



## Sector Skills Plan

**Date: 1 August 2018**

## FOREWORD

It is a pleasure to present the 2018/19 Sector Skills Plan (SSP) on behalf of INSETA to the DHET. New theoretical input has been added throughout the SSP. The Executive Summary highlights the content of the five chapters and is aligned to the objectives of the National Development Plan. A separate section on Research Methodology has been positioned before Chapter 1 as requested by the Department of Higher Education. Chapter 3 has been renamed and is now called Occupational shortages and skills gaps, and is restructured according to the new DHET requirements, and the PIVOTAL list is also included in this chapter. The Continuous Improvement Plan (CIP) has been rewritten according to the DHET CIP matters template.

In terms of what has changed in relation to the CIP of 2017: INSETA has embarked on a Strategic Integrated Project in collaboration with GIZ (skills for green jobs), the Construction SETA, the short-term insurance industry and the Department of Energy. The aim of this project is to replace electric geysers tied to insurance claims with solar water heating systems. This project provides opportunities for apprentice and qualified plumbers to pursue further qualifications and training through a partnership that is being facilitated through TVET colleges.

In this year's submission of the SSP, INSETA has positioned itself to become an authority on labour market analysis in the insurance sector. This has been initiated through a strong ongoing employer-led process. INSETA has further upskilled its internal capacity on Labour Market systems and tools that assist with research development and data analysis. We are certain that the current form of the SSP sets out an agreed sector strategy to address skills needs. INSETA, in turn, has a central role to play in helping the insurance sector meet its skills needs.

We are confident that this SSP will add impetus to the skills development initiatives activated by our SETA and give members direction. The 2018 SSP underpins industry strategies, where they exist, and serves as a driving force for improved skills planning and increased employment opportunities within the sector. This SSP also underpins the government's agenda of reducing unemployment, combating inequality and alleviating poverty. We have no doubt that this SSP will become the key planning tool for skills forecasting and development within the insurance and related services sector. The aim of this SSP is to ensure that this document is used as a source of reference by all stakeholders concerned with the workforce profile of the sector, the supply and demand for skills within it, employment trends, transformation and various occupational levels, and response to the national agenda.

The 2018/19 SSP is rich in evidence-based research that is compounded by a wealth of stakeholder inputs. It is focused on the state of skills in the sector and contains research powerful enough to provide clear and reliable direction to INSETA for discretionary grant spend to support industry and economic goals. The Board of INSETA has risen to the challenge of ensuring a credible, insightful and high quality SSP for 2018/19 that reflects the complex dynamics of the insurance sector and the challenges in meeting national, economic and social goals. To this end, we endorse this Sector Skills Plan of 2018.

## ACRONYMS

ASISA	Association of Savings and Investment South Africa
ATR	Annual Training Report
BATSETA	Council of Retirement Funds for South Africa
B-BBEE	Broad-Based Black Economic Empowerment
BBF	Black Brokers Forum
BHF	Board of Healthcare Funders
BIAC	Black Insurance Advisory Council
BUSOSA	Burial Society of South Africa
CETA	Construction Education and Training Authority
ETQA	Education and Training Quality Assurer
EWSETA	Energy Sector Education and Training Authority
FAIS	Financial Advisory and Intermediary Services Act
FIA	Financial Intermediaries Association of Southern Africa
FPI	Financial Planning Institute
FSCA	Financial Sector Conduct Authority
FSC	Financial Sector Charter
FSP	Financial Service Providers
GDP	Gross Domestic Product
GIZ	German Cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit)
HRDSA	Human Resource Development Strategy for South Africa
ICT	Information and Communication Technologies
IISA	Insurance Institute of South Africa
ILA	Institute of Loss Adjustors
INSETA	Insurance Sector Education and Training Authority
IOPSA	Institute of Plumbers South Africa
NC(V)	National Certificate (Vocational)
NDP	National Development Plan
NGP	National Growth Path
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSWHP	National Solar Water Heating Programme
OFO	Organising Framework for Occupations
PIVOTAL	Professional, Vocational, Technical and Academic Learning
QCTO	Quality Council for Trade and Occupations
SAFOBS	South African Funeral Business Services
SAIA	South African Insurance Association
SAQA	South African Qualifications Authority
SARB	South African Reserve Bank
SAUMA	South African Underwriting Managers Association
SDP	Skills Development Provider
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SME	Small and Micro-Enterprises
SSP	Sector Skills Plan
SWH	Solar Water Heating
TVET	Technical, Vocational, Education and Training (colleges)
WSP	Workplace Skills Plan

## EXECUTIVE SUMMARY

The INSETA sector skills plan (SSP) can be referred to as a “programme of action” for INSETA. This goes hand-in-hand with the common strategic goal of all South Africans, the fulfilment of the National Development Plan (NDP), a blueprint that offers a long-term perspective. As a long-term strategic plan, the NDP serves four broad objectives:

- Providing overarching goals for what INSETA would like to achieve by 2030
- Building consensus on the key obstacles to achieving these goals and what needs to be done to overcome those obstacles
- Providing a shared long-term strategic framework as a base for more detailed planning to advance the long-term goals set out in the NDP
- Creating a basis for decision-making on best use of limited resources.

The NDP aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality. The INSETA SSP complements the vision of the NDP by explaining the profile of the insurance sector and the role of INSETA and its partners in implementing various programmes. Detailed information is provided on how INSETA disburses its funds in terms of the Skills Development Levies Act. Within this document, great emphasis is placed on INSETA’s commitment to reducing unemployment in the South African economy through the modification of the insurance sector. The focus is on the issue of scarce and critical skills, and dealing with the high unemployment rate, which is largely due to the mismatch of skills supplied by our labour force and what the labour market demands.

INSETA has also clarified its intentions and rules of engagement with the public by emphasising its commitment to working collectively with TVET colleges, universities, and the private and public sectors with the framework of theory and practice. Prioritising and supporting the objectives of the insurance sector allows for curriculum and qualification design to be more responsive to industry needs. This can be achieved through:

- Providing quality lecturers, facilitators or trainers
- Providing access to appropriate learning material
- Providing relevant student information and support
- Developing partnerships between the public and private sectors
- Ensuring safe and productive workplaces conducive to quality skills and training provision that is responsive to industry demands.

In this year’s SSP, the focus has not changed from the previous National Skills Development Strategy (NSDS III). However, an interactive skills planning approach has led to new performance evaluation programmes being put in place.

There must be a broad initiative where the focus is not only on the needs of the insurance sector but also encouraging an educational programme that will bridge the gap between the

level of competence needed by the industry and the quality of students supplied by the system.

