RESEARCH AGENDA

2017-2020

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CONTENTS

1. Introduction

INSETA's purpose is to grow the pool and quality of scarce and critical skills in the insurance sector, enhancing the sector and supporting the country's transformation.

The responsibilities of the Seta are the following:

(1)   A SETA must, in accordance with any requirements that may be prescribed –

(a) develop a sector skills plan within the framework of the national skills development strategy;

(b) implement its sector skills plan by-

(i)   establishing learnerships;

(ii)   approving workplace skills plans;

(iii)   allocating grants in the prescribed manner and in accordance with any prescribed standards and criteria to employers, education and training providers and workers; and

(iv)   monitoring education and training in the sector;

(c) promote learnerships by –

(i)   identifying workplaces for practical work experience;

(ii)   supporting the development of learning materials;

(iii)   improving the facilitation of learning; and

(iv)   assisting in the conclusion of learnership agreements;

(d) register learnership agreements;

 (e) when required to do so as contemplated in section 7(1) of the Skills Development Levies Act, collect the skills development levies, and must disburse the levies, allocated to it in terms of sections 8(3)(b) and 9(b), in its sector;

(f) liaise with the National Skills Authority on –

(i)   the national skills development policy;

(ii)   the national skills development strategy; and

(iii)   it's sector skills plan;

(g) submit to the Director-General–

(i)   any budgets, reports and financial statements on it's income and expenditure that it is required to prepare in terms of the Public Finance Management Act; and

(ii)   plans and reports on the implementation of it's sector skills plan and service level agreement;

(h)   liaise with the employment services of the Department and any education body established under any law regulating education in the Republic to improve information –

(i)   about employment opportunities; and

(ii)   between education and training providers and the labour market;

(i)   subject to section 14, appoint staff necessary for the performance of its functions;

(iA)   promote the national standard established in terms of section 30B; and

(j) perform any other duties imposed by this Act or the Skills Development Levies Act or consistent with the purposes of this Act.

(2)   A SETA has –

(a) all such powers as are necessary to enable it to perform its duties referred to in subsection (1); and

(b) the other powers conferred on the SETA by this Act or the Skills Development Levies Act.

(3)   A SETA must perform its functions in accordance with this Act, the Skills Development Levies Act and it's constitution.

10A.   SETAs to conclude service level agreements

(1)   For each financial year, every SETA must conclude with the Director-General a service level agreement concerning –

(a) the SETA's performance of it's functions in terms of this Act and the national skills development strategy;

(b) the SETA's annual business plan; and

(c) any assistance that the Director-General is to provide to the SETA in order to enable it to perform its functions. (Skills Development Act (No. 97 of 1998) as amended by the Amendments - Skills Development Act - 2003, 2006, 2008, 2009 and 2010. http://www.labour.gov.za/DOL/legislation/acts/skills-development/read-online/amended-skills-development-act-2010

Insurance SETA Environment

There are 2571 levy-paying companies on the Inseta skills indicium system. The total number of companies registered on the Inseta skills indicium system is 16,750.

Table 1 Percentage of employees per sub-sector Employer size 2018 versus 2017

Sub-sector	Large (150+ employees) %	Large (150+ employees) %
	2018	2017
Short-term insurance	35.2%	25,0
Auxiliary activities	18.1%	18,80
Insurance & pension fund	13.3%	9,55
Life insurance	11.2%	14,20
Funeral insurance	6.4%	4,65
Pension	6.4%	8,85
Health care benefits	8.5%	13,50
Risk management	2.6%	2,30
Unit trusts	2.6%	2,5
Reinsurance	0.5%	1,95

It can be seen from Table 1 above, that the short-term insurance sub-sector has the highest level of representation of employees, followed by activities auxiliary to financial intermediation, life insurance, insurance and pension, health care benefits, pension, funeral insurance, unit trusts, risk management and reinsurance.

The necessity of pursuing a research agenda is reflected in various pieces of national legislation, frameworks and plans, and it is especially encapsulated in the following factual statement "The INSETA must perform in accordance with the Skills Development Act (SDA), the Skills Development Levies Act (SDLA), the Public Finance Management Act (PFMA), any other relevant legislation and the INSETA Constitution". The importance of research cannot be overemphasized and it is a role which the White Paper allocates primarily to universities, where 'DHET policy will focus on increasing research and innovation, improving the quality of research and building on areas of strength as identified as being important for national development.' (Government Gazette White Paper for Post School Education and Training No. 11 15 January 2014).

