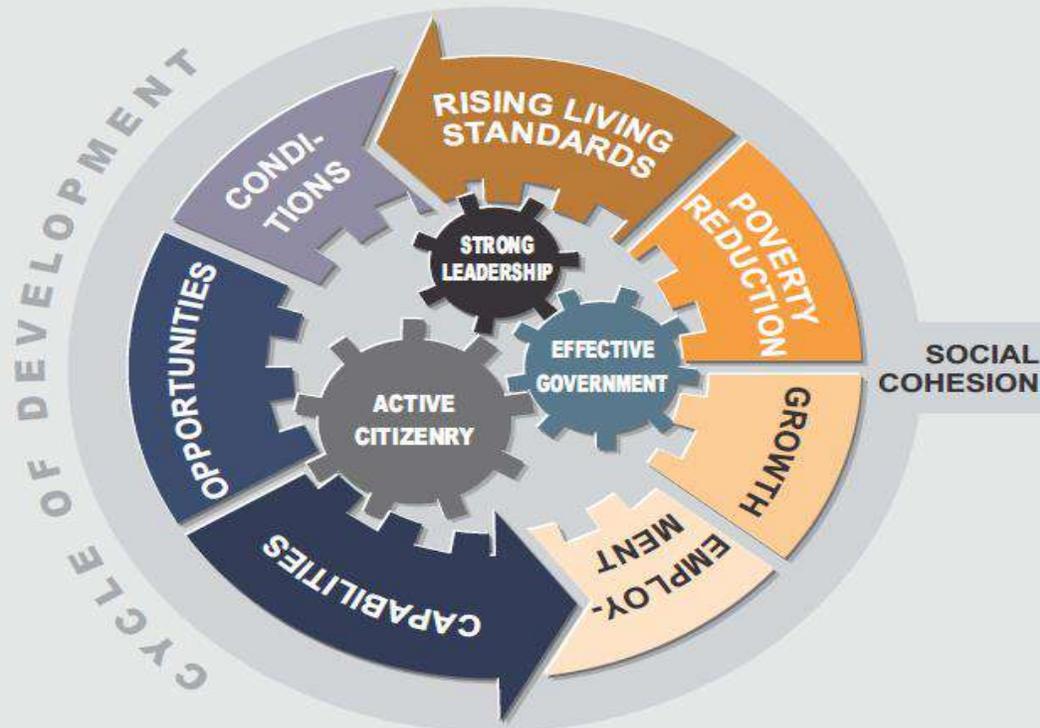
Recent policy changes in the skills development system as a result of the introduction of the National Skills Development plan, call for the need for the merSETA to align its strategy and plans to the new policy that is aligned to the National Development Plan.

# An approach to change .....



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FIG 1.1 AN APPROACH TO CHANGE



Pg. 27 of the NDP reads ...While the achievement of the objectives of the National Development Plan requires progress on a broad front, three priorities stand out:

1. Raising employment through faster economic growth
2. Improving the quality of education, skills development and innovation
3. Building the capability of the state to play a developmental, transformative role.

# Background & Purpose of the NSDP



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- The National Skills Development Plan (NSDP) has been crafted in a policy context of the National Development Plan (NDP) and the White Paper on Post School Education and Training (WP-PSET).
- The purpose of the NSDP is to ensure that South Africa has adequate, appropriate and high quality skills that contribute towards economic growth, employment creation and social development.
- Mission of the NSDP is to “improve access to occupations in high demand and priority skills aligned to supporting economic growth, employment creation and social development, whilst also seeking to address systemic considerations.”



# Principles of the NSDP



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- Locating the NSDP within an Integrated PSET System.
- Contributing to the country's socio-economic development objectives.
- Advancing an equitable and integrated system.
- Greater inclusivity and collaboration will be promoted.
- Focusing on support system for learners and employers.
- Strong emphasis on accountability.
- Understanding skills demand.
- Steering Supply: Qualifications and Provision.
- Steering Supply: Funding Mechanisms.

# Outcomes of the NSPD



**Outcome 1:** Identify and increase production of occupations in high demand

**Outcome 2:** Linking education and the workplace.

**Outcome 3:** Improving the level of skills in the South African workforce.

**Outcome 4:** Increase access to occupationally directed programmes.

**Outcome 5:** Support the growth of the public college system.

**Outcome 6:** Skills development support for entrepreneurship and cooperative development.

**Outcome 7:** Encourage and support worker initiated training - driven by critical networks of employee representatives and unions officials.