Chapter 1 examines the ten Sector Industrial Classification (SIC) codes that are represented by INSETA. INSETA has examined the sub-sectors and clustered all 10 into three main categories, namely: Short-Term Insurance, Long-Term Insurance and Collective Investments. This chapter focuses on the scope of coverage within all sub-sectors and gives an analysis of the major role players, the economic performance, and a detailed overview of employer and employee profiles within the sector. INSETA data, and noticeable trends and progress were identified around transformation at certain occupational levels.

Chapter 2 includes a discussion of the change drivers in relation to supply and demand, and the alignment with national strategies and plans. This chapter includes a table that outlines the factors that affect skills demand and supply in the sector and the implications for skills planning. It also includes alignment with national strategies and plans such as the National Development plan, New Growth Path, HRD Strategy, the White Paper on Post-School Education and Training and Strategic Integrated Projects in the Office of the Presidency.

Chapter 3 shows the occupations that are hard to fill across the large and medium companies and the small companies over a six to 12 month period. The critical skill gaps and the top 10 scarce and critical skills occupations for 2018/19 are highlighted. The challenge of reducing the skills shortages shows that there is a growing mismatch between the skills employers' need and the talent available. This chapter also explains some of the supply problems faced by employers and the impact of skills shortages on insurance companies and includes a PIVOTAL list.

Chapter 4 highlights all existing partnerships with the SETA, and the successes and challenges of these associations are explained. What is in the pipeline with regard to new partnerships is also discussed in this chapter. The partnerships revolve around the following: TVET colleges, universities, employers who provide workplace-based experience, professional bodies, industry associations and other SETAs. A brief discussion on the successful and unsuccessful partnerships is included. For the most part, INSETA's partnerships are working well and beneficiaries are pleased with the progress made thus far.

In Chapter 5, important findings from previous chapters are identified. These findings were used to inform the skills priority actions for the sector as stipulated in this chapter. The measures that INSETA has taken to support national strategies and plans are discussed.

In summary, Chapters 1 to 5 detail the updates since the 2017/18 SSP submission, and the focus now will be on planning for the skills shortages and addressing these in the SETA's upcoming strategic session.

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## RESEARCH PROCESS AND METHODS

### Introduction

INSETA has conducted various research initiatives and data analyses over the last three years. Care was taken to use a variety of sources and broaden the scope of grassroots consultations. This SSP has been developed with a high level of stakeholder participation, which enhanced the authoritative and focused nature of the research. The information that underpins the 2018/19 SSP is therefore both credible and insightful.

### Research Conducted

#### 2.1 Various Research Initiatives

A comprehensive range of research methods was used to identify specific factors that influence skills supply and demand both positively and negatively. These involved a combination of desktop research on prior empirical studies, primary statistical analyses, and stakeholder consultation validation exercises. A multi-method approach was used to compensate for the limited amount of labour market data that is available on the insurance and related services sector. The following methods were implemented across the various research projects listed, based on each particular project's needs:

Table 1 below presents the comprehensive range of research initiatives that INSETA carried out in order to gather meaningful data for the 2018/19 SSP.



**Table 1 Research conducted in preparing INSETA's 2018/19 SSP**

Topic	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Time Frame
Skills Availability and Transformation in the Insurance Industry	Qualitative / Quantitative	1. Determine the status of transformation in the sub-sectors of the insurance industry served by INSETA 2. Determine what skills are available and identify skills shortages 3. Highlight areas that offer job creation opportunities 4. Identify gaps between existing qualifications and skills and those required 5. Define industry expectations for addressing these gaps	1. Desktop Research 2. Interview Protocols (discussion guide and telephonic questionnaire) 3. Web-based Survey	1. 228 Senior Representatives of Large and Medium Levy-Paying companies 2. 4000 Small Levy-Paying and Non-Levy-Paying companies, including Micro Enterprises	1. 2014/15 WSP ATR Data extracted from SARS 2. South African Underwriting Managers Association (SAUMA) Database from the South African Insurance Association 3. The Financial Intermediaries Association Qualifications from the National Qualifications Framework	March 2018 - December 2019

Topic	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of data sources	Time frame
Hard-To-Fill Vacancy Survey	Quantitative	1. Determine the hard-to-fill vacancies and reasons for those over the last 12 months as identified by INSETA-registered employers	1. Survey	1. 22 Large/Medium companies and 20 Small companies	1. List of INSETA-registered Levy Paying and Non-Levy Paying Employers	May 2018 - August 2018

Topic	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of data sources	Time frame
The absorption of learners into the Eastern	Qualitative/ Quantitative	1. Determine whether opportunities exist once learners graduate from TVET Colleges	1. Research Questionnaire	1. Learners' graduation from TVET Colleges in the Eastern Cape 2. Senior	1. Learners enrolled in learnerships and full qualifications in the Eastern Cape	To be completed in December 2018
Cape economy after the completion of their studies at Eastern Cape educational institutions				Officials at Municipalities and Chamber of Commerce in the Eastern Cape		

Topic	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of data sources	Time frame
Artificial intelligence, digitization, and it's impact on skills planning; a determination of the supply & demand mismatch. (Project Charter Research, May 2018).	Qualitative/Quantitative	The areas of focus for the first-mentioned study will be on firstly, problems around the implementation of artificial intelligence and digitization within the South African context; secondly, the statement 'learn with machines', will be examined from the vantage point of all it's implications; and thirdly, the manner in which 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.	Survey of insurance companies	Still to be determined	Large, medium and small insurance companies on the INSETA skills indicium system	March 2019 &
Supply & Demand & Qualification Mismatches	Qualitative/Quantitative	The second study has 3 aspects linked to it: study the demand for skills mismatch of occupations (jobs) annually; study the supply of occupations (jobs) mismatch annually; and study the qualification-job mismatch annually. 3	Open-ended questions & Likert scales	Still to be determined	INSETA stakeholder companies	March 2020

Topic	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of data sources	Time frame
		research reports will be produced to give direction to INSETA on the interventions required by the sector.				

## 2.2 Data Analysis

In preparing this SSP, INSETA also thoroughly analysed the data from the Workplace Skills Plans (WSPs) submitted in April. To ensure that this data was as accurate as possible, certain processes were necessary to ensure that information was drawn from clean data. Some of these processes involved filtering the following:

- Companies who had not selected to register a SIC code
- Companies who did not register their size
- Companies who did not provide an address
- Companies who did not provide a CIPRO number
- Colleges and universities
- Quality assurance data
- Residual data in the database for companies no longer registered with INSETA.

The resulting pooled information was drawn from 962 WSPs submitted for 2018/19, as is reflected below.