2. The Importance of Research

One of the areas in which Inseta can provide a useful supportive research service is with the provision of data from our private and public training providers, and thereby contribute to the national central planning process. Another important aspect which emphasizes the importance of research data is the use of sector-specific demand data to plan supply, an area in which Inseta has, and will continue to play a critical role.

The necessity of gathering accurate Annexure 2 data and analysing it, underlies the importance of this, for establishing objective sector skills needs, which in turn, contributes to improved decision-making. Through statistical analysis of this Annexure data, Inseta is able to establish occupational demand (occupational priorities), especially in regard to the demand for occupational qualifications and part qualifications. Baseline indicators can also be established for this purpose. Once this data is processed it is also used to establish current and projected skills needs against occupations. This demand data also allows Inseta to plan for the enrolment process at the private and public training providers that it is associated with, specifically with regard to the throughput of programmes which are in high demand.

Through the application of focus groups as a research method and engaging with our company stakeholders and professional associations in order to determine future trends in the insurance sector, and subsequently, to determine the implications of these trends for the demand and supply of skills.

The importance of research for evaluating the efficacy of the monitoring and evaluation procedure by establishing the validity and reliability of the outcomes and indicators and whether the intended impact on Post-School Education and Training is happening to the extent that it should.

The importance of undertaking research is reflected in the statement: "The key to providing relevant and impactful skills development interventions is to ensure that they equate with hard-to-fill vacancies and skills gaps that have been calculated for the insurance sector. This means having insights into the constraints and opportunities of labour supply and demand, into and across the insurance sector as well as into the provision and factors impacting the demand and supply of skills." This underlies the importance of undertaking research in areas such as demand and supply mismatches of skills; demand for skills mismatches of occupations (jobs); supply of skills mismatches of occupations (jobs); qualification-job mismatches; and impact study of Inseta's learning programmes.

In the pursuit of research objectives, it is imperative to align Inseta's progammes, the goals of the National Skills Development Strategy, hard-to-fill vacancies and skills gaps with Inseta's skills priority actions to ascertain the extent to which the former are linked to the latter.

The importance of conducting research into the effectiveness and efficiency of the workplace skills plan survey which is being envisaged for use, and set to replace the currently used workplace skills plan/annual training report is crucial, as it provides a standardized framework for determining hard-to-fill vacancies and skills gaps.

Because South African insurance companies function within a global knowledge economy, the only way in which Inseta stakeholder companies and their employees can benefit from this, is contingent on 2 factors: 1. the conducting of innovative research 2. The application of new knowledge in the workplace.

The identification of middle level skills needs through research is critical as is their implementation through technical, vocational, education and training colleges and universities of technology, who work collaboratively with employers who providers workplace-based training.

3. Purpose of the Research Agenda

The Inseta research agenda serves as a roadmap or framework that guides inquiry. It is used to specify gaps in knowledge in a specific area and services to guide the direction and development of new projects (https://ssspresearch.org/earlycareerforum/developing-research-agenda - Developing a Research Agenda).

The research agenda spells out the research needs of the Inseta for the period 2017-2020. Inseta uses it's research agenda to identify the areas that our organization wishes to research and the type of research methodologies described in a succinct way that will be employed to answer the relevant research questions. Inseta's research agenda provides clarity and a framework for making decisions about Inseta's research activities.

(http://higheredprofessor.com/2017/09/25/role and purpose of a research agenda)

It has been developed to advance research planning within Inseta and to indicate to stakeholders the areas of research that our Seta has identified as being important.

The Inseta Research Agenda has been developed to: a) inform planning and implementation processes within our Seta b) inform the chairperson and members of the Inseta Board of Management what research areas require funding c) assist our Seta to guide resource

allocation for research through 'admin', discretionary and catalytic grant funding (Department of Higher Education & Training Research Agenda 2017-2020).

4. Concept of Research

For the purpose of the Inseta research agenda the concept of research refers to a studious inquiry or examination – critical and exhaustive investigation or experimentation having for its aim the discovery of new facts and their correct interpretation (Webster Dictionary). It has as it's aim the discovery of new facts or practical applications of such new or revised conclusions. Scientific research is essentially comprised of two elements: observation, by which knowledge of certain facts is obtained through sense-perception; and reasoning, by which the meaning of these facts, their interrelations and their relation to the exiting body of knowledge.
(www.gc11.ac.in/wp-content/uploads/2017/02/Research-Meaning-and-Concept.pptx - Meaning, Definition and Concept of Research)

The pursuit of evidence-based research is based on the premise that research should be is based on systematic evidence and should include rational analysis. The concept of credible evidence comes into play here – this refers to   strong and clear line of argument; tried and tested analytical methods; analytical rigour throughout the processes of data collection and analysis; and on clear presentation of the conclusions (Department of Higher Education and Training Sector Skills Plan Framework and Requirements 2016-2018)

5. Research-Policy Nexus

In order to understand the structuring dynamics of the research-policy nexus, the analysis employs the notion of boundaries to explore and explain the nature of the interaction between the relevant actors in the research-policy interface and the means by which the uptake of evidence into policy may be enhanced.