**Outcome 8:** Support career development services.

# Sector Education and Training Authorities (SETAs)



## Scope of SETAs

- Understanding the demand and signalling the implications for supply.
- Steering the system to respond to skills supply.
- Support development of the institutional capacity of public and private education and training institutions.
- Performing system support function and managing the budgets and
- expenditures linked to SETA mandate.

## Institutional Arrangement of SETAs

- SETAs will have no limited lifespan but a mechanism to address non-performance will be established.
- Introduction of institutional reviews as socio economic policy environment changes.
- Demarcation will be based on industrial classification, value chain and financial viability.
- Establishment of Share Services, where practically possible.

# Governance and Administration



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## SETA Accounting Authority

- Continued social partnership governance model of employer, labour and government limited lifespan of 5 years.

## Quality Assurance Functions

- Quality assurance functions carried out by SETAs and NAMB will be integrated into

## Planning, Reporting and Accountability

- The planning cycle will be aligned to the Medium-Term Strategic Framework (MTSF) 5-year planning circle and MTSF 3-year budget cycle.

## Funding Allocation

- Levy allocation will remain 1% - 20% - 80%, while a review of Grants and Administration budget will be undertaken to support the implementation of the NSDP.

## Executive Authority and the Department

- Oversight by the EA rests on the prescripts of the Public Finance Management Act, whilst the Skills Development Act will remain an applicable and specialised Act.

## National Skills Fund

- Will continue receive 20% of levy and support the PSET research initiatives and institutional development.

## National Skills Authority

- The central focus of NSA will be on monitoring and evaluation of NSDP implementation and providing strategic advice towards improved national skills development system.

## Role of Social Partners and Stakeholders

- A continued active role of Social Partners in SETA AAs and NSA will be maintained and will be further elaborated in relevant legislative Acts.



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## Recap of merSETA's Strategic focus areas



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- Developing **Skills 4.0 / Future Skills** for supporting the responsiveness of the sector to Industry 4.0 and re-industrialisation efforts of government.
- Promoting **innovation** in responding to socio-economic, technological and, structural transformation agenda of the state, the circular and green economy is also critical.
- Influencing **curriculum change** and **innovation** for the education and training system (both institutional and workplace based learning)



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## merSETA's Strategic focus areas continued....



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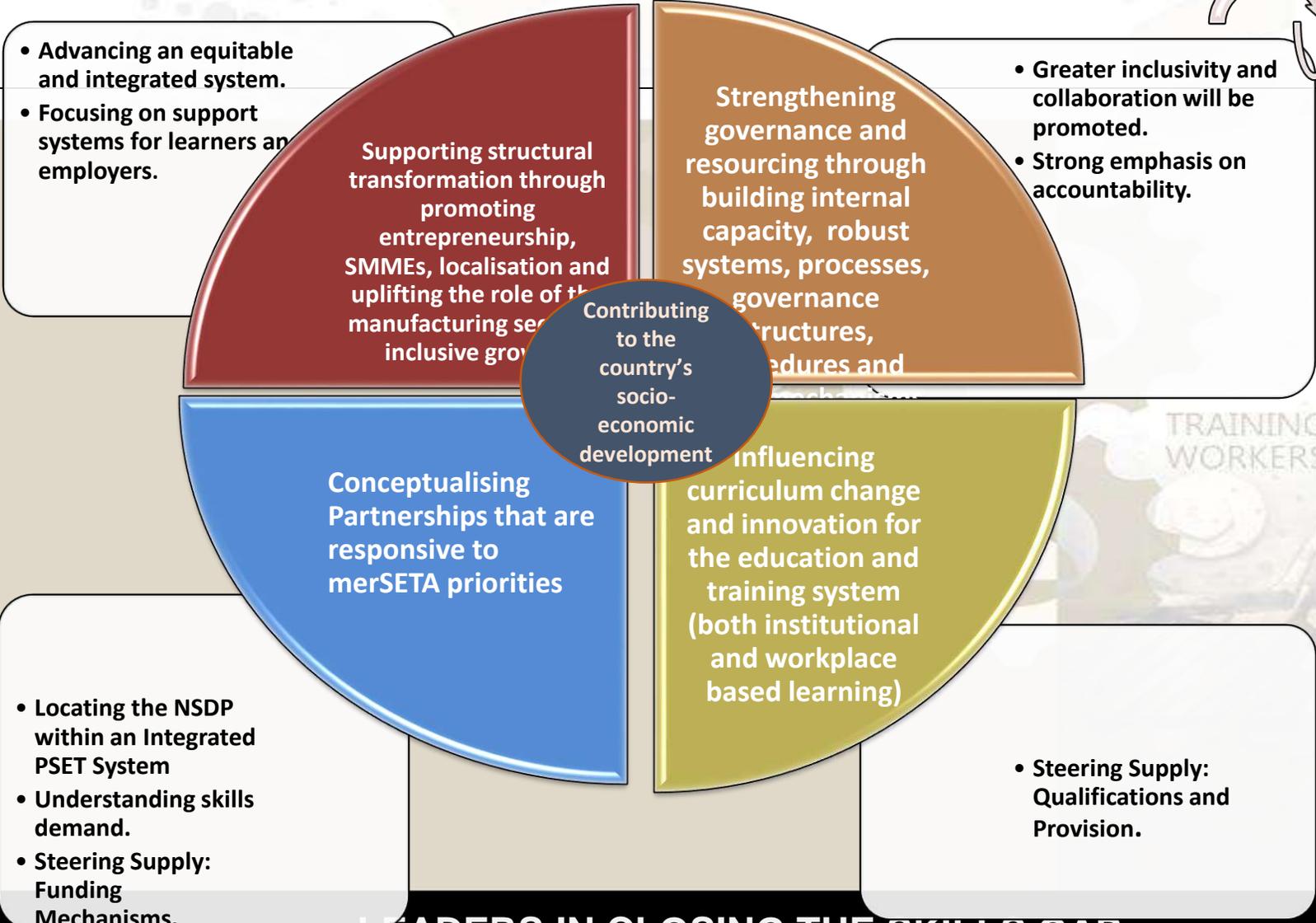