**Table 2 Active employers and WSPs submitted - 2018/2019**

	2015/16 submissions	2016/17 submissions	2017/18 submissions
<b>Large Employers (150+ employees)</b>	87	67	126
<b>Medium Employers (50 – 149 employees)</b>	81	102	135

<b>Small levy paying Employees (1 – 49 employees)</b>	879	448	701
<b>Total</b>	1047	617	962

Source: INSETA

2018/19 saw growth in the number of WSPs submitted across all employer size categories. Also reported over this period are the over 110 small non-levy paying employers who also submitted WSPs. The INSETA Skills planning division allows non-levy payers to submit WSPs throughout the year in order to allow them to participate in discretionary grant funding. The submission of non-levy payers varies over time and hence is not reported in the SSP.

## Methodology

- **Purposive sample selection** - The main goal of purposive sampling is to focus on particular characteristics of a population that are of interest
- **Expert sampling** - Expert sampling is a type of purposive sampling technique that is used when research needs to glean knowledge from individuals that have particular expertise
- **Expert elicitation** - Particular expertise is investigated and forms the basis of a research project which requires a focus on individuals with specific expertise
- **Qualitative** - Exploratory research entails an in-depth investigation into the topic at hand to define, describe and enhance understanding of the topic
- **Explanatory (statistical) research** - Explanatory research provides data for extrapolating the results to populations and providing “hard data” (numbers)
- **Qualitative research** - This research is concerned with “...developing explanations or gathering of opinions...”
- **Triangulation** - This is an analysis device for enhancing the credibility, accuracy and persuasiveness of the research across a multiplicity of different industry sectors
- **Thematic analysis** - The procedure of thematic networks provides a technique for breaking up text, and finding within it explicit rationalisations and their implicit significations

Each method was based on the level of insight it provided to facilitate a comprehensive labour market analysis. The skills division at INSETA uses multiple sources of data, especially qualitative data, to complement the quantitative WSP/ATR data; qualitative sources included key

stakeholder meetings. Desktop analysis of skills shortages as identified from PESTEL empirical data was performed. The hard-to-fill vacancy survey was conducted by INSETA in order to contribute value to the Employer Survey. This section thus outlines the research methodology of both the human capital study and the SSP research conducted by INSETA.

## Conclusion

INSETA is satisfied that its research process and methods in compiling this SSP were thorough and varied, and have led to information that is accurate and meaningful. That being said, lessons have been learned which will affect the research process and methodology underpinning the next SSP.

# CHAPTER ONE: SECTOR PROFILE

## 1 Introduction

This section presents a profile of the insurance sector, which includes the scope of coverage of this sector and a discussion of its key role players. The sector's economic performance is analysed according to its contribution to the GDP and its competitiveness within the economy. The employer profile of the insurance sector is demarcated, as is the labour market profile, which reveals the characteristics of the employees in the sector. This chapter aims to provide a broad understanding of the sector and its contribution to the economy.

### Scope of Coverage

INSETA's scope of coverage cuts across the long-term and short-term insurance sector. The industry in South Africa is growing at a rapid pace, with new insurance companies appearing all the time. Even non-sector businesses such as major food chains are branching into insurance.

The insurance sector is clustered within the economic group category of "Finance and Business Services" (this includes Insurance, Banking, and Financial and related Administrative Support Institutions). The latest GDP data shows that that this economic sector is one of the top three main contributors.

All insurance companies must be registered with the FSCA and must comply with relevant legislation. INSETA's mandate is to ensure a skilled and capable insurance sector workforce by adopting a learning strategy aimed at all levels of employment in the sector and aligned to the National Skills Development Strategy. INSETA's role is to promote and facilitate the delivery of education, training and development in order to enhance the skills profile of the insurance sector and support the country's transformation agenda.

### 2.1 Insurance Sector Sub-sectors

The insurance sector is made up of ten sub-sectors. These sub-sectors and their related SIC codes are presented in Table 3 below, after which an explanation of their various scopes is presented.

Table 3: The sub-sectors within the insurance sector and their related SIC codes

SIC Codes	Sub Sectors
81901	Unit trusts
81902	Risk management
82100	Insurance & pension fund (except compulsory social security)
82110	Life insurance
82120	Pension funding
82131	Health care benefits
82191	Short-term insurance
82192	Funeral insurance

SIC Codes	Sub Sectors
82193	Reinsurance
83000	Auxiliary activities (includes brokers and intermediaries)

Source: INSETA

### 2.1.1 Simplification of Sub-Sectors

Some of the offerings and activities of the sub-sectors above are very similar, so to facilitate more meaningful data, INSETA has re-categorised them into three major categories, namely: Short-Term, Long-Term and Collective Investments (Unit Trusts).

#### Long-Term Insurance

This covers life-changing events, such as death, retirement and disability. The types of cover offered include Life, Disability, Dread Disease, Funeral and Credit Life Cover.

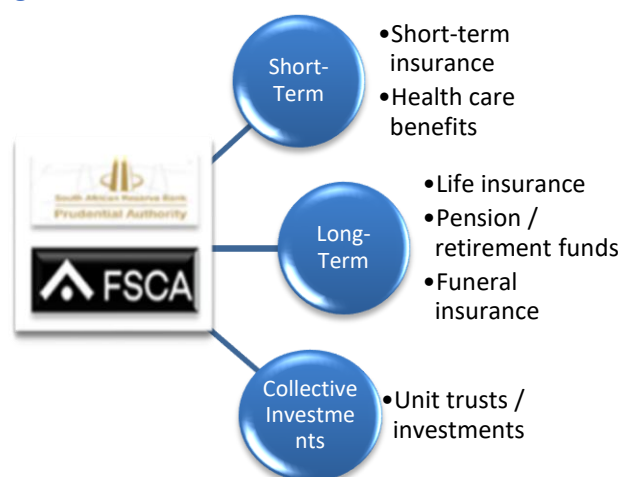
#### Short-Term Insurance

This encompasses all types of insurance policies other than life insurance. This includes vehicle, property, household, medical, personal liability, travel and business insurance.

#### Collective Investments

A collective investment scheme involves members of the public investing money or other assets in a portfolio. This category was formerly known as Unit Trusts. The scope of coverage of the insurance sector, as clustered per the three categories above, is presented graphically in Figure 1 below.

Figure 1 The insurance sector environment



FINANCIAL SECTOR CHARTER



## Key Role-Players

Professional bodies and industry associations that seek to support a particular profession, the interests of individuals engaged in that profession and the public interest support the insurance sector. The secondary role of these bodies and associations is to support the businesses of the sector.