5.1 The 'beguilingly simple' premise

While normative conceptions of the relationship between research/science and policy are formulated around a set of distinctions or oppositions (where science is concerned with 'facts, is neutral, disinterested, independent, objective'; and policy centres on and is about 'values, interests, [the] subjective, ideology') (Huitema & Turnhout 2009: 579), they are, however, entangled – with their relations being complex and adaptive – and mutually reinforcing, but also 'tenuous'.

Normative understandings of evidence-based policymaking paper over the complex interactions between researchers and policymakers, positing a 'beguilingly simple' formulation of the relationship between evidence and policy wherein evidence: helps policymakers make better decisions, achieve better outcomes, by using existing evidence more effectively, and undertaking new research, evaluation and analysis where knowledge about effective policy initiatives and policy implementation is lacking. (Davies 2012: 42).

Cash et al. (2003: 80–86) posit that policy-relevant evidence should embody three main characteristics in order to improve its use: it must be legitimate ('[reflect] the perception that the production of information and technology has been respectful of stakeholders' divergent values and beliefs, unbiased in its conduct and fair in its treatment of opposing views and interests'), salient (relate 'the relevance of the assessment to the needs of decision makers') and credible (relate to 'the scientific adequacy of the technical evidence and arguments').

Thus, rather than prescribing an overly deterministic role for evidence in providing the answers to policy, there is a recognition that it may perform multiple roles and functions in the policy process. Given this conception of evidence use, the notion of evidence based policymaking is confined to a processual role: it 'informs the policy process, rather than aiming to directly affect the eventual goals of the policy' (Sutcliffe & Court 2005: 1).

In mature politics, 'reformed policy processes and the development of a stronger "research intelligence" function have been used to ensure greater and more structured engagement with research-based evidence' (Nutley et al. 2007: 14–15).

5.2 Marking the Boundary

Robert Hoppe has conceptualised the interface between research (specifically 'science') and policy through the notion of the 'boundary' and the 'transactions between science and politics/policy, and on its consequences for the nature and outcomes of the transactions' (2005: 206). To do this, he utilises the concept of 'boundary work', which he defines as a practice in contrast with other practices, [which] protects it from unwanted participants and interference, while attempting to prescribe proper ways of behaviour for participants and non-participants (demarcation); at the same time, boundary work defines proper ways for interaction between these practices and makes such interaction possible and conceivable(coordination). (Hoppe, 2005: 207).

Indeed, the demarcations that the boundary creates should not be seen as impermeable; it requires active 'blurring' to improve the quality of engagements between researchers and policymakers (De Leeuw et al. 2008).

Critically, 'collaboration should ideally start from a joint recognition of a problematic issue and not from an ideology that dictates partnerships' (De Leeuw 2006, in De Leeuw et al.2008: 11)

(Research Policy Nexus in South Africa – Understanding the interface of Science & Policy in Skills Planning) (Ranchod LMIP Report No. 21, 2016).

5.4 <u>Conclusions</u>

The research-policy nexus is viewed from the vantage point of boundaries and actors and the potential to incorporate evidence into policy. The relationship between research/science and policy traditionally focus on contrasts or differences, however, this relationship rather than being mutually antagonistic, may be positively and negatively interwined.

The phrase 'beguilingly simple' premise is explained in terms of evidence and policy being in complete harmony, in relation to decisions, outcomes, new research, and evaluation and analysis.

It is highlighted that policy-relevant evidence must reflect 3 main characteristics in order to advance it's use, in terms of legitimacy, saliency and credibility.

It is emphasized the evidence plays a multi-faceted role in relation to the policy process. It is stressed that evidence based policy-making is not intent on determining the eventual goals of the policy.

Policy processes and research intelligence are used to ensure a healthier engagement with research-based evidence.

The concept of a boundary is defined and is used to explain the nature and outcomes of the transactions between science and policy.

The concept of 'boundary work' is explained. Essentially this involves regulating the behavior of participants and non-participants (demarcation of a boundary), in relation to practices.

Ideally the boundary should be 'blurred' rather than impermeable.

Collaboration should start from a 'problematic issue' rather than an ideology.

The Inseta in order to achieve a healthy science/policy approach requires a permeable boundary between researchers and policy-makers.