- Supporting **structural transformation** (ownership, control and management) through promoting entrepreneurship, SMMEs, localisation and uplifting the role of the manufacturing sector in inclusive growth.
- Conceptualising **partnerships** that are responsive to merSETA priorities
- Strengthening **governance** and **resourcing** through building internal capacity, robust systems, processes, governance structures, procedures and other mechanisms

# Linking NSDP Principles to the merSETA strategic focus areas



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# Linking the NSDP Outcomes to the merSETA Strategic Objectives



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NSDP KEY OUTCOMES	MERSETA STRATEGIC OBJECTIVES
1 Identify and increase production of occupations in high demand.	3: Improved quality of organisational planning, budgeting, performance monitoring and reporting 5: Increased publication of research products that inform cutting edge solutions in the sector
2 Linking education and the workplace	6: Increased contribution to employment and growth opportunities through skills facilitation 7: Strengthened partnerships for improved responsiveness to the needs of the sector
3 Improving the level of skills in the South African workforce	5: Increased publication of research products that inform cutting edge solutions in the sector. 6: Increased contribution to employment and growth opportunities through skills facilitation 10: Increased throughput of learners in occupational programmes through a strengthened merSETA quality assurance system
4 Increase access to occupationally directed programmes	9: Increased responsiveness to the mer-sector, through the provision of sector endorsed occupational qualifications and part qualifications 10: Increased throughput of learners in occupational programmes through a strengthened merSETA quality assurance system

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# Linking the NSDP Outcomes to the merSETA Strategic Objectives continued...

NSDP KEY OUTCOMES	MERSETA STRATEGIC OBJECTIVES
5 Support the growth of the public college system	7: Strengthened partnerships for improved responsiveness to the needs of the sector
6 Skills development support for entrepreneurship and cooperative development	8: Improved competency levels of Small and Medium Enterprises (SMEs), township and village enterprises and co-operatives entrepreneurs.
7 Encourage and support worker initiated training - driven by critical networks of employee representatives and unions officials.	7: Strengthened partnerships for improved responsiveness to the needs of the sector
8 Support career development services.	11: Diversified career development, advice and guidance.



# Reflection



1. What are the implications of the NSDP for the skills development ecosystem?
2. What do we need to keep doing, change or improve to effectively respond to the NSDP ?
3. How do we build a capable SETA and sector that can significantly contribute to:
  - *Addressing raising employment through faster economic growth*
  - *Improving the quality of education, skills development and innovation*
  - *Building the capability of the state to play a developmental, transformative role.*