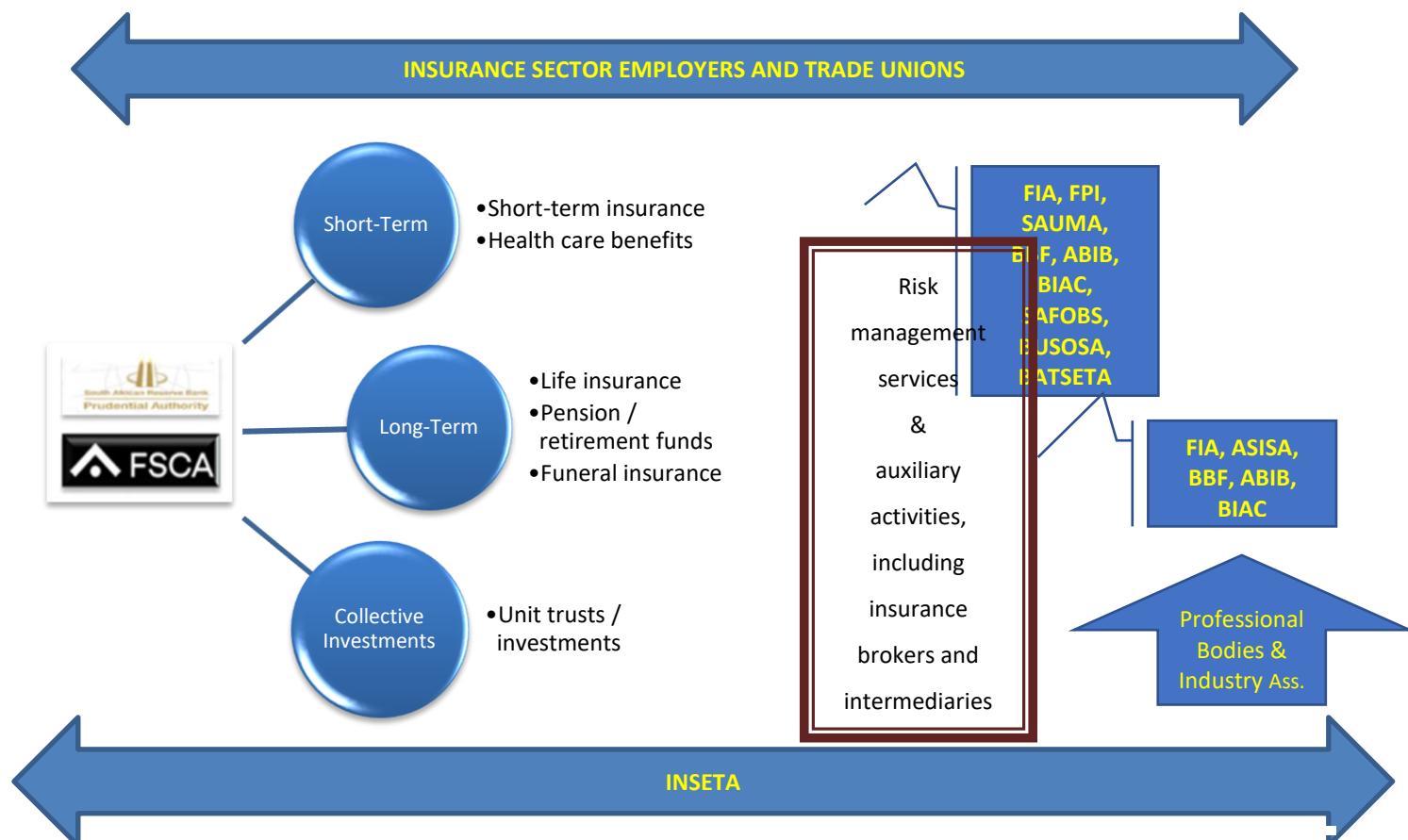
Table 4: Key role-players in the insurance sector

Regulatory bodies		Key role
FSCA	Financial Sector Conduct Authority	Financial sector conduct Authority is a dedicated market conduct regulator for the South African Financial services sector. This marks the formal implementation of the twin peaks model of financial sector regulation.
SARB	South African Reserve Bank	SARB protects the value of South Africa's currency. In discharging this role, it takes responsibility for informing the South African community and all stakeholders abroad about monetary policy and the South African economic situation
	Prudential Authority	The twin peaks model reforms the regulatory and supervisory landscape for the financial sector by dividing the regulatory architecture into a Prudential authority, located in the South African reserve bank, that will regulate financial soundness of financial institutions
SAQA-registered professional bodies and associations		Key role
ILA	Institute of Loss Adjustors	ILA controls the professional standards and conduct of Loss Adjusters by means of a Code of Conduct and a Disciplinary Procedure. The Association of Insurance Assessors of Southern Africa, as it was then known, was formed in 1960. The name was changed to the Institute of Loss Adjusters of Southern Africa on 20 August 1968
FPI	Financial Planning Institute	FPI is a South African Qualifications Authority-recognised professional association for financial planners in South Africa. It is the only institution in South Africa to offer the CFP® certification, as well as an approved examination body for the FAIS Regulatory Examinations
BATSETA	Council of Retirement Funds for South Africa	BATSETA is a non-profit organisation, managed by a Board of Directors, that looks after the interests of Principal Officers, trustees and fund fiduciaries in the retirement industry
SAQA-registered professional bodies and associations		Key role
IISA	Insurance Institute of South Africa	IISA is a professional membership institute for the South African short-term insurance industry. The Institute's vision is to help create "World Class Skills for a World Class Industry" by promoting skills development and professional conduct among members engaged in the insurance industry
Non-SAQA registered professional bodies and associations		Key focus
SAIA	The South African Insurance Association	SAIA is the representative body of the short-term insurance industry. It represents the industry to all relevant stakeholders to ensure a sustainable and dynamic industry. SAIA's members comprise all categories of short-term insurers, including reinsurers
FIA	Financial Intermediaries Association	FIA represents South Africa's independent brokers, including large- and medium-sized brokerages as well as individual financial intermediaries
ASISA	The Association for Savings and Investment South	ASISA represents the majority of the country's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers and life insurance companies

	Africa	
Non-SAQA registered industry associations		Key focus
BBF	The Black Brokers Forum	BBF is one of the representative bodies for black financial advisers
BIAC	Black Insurance Advisors Council	BIAC's main objectives are to provide the community of South Africa and the insurance industry with skilled, informed and fit and proper financial services providers. The secondary objective is to work in collaboration with other insurance industry organisations and other statutory institutions in addressing issues affecting the insurance industry
SAUMA	South African Underwriting Managers Association	SAUMA protects the rights of the underwriter within their relevant industry
BHF	Board of Healthcare Funders	BHF's motto is "Serving medical scheme members"; this guides the manner in which BHF fulfils its function of representative body to the healthcare funding industry
SAFOBS	South African Federation of Burial Societies	SAFOBS oversees the coordination, training and education of burial societies and their staff
BUSOSA	Burial Society of South Africa	BUSOSA assists the Burial Society business to create sustainability and to provide education and training for entry into the industry

The various role-players in the sector are presented graphically in Figure 2 below.