6. The Seta and the Research Community

For one of the Seta's active research studies: A study of Economic/Business Growth and absorption of learners into the Eastern Cape economy, engagements will take place with Owners and/or Directors of companies; Owners and/or Directors of private training providers; and Principals of Technical, Vocational, Education and Training Colleges in the Eastern Cape.

With respect to the Inseta forthcoming research projects on artificial intelligence, digitization and it's impact on skills planning and a determination of the demand and supply mismatches, s where high level engagements with public universities will occur over the duration of the project.

7. Research Priorities

Education and the Workplace

Value of funding learners to pursue insurance-related qualifications at educational institutions in the Eastern Cape

The focus of this study below is to examine the potential to uplift the economic potential of the Eastern Cape from the perspective of the insurance sphere.

It is futile for Inseta to put money into training learners for insurance-related qualifications where the end result was that the economy there was economically depressed and did not have the potential to absorb the learners that qualified. The ability of the economy of a particular region to absorb qualifying learners had become an inherent part of government strategy. The regions under consideration are Port Elizabeth, King Williamstown, East London, and Umtata

There are limitations to the census data and this is the justification for having to undertake further research in the Eastern Cape region.

The following pertinent research questions need to be addressed: Is there capacity for those learners who have been trained at TVET Colleges in the Eastern Cape to be assimilated into the economy in that Region?; Do citizens in the above economy have the financial wherewithal to pay for existing and new insurance products? ; Does the economy there have the potential to sustain existing and new insurance occupations?; Have financial service hubs been created in this region?

2 central research questions are the following:

- Do Eastern Cape TVET colleges have the pedagogical capacity to impart insurance-related qualifications in quick time to learners?
- If they do, does the regional economy in the Eastern Cape have the capacity to sustain existing jobs and create new ones in the insurance sphere?
- A relevant example is where 3 or 4 learners qualified but 3 or 4 companies only had the capacity to absorb 1 learner.

Key Themes/Topics on Education and the Workplace
Priority: 1. A study of business/economic growth and absorption of learners into the Eastern Cape economy.

Other: None

Skills Planning Analysis: Analysis of demand-side signals (sectoral perspective)

Conduct sector and subsector research that quantifies the extent of the demand and supply mismatch

To facilitate research within 3 main subsector categories of insurance, viz. short-term insurance, long-term insurance and collective investments, in order to determine the demand and supply mismatch of skills (Inseta Project Research Charter, 23rd May 2018).

Understanding the sector is critical as it provides the context in which Inseta enables skills development The key to providing relevant and impactful skills development interventions is to ensure that they meet scarce and critical skills across the sector This means having insights into the constraints and opportunities of labour supply and demand, into and across the sector as well as into the provision and factors impacting the demand and supply of skills.

bii) Artificial Intelligence & Digitization and it's impact on skills planning in the South African context (Inseta Project Research Charter 23rd May, 2018).

The problems around the implementation of artificial intelligence & digitization in South Africa revolves around the following: In South Africa, companies find themselves encumbered by legacy technologies and systems, business models, and corporate structures, as well as sunk investments in antiquated infrastructure – all with workforces that may not be ready for the AI & digital revolution that is already underway across the globe. Indeed, like many workers in

other countries, South Africans are concerned that AI & digitization will eliminate their jobs and even worsen income inequality (EE publishers, 2017).

This project will involve the appointment of a public university to undertake research in diverse areas of artificial intelligence & digitization to address various research questions and make recommendations to INSETA on our future approach to this.

As part of the methodology of this study, the appointed research unit will undertake a survey of insurance companies and allocate them to the constructs that have been developed; examples of such constructs are inventor, collaborative inventor, observer, and collaborator.

The research institution will explore, examine and subsequently explain the 'practical implications of the statement: 'learn with machines'.

Finally, the research institution will integrate all relevant concepts and show how artificial intelligence & digitization can improve human existence and improve the quality of life as well as give direction to INSETA in the short, medium and long term on how this will impact skills for now and the future.

Key Themes/Topics on Skills Planning Analysis: Analysis of demand-side signals (sectoral perspective). Note: The below-mentioned research priorities are to be run annually on a concurrent basis. Artificial Intelligence, Digitisation and it's impact on skills planning has also been designated as research priority 1. All the projects listed below have the same level of importance.

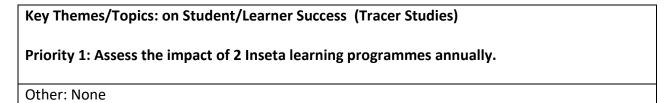**Priority 1: Research on demand for skills mismatch (Jobs) annually**
Priority 1: Research on supply for mismatch (Jobs) annually
Priority 1: Research on qualification-job mismatch annually
Priority 1: 1)Artificial Intelligence, Digitisation and its impact on Skills Planning

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Other: None

Student/Learner Success (Tracer Studies)

A tracer study in the field of education includes data from former students of learning institutions or vocational programmes. Researchers administer tracer studies to the sample groups between nine to 12 months after graduation from the measured programme. This research will be continued in 2018/2019, in order to evaluate the long-term impact of producing employment security for learners within the programme. The results of tracer studies highlight circumstances that can produce meaningful change in populations.

Key Themes/Topics: on Student/Learner Success (Tracer Studies)   **Priority 1: Assess the impact of 2 Inseta learning programmes annually.**
Other: None

8. Research Funding and Procurement

8.1 Budgeted Amounts for Research for 2018/2019

The budgeted amount for a research chair and for the completion of our Sector Skills Plan is delineated in the below.

Table 2 Inseta Programme Breakdown Structure for Research

Research Area	Annual Budgeted Amount	Budgeted Amount Breakdown
Project on Digitisation, Artificial Intelligence and Skills mismatch (Commissioned research)	R5 000 000.00 (Discretionary Grant funding)	R3 700 000.00
Research Chair (Commissioned research)		R1 000 000.00
Research within the Research agenda		R300 000.00
Sector Skills Plan (in-house research report)	R204 000.00 (SETA Administration budget)	R204 000.00

Funding for research projects comes predominantly from discretionary grant funding and catalytic grants as an aspect of discretionary grant funding. The editor and outsourced researcher is funded through the 10.5% administration fee which Inseta receives.

9. Conclusions

In the research agenda the purpose for the existence of the Inseta is stated. The responsibilities of Inseta is discussed in terms of the Skills Development Act, as amended. These responsibilities range from the development of a Sector Skills Plan to the submission of Inseta's business plan to the Department of Higher Education and Training.

The number of levy-paying companies on Inseta's skills indicium system is specified. The total number of registered companies on the same system is also indicated.

A comparative analysis between the years 2017-2018 of the representation of employees within each of the insurance subsectors is presented. The short-term insurance subsector has the highest representation of employees. The importance of following a research agenda is emphasized in various pieces of national legislation, frameworks and plans.

The application of Inseta data for use in the central national planning process is highlighted. The analysis of Annexure 2 data is used for various purposes. The value of occupational demand data obtained from the analysis of Annexure 2 data, is emphasized. The value of focus groups for determining trends is stressed.

The importance of research for evaluating the effectiveness of monitoring and evaluation is underlined. The value of research is further reinforced when the findings from supply and demand studies are linked to the types of skills development interventions that must be undertaken. The way in which research objectives can be achieved, is explained.

The use of the workplace skills plan survey in terms of providing a standardized framework is highlighted. Two factors are necessary in order to allow South African insurance companies to function within the global knowledge economy.

The importance of determining middle level skills is confirmed. The purpose of a research agenda is multifaceted in its' purposes ranging from serving as a roadmap, identifying areas that need to be researched and informing members of the Inseta Board of Management which areas of research require funding.

The concept of research is explained in terms of the Webster dictionary definition where the emphasis is on the establishment of new facts and their proper interpretation.

The composition of evidence-based research is outlined. This has also been linked to credible evidence. The terms boundaries and actors are central to the research-policy nexus. The relationship between research/science and policy has been explained In terms of both being ' mutually reinforcing' and 'tenuous'.

Normative understandings of evidence-based policy-making help policy-makers make better decisions. Policy-relevant evidence must contain three elements in order to improve it's use. An excessively deterministic role has not been ascribed to evidence. In mature politics two functions have been identified to link with research-based evidence.

The interface between research/science and policy has been conceived of in terms of a boundary concept which depends on the nature and outcome of transactions. The role of the non-participants is explained in terms of demarcation. The means necessary for the Inseta to achieve a healthy science/policy approach is outlined.

The relation between Seta and the research community is viewed from the perspective of two research studies: A study of business/economic growth and the absorption of learners into the Eastern Cape Economy and the impact of digitization and artificial intelligence on skills planning where high level interactions will take place between public universities and Inseta, as well as between Inseta and local government bodies, municipalities and chambers of commerce.

Research priorities have been looked at from the vantage point of three main areas: education and the workplace; Skills Planning Analysis: Analysis of demand-side signals (sectoral perspective); and student learner (tracer studies).

Research funding and procurement is looked at from the perspective of projected funding for Inseta research for the period 2018/2019.

10 Bibliography

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