Figure 2 Key role players in the insurance sector environment



The figure above depicts that the Financial Services Conduct Authority is the overseeing regulatory body for all the professional bodies and industry associations. The 3 major insurance

sub-sectors and their sub-components are depicted diagrammatically. The professional bodies and industry associations and their respective responsibilities are linked with the aid of connectors as shown above.

## Economic Performance

The economic performance of the sector was evaluated based on data provided by Statistics South Africa (StatsSA). The data was compared with other credible sector economic performance reports to triangulate the results.

**Table 5 Industry value added and GDP R millions**

	Agriculture, forestry & fishery	Mining	Manufacturing	Electricity, Gas & Water	Construction	Trade, Catering & Accommodation	Transport, Storage & Communication	Finance, Real Estate & Business Services	General Government Services	Personal Services
2012	68 093	221 990	377 330	68 733	98 329	400 938	243 188	562 042	436 466	155 472
2013	71 143	230 772	381 173	68 289	102 818	408 968	250 129	576 707	450 348	159 530
2014	75 982	226 791	382 498	67 622	106 403	414 826	258 906	592 352	464 664	162 367
2015	71 153	233 745	381 149	66 479	108 362	422 502	262 498	607 581	469 224	164 047
2016	63 869	224 016	384 615	64 918	109 524	429 641	264 599	621 798	475 795	166 465
2017	75 185	234 305	384 036	65 018	109 185	426 935	268 494	633 413	477 386	168 459

Source: StatsSA, 2018

It can be seen from the above table that finance, real estate and business services (which the insurance industry falls within) had the highest GDP value in millions of rand for 2017, followed by the rest of the economic sectors. South Africa has a very mature insurance market; the issue is that products remain concentrated among a very small proportion of the population. This is especially so when compared to other countries in Africa. Notwithstanding, South Africa's insurance market accounted for nearly 75% of the total premium written across Africa in 2013. In that year, the insurance sector contributed approximately 15% to the GDP. By the end of 2014, the primary short-term insurers reported gross premiums of R102.8bn, up from R96.2bn a year earlier. In the first quarter of 2015, the results were also strong, with the short-term insurers already generating R28bn of gross premiums. The situation was much the same on the long-term insurance side. After growing by 3,1% in the fourth quarter of 2017, the South Africa economy wobbled in the first quarter of 2018, shrinking by 2,2% quarter-on-quarter (seasonally adjusted and annualised). Agriculture, mining and manufacturing were the main contributors to the slowdown, with the electricity, construction and trade industries also recording negative growth. Economic activity in transport, finance, personal services and government increased in the first quarter of 2018. Increased economic activity was reported for insurance and auxiliary activities and real estate activities.

### 5.1 Number of Employers and Employees in the Sector and Sub-sectors

The South Africa Insurance Association (SAIA) reported that it has 59 members, comprising all categories of short-term insurers, including reinsurers. As of 2013, the country had 74 long-term insurers. In the total number of employers registered for 2017 versus 2018 data, the information is broken down per the sub-sector in the table below. 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. With 53% of all employers based in Gauteng, the richest province in South Africa continues to dominate the insurance industry. The second-most

concentrated employer pool is the Western Cape (20%), and it is followed by KwaZulu-Natal (11%) in third place. Notably, the Eastern Cape (6%) has experienced significant growth since 2017 and is a growing business hub.

It is evident from Table 6 below that the Short-Term Insurance sub-sector is where the majority of employers' core business is, followed by Long-Term Insurance and then Collective Investments.

Table 6 below depicts the representation of employees across various subsectors stratified by company size, viz. large, medium and small. It is evident from this table that the Short-Term Insurance sub-sector has the highest representation of employees, followed by Activities auxiliary to financial intermediation, Life insurance, Insurance & Pension funding, Health-care benefits administration, Funeral insurance, Pension funding, Risk management, Reinsurance and Unit trusts. Interestingly, the subsector short-term insurance has a higher representation of employees among medium than large companies. Also small companies have a higher representation of employees within the Activities auxiliary to financial intermediation than do large and medium companies. Large companies have the highest representation of employees within the insurance and pension funding subsector, followed by small companies and then by medium –sized companies. Life insurance has the highest representation of employees within large companies, followed by medium companies and then by small companies. For the funeral insurance subsector, medium–sized companies have the highest representation of employees, followed by small companies and then by large companies. With respect to the pension funding subsector, large employers have the highest representation of employees followed by medium-sized ones followed by small ones. Within the health-care benefits administration subsector, large employers have the highest representation of employees followed by medium-sized employers and then by small employers. In relation to the risk management subsector, small employers have the highest representation of employers, followed by medium-sized companies, and then by large employers. In relation to unit trusts large employers have the highest representation of employers followed by small companies. Of Note: unit trusts have no representation of employees within medium employers. In relation to the reinsurance subsector medium-sized, companies have the highest representation of employees followed by large companies and then by small companies.

**Table 6 Percentage of employers per sub-sector and employer size 2017 versus 2018**

Sub-sector	Large (150+ employees) %	Large (150+ employees) %	Medium (50-149 employees)	Medium (50-149 employees)	Small (0-49 employees) %	Small (0-49 employees) %	Total % across all company sizes per subsector
	2018	2017	2018	2017	2018	2017	
<b>Short-term insurance</b>	35.2	25.0	40.6	39.6	30.8	30.1	201.3
<b>Activities auxiliary to financial intermediation</b>	18.1	18.8	17.9	23.5	37.6	39.2	155.1
<b>Insurance &amp; pension funding</b>	13.3	9.5	6.9	5.2	7.4	5.9	48.2

Sub-sector	Large (150+ employees) %	Large (150+ employees) %	Medium (50-149 employees)	Medium (50-149 employees)	Small (0-49 employees) %	Small (0-49 employees) %	Total % across all company sizes per subsector
Life insurance	11.2	14.2	10.3	8.6	9.6	9.2	63.1
Funeral insurance	6.4	4.6	5.6	6.1	5.2	6.2	40.2
Pension funding	6.4	8.8	4.0	3.8	1.5	1.4	25.9
Health care benefits administration	8.5	13.5	6.4	6.0	3.8	3.4	41.6
Risk management	2.6	2.3	3.8	3.0	5.5	2.0	19.2
Unit trusts	2.6	2.5	0	0	0.9	1.3	7.3
Reinsurance	0.5	1.9	4.0	3.8	0.7	0.9	11.8

*Data in each of the subsectors is relevant to that sector and not as an overall percentage.*

*Source: WSP data, 2018/19*

## 5.2 Employer Size

The largest long-term insurer in the country is Old Mutual, with 16.26% of the net premiums in 2013. It is followed by MMI Group (14.37%) and then Investec Assurance (11.68%). The largest short-term insurer is Santam, with 18.9% of gross premiums. It is followed by Guardrisk (6.4%) and then Absa (3.1%). The sector is already highly concentrated, with almost 90% of the long-term market and 44% of the short-term market in the hands of the major players such as Old Mutual and Santam (KPMG, 2016).

The sector has many smaller companies, some of which are having difficulties due to increased costs related to administration and compliance. Costs have been outpacing profit and premium growth, and this is driving mergers. A moderate amount of consolidation has taken place since 2009, with at least three small insurers leaving the business. SAIA is of the opinion that we will see this trend continue. Many smaller insurers are downgrading into the micro segment, given the higher compliance costs and macro-economic challenges. Given these economic challenges and the current political ones some see difficult times for underwriters and anticipate the emergence of new models and the rise of specialty insurers.

However, the South African Insurance Association has made progress with regard to reducing the risk of small insurers disappearing from the insurance sector. The threat to small short-term insurers can be lessened through them working with the South African Motor Transformation and Sustainability Forum who have been working with South African motor body repairers associations to find ways which could contribute to smaller Black motor body repairers' services to increasingly be utilised by insurers, who traditionally often chose to work with bigger players as they are then able to negotiate better prices because of larger volumes of business. SAIA has made good progress with the Motor Transformation and Sustainability Forum who have collectively agreed on standards for repair work that are internationally benchmarked, which have been accepted by all the panel beater associations that are part of this Forum, and represent most motor body repairers in South Africa. These guidelines will give a good indication

of the ability of repairers to offer quality work and have resulted in insurers increasingly including smaller providers on their supplier lists that may have been excluded in the past. This presents opportunities for small short-term insurers and will assist them to survive as viable business entities albeit with a different business approach (Cover, May 2016).

#### Labour Market Profile

Demographic profiles were constructed using 2018/19 WSP and ATR data, as well as consultative workshops conducted during the financial period. A comparative analysis was performed using this baseline data and other labour market data on sector demographics.

##### 6.1 Employee Numbers

The workforce represented through the 2018/19 WSP submissions for large and medium companies is recorded at 134 253 employees, compared to small companies employees of 10 494 employees. This is the third consecutive quarter for which StatsSA has indicated a growth in employment: The finance and business services sector recorded the second-highest employment gains of 49 000 persons. Employment increased in the informal sector in two industries, one being the financial and business sector (StatsSA, 2017).

In the first quarter of 2018 employment in the informal sector increased mainly in Construction (59 000) and Finance and other business services (54 000) industries compared to the fourth quarter of 2017. Compared to Q1: 2017, employment in the informal sector increased in five industries. The largest annual employment gains were observed in the Community and social services (74 000), Finance and other business services (56 000), Construction (36 000) and Transport (35 000) industries (StatsSA, 2018).

##### 6.2 Broad Occupational Groups of Employees

Table 7 below gives an indication of the number of employees within the major occupational groupings of the sector.

**Table 7 Employees per major occupational group and employer size**

Occupational group	Small employers No	Large and Medium employers No	Overall %	Occupational group	Small employers No	Large and Medium employers No	Overall %
Managers	1896	17713	<b>29</b>	Elementary Occupations	294	932	<b>3,6</b>
Professional	1091	29795	<b>23,4</b>	Service and Sales Workers	225	4411	<b>1,6</b>
Clerical Support Workers	2768	34984	<b>21,8</b>	Plant and Machine Workers	56	320	<b>1,2</b>
Technicians and Professional Assistants	3758	45385	<b>19</b>	Skilled Agriculture, Forestry, etc*	15	54	<b>0,4</b>

*\*Skilled Agriculture, Forestry, Fishery, Craft and related trades workers*

*Source: WSP data, 2018/2019*

It can be seen from Table 7 above that for Large/Medium employers the Technicians and Professional Assistants' group has the highest level of employee representation followed by

Clerical Support Workers, Professionals, Managers, Service and Elementary Occupations, Sales Workers, Plant and Machine workers and Skilled Agricultural Workers. For Small Employers the Technicians and Associate Professional Assistants' category has the highest level of employee representation followed by Clerical Support Workers, Managers, Professionals, Service and Elementary Occupations, Sales Workers, Plant and Machine Workers, and Skilled Agricultural and Forestry Workers. Interestingly, the distribution of employees among the major occupational groupings varies between Large/Medium and Small Employers. The position of Professionals and Managers is reversed when comparing Large/Medium and Small Companies. The position of the major occupational groupings for Large/Medium and Small Employers is identical for elementary occupations, Plant and Machine workers and Skilled Agricultural and Forestry Workers.

Large/Medium businesses employ more Managers, Clerical Support Workers, and Technicians and Professional Assistants than Small businesses do.

**Table 8 No. of employees per age band per occupational grouping**

Employees' age	Employer size	Managers	Professional	Clerical Support	Technicians & Professional assistants	Elementary Occupations	Service and Sales Workers	Plant and Machine Workers	Skilled Agriculture, Forestry
<35	Small	382	496	1287	1604	55	150	12	3
	Large/Medium	4294	13026	19506	20437	274	2109	70	22
35-54	Small	1074	472	1148	1638	180	71	24	8
	Large/Medium	11374	1745	13388	22397	527	1702	167	26
55-64	Small	363	85	268	381	55	4	12	4
	Large/Medium	1863	2290	1984	2268	121	586	71	6
65+	Small	77	38	65	37	4	0	7	0
	Large/Medium	182	381	106	283	10	14	44	0

Source: WSP data, 2018/19

Table 8 above shows that Managers and Professionals in both the Small and Medium Employer categories are substantially more prevalent in the 35-54 age bands than in the <35 age bands and their representation declines appreciably in the 55-64 and 65+ age bands. The presence of Clerical Support workers starts off at an all-time high in the <35 age band for both Large/Medium employer size categories and declines in a medium way in the 35-54 age bands and then declines substantially in the 55-64 age bands and, finally, tapers off in the 65+ age bands. Identical trends are present in the Technicians and Professional assistants' Professional Category. For the elementary occupations employer category the representation of employees in this category starts off in a relatively medium way in the <35 age band increases in a slightly medium way in the 35-54 age bands and decreases in a medium way in the 55-64 age bands and tapers off substantially in the 65+ age bands. For the Service and Sales Workers grouping, the presence of employees in the <35 age band for both Large/Medium and Small Companies starts off relatively high in the <35 age band and then dips substantially in the 35-54 age band and then dips substantially further in the 55-64 age band and then tapers off significantly in the 65+ age bands. Plant and Machine and Skilled Agricultural and Forestry Workers are significantly



underrepresented in all the age groupings compared to the other major occupational groupings probably because these groupings are less relevant for the insurance sector.

The table above shows that most employees aged 34 and below, across all employer sizes, are Clerical Support Workers and Technicians and Professional Assistants. Managers aged 35-64 are in demand across all employers. There is a high demand for Professional employees within Large/Medium businesses.

**Table 9 Employee race and gender by occupational group**

Occupational group		African N		Coloured N		Indian N		White N	
	Gender	Small	Large / Medium	Small	Large / Medium	Small	Large / Medium	Small	Large / Medium
Managers	Male	195	2923	64	1025	93	1240	771	3490
	Female	180	2985	90	1407	91	1183	542	3537
Professional	Male	102	5358	32	2037	36	1862	370	5152
	Female	133	7237	40	2153	38	1789	318	4294
Clerical Support Workers	Male	198	5908	83	2283	39	1210	168	1104
	Female	584	12257	309	5778	168	2208	1212	4181
Technicians and Professional Assistants	Male	368	11332	116	1803	88	1539	615	3176
	Female	702	18024	262	2729	225	1938	1351	4179
Elementary Occupations	Male	51	186	3	29	0	11	0	8
	Female	223	614	8	75	0	1	3	3
Service and Sales Workers	Male	59	1427	12	289	13	197	10	360
	Female	97	1457	17	306	0	104	17	262
Plant and Machine Workers	Male	47	231	1	13	1	60	5	12
	Female	2	53	0	4	0	0	0	0
Skilled Agriculture, Forestry, etc.*	Male	11	17	4	6	0	1	0	5
	Female	0	16	0	6	0	0	0	1

*\*Skilled Agriculture, Forestry, Fishery, Craft and related trades workers*

*Source: WSP data, 2018/2019*

Table 9 shows that for both Large/Medium and Small companies among the managerial grouping White males and females still occupy the majority of managerial positions. For Large/Medium companies African males and females are 2nd ranked in terms of the holding of managerial positions, and this pattern is identical among Small employers where African males and females also occupy the 2nd position in terms of the holding of managerial positions. Coloureds occupy more managerial positions in Large/Medium companies compared to Indians while this trend is reversed in Small companies where the opposite trend applies. It can be concluded that among the managerial grouping transformation has not occurred to the extent that it should have. In the professional grouping, Africans hold the 1st ranked position in terms of occupancy of positions among Large/Medium employers followed by Whites. Among Small companies this



trend is reversed where Whites hold more professional positions followed by Africans in the 2nd ranked position. For Large/Medium companies transformation has taken place to a greater extent in the Professional than in the managerial group.

In the majority of cases, Female employees occupy more positions than Males. This is generally the norm among major occupational groupings. A good example of this observation is in the Technicians and Professional Assistants Grouping.

In the Clerical Support Workers category, Females are in the majority across all race groups among Large/Medium employers, with African females in the 1st ranked position; Coloured females occupying the 2nd ranked position; and White females holding the 3rd ranked position. For the same grouping, among Small Employers, African Females occupy the first ranked position, Coloured Females the 2nd ranked position and White females the 3rd ranked position. Therefore the pattern of distribution of employees among Clerical Support Workers for females for both Large/Medium and Small companies is identical for the 1st 3 ranked positions in the above grouping. However, there are a few exceptions. In the Elementary Occupations category, for Large/Medium companies, White Males outnumber White females and Indian Males outnumber Indian females. In the service and sales worker category, White Males outnumber White Females and Indian Males exceed Indian females.

An interesting pattern can be observed in the service and sales workers grouping for Large/Medium companies where White males exceed White females and Indian males exceed Indian females. A possible reason for this is that the Service and Sales worker category has traditionally been regarded as a more male-dominated occupational grouping. This pattern is not evident among Small employers.

Transformation goals also entail the uptake of disabled employees. Table 10 below shows the current figures for the number of disabled employees in the sector.

**Table 10 NSDS III transformational imperatives - focus on race and disability in the sector**

Race	Number of employees with disabilities	Total number of employees	National Imperatives: Race	National Imperatives: Disability
African	498	72872	74%	1%
Coloured	171	20933		
Indian	104	8075		
White	436	35550		
Foreigners	3	779		
	<b>1212</b>	<b>138209</b>		

Source: WSP data, 2018/2019

In accordance with the National Skills Development Strategy III:

- **Race** - Currently, the sector employs 74% Black people, which is not in line with the National Transformational Imperatives that are set at 85% Black employees.
- **Disability** - Currently, the sector employs 1% of persons with Disabilities, which is not in line with the National Transformational Imperatives that are set at 4%.

#### 6.4 Major Sub-sector Breakdown of Employees

The data in this section reflects the characteristics of employees (in %) in the sector. Table 11 below shows the race breakdown of employees in each of the three major sub-sectors designated by INSETA.

**Table 11 Employee race number per major sub-sector**

Race	African	Coloured	Indian	White	Foreign
<b>Short-Term</b>	20806	7191	5762	15060	346
<b>Long-Term</b>	21754	2915	2247	4907	191
<b>Collective Investments</b>	41	9	3	48	0

Source: WSP data, 2018/2019

African employees hold the most number of positions within the short-term insurance sector followed by Whites, Coloured, Indians and Foreigners. Within the Long-term insurance sector, Africans hold the majority of positions, followed by Whites, Coloureds, Indians and Foreigners. In the unit trusts/investment sector, Whites hold the majority of positions, followed by Africans, Coloureds and Indians. The Short-Term and Long-Term sub-sectors are dominated by African employees; with White employees also well represented. The majority of employees in the Collective Investments sub-sector are White, followed by Africans, while there is a good representation of Coloured employees. Indian employees have the lowest representation across all sub-sectors.

**Table 12 No. of employees in age grouping per major sub-sector**

Employees' age	Short-Term	Long-Term	Collective Investments
<35	23421	24617	39
35-54	3714	33483	53
55-64	540	3784	8
65+	162	388	4

Source: WSP data, 2018

Table 12 shows that within the short-term insurance subsector the age group <35 has the highest level or representation of employees followed by the 35-54 age group where the number of employees decreases quite markedly, followed by the 55-64 age group where the number of employees dips even further, and finally, by the 65+ age group, where the number of employees is at its lowest level. Within the long-term insurance major subsector the age group 35-54 has the highest number of employees followed by <35 age group which has the next highest number of employees, followed by the 55-64 and 65+ age groups with succeeding depreciating number of employees. Within the collective investments subsector the age group 35-54 has the highest number of employees followed by <35 age group where the age groups 55-64 and 65+ age groups have decreasing number of employees.

**Table 13 No. of males and females per major sub-sector**

Employees' gender	Short-Term	Long-Term	Collective Investments
<b>Male</b>	19172	24892	-46
<b>Female</b>	27874	37380	58

Source: WSP data, 2018/2019

Table 13 shows that females are more highly represented than males in the short-term insurance major sub-sector. Similarly females are more highly represented than males in the long-term insurance major sub-sector. Also females are more highly represented than males in the collective investments insurance major sub-sector.

Table 13 reveals that females continue to dominate all sub-sectors, in line with the NSDS III transformational imperatives, which call for a minimum of 54% women to be represented in organisations.

**Table 14 No. of disabled employees per major sub-sector**

	Short-Term	Long-Term	Collective Investments
<b>Persons with disabilities</b>	567	361	3
<b>Total no. of employees per major subsector</b>	47046	62272	104
<b>% disability per major subsector</b>	1.2%	0.58%	2.8%

Source: WSP data, 2018/2019

It can be seen from the above table that within the short-term insurance major sub-sector 1.2% of employees are disabled, in the long-term insurance major sub-sector 0.58% of the employees are disabled, while in collective investments major sub-sector 2.8% of the employees are disabled.

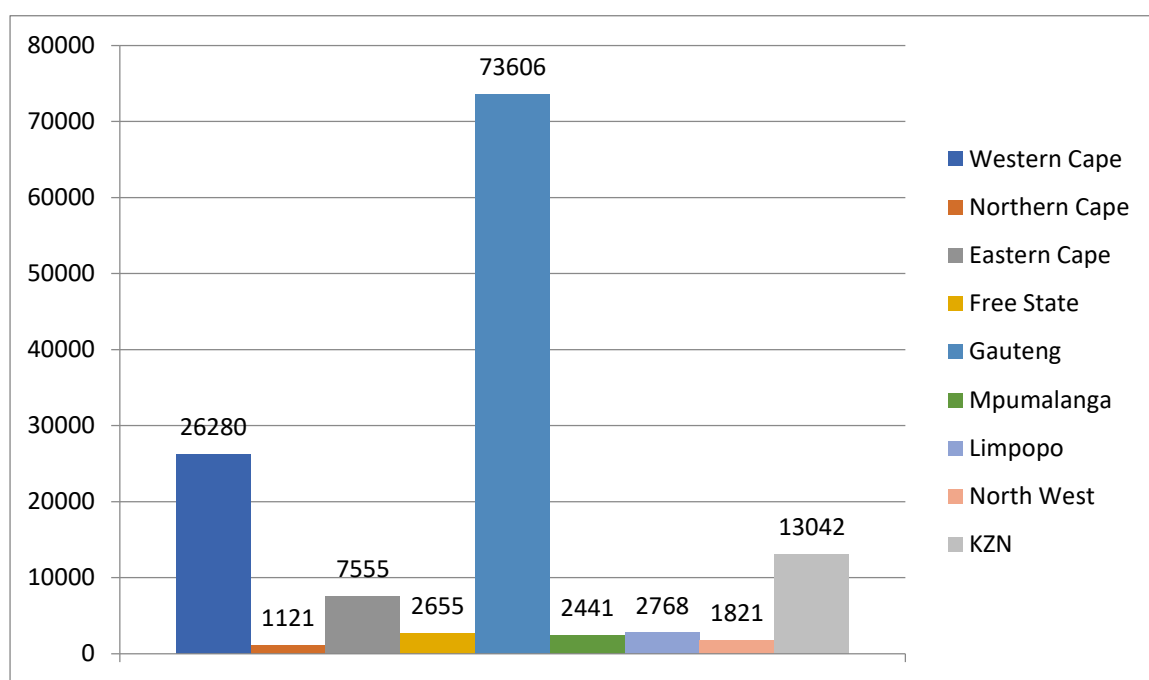
The short-term insurance major sub-sector has the highest number of disabled persons with a decreasing number in the long-term insurance major sub-sector followed by the collective investments sub-sector that has an extremely low number of disabled persons.

Table 14 shows that, although the three major sub-sectors have supported the drive to recruit persons with disabilities, there is room for improvement in this area. Whilst INSETA projects include additional support service fees for persons with disabilities, more attention needs to be paid to projects that enable persons with disabilities to enter and grow within the insurance sector.

## 6.5 Employee Geographical Distribution

Figure 3 below reveals the number of employees per province. It is evident from the figure below that the majority of employees are based in Gauteng, followed by Western Cape, and then by KwaZulu-Natal.

**Figure 3 Provincial breakdown of employees by province**



Source: WSP data, 2018/19

## 6.6 Notable Trends

The data from the past three years shows that transformation is happening, but has still not met the required levels. This is especially noticeable in the Management and Professional groupings. INSETA supports the Government's transformation imperatives to ensure that employee representation is 85% black, 54% female and 4% disabled. Women are well represented in the sector, though there needs to be more focus on the employment of persons with disabilities.

## 6.7 Implications for Transformation

Since 1994, South Africa has undergone significant transformation. The Employment Equity Act (No. 55) of 1998 aims to eliminate unfair discrimination and implement affirmative action to enable equitable representation of employees across different race and gender groups. However, South Africa is still facing challenges in growing young professionals, especially in the insurance industry. However, industry players are optimistic about the future and believe that there is a desire to meet targets; they have largely bought into the transformation process and perceive a strong relationship between regulators and industry members. The biggest challenge is the shortage of Black entrants with the required experience and skills for professional and management roles. In research completed in 2015, the following reasons were given to explain this difficulty:

- The education system is failing to produce work-ready job applicants
- Needed skills are in short supply, making professionals and managers costly to recruit
- In-house training is expensive and time-consuming
- Poaching of employees is adding to the cost of doing business, and fostering a lack of loyalty among employees

## 6.7 Educational Qualifications within the Sector

Table 15 below shows the qualifications of males in the insurance sector stratified by race and employer size.

**Table 15 Qualifications of male employees in the sector by race and employer size (number)**

Male employees	African	Coloured	Indian / Asian	White
	Large / Medium	Large / Medium	Large / Medium	Large / Medium
AET Level 4/NQF Level 1 (at Grade 9/Std 7/Form 2)	39	0	0	3
Below AET Level 4/NQF Level 1 (below Grade 9/Std7/Form 2)	15	6	2	3
NQF Level 10 (Doctoral)	8	1	9	16
NQF Level 2 (up to and including Grade 10/Std8/Form 3/NTC I)	105	22	9	30
NQF Level 3 (up to and including Grade 11/Std8/Form 4/NTC II)	321	42	34	149
NQF Level 4 (up to and including Grade 12/Std8/Form 5/NTC III)	18022	4597	3204	4838
NQF Level 5 (Diploma, Certificate/NTC IV,V,VI)	8019	1798	424	1144
NQF Level 6 (National Diploma)	1361	478	397	1071
NQF Level 7 (First Degree)	1684	453	129	939
NQF Level 8 (Honours, Professional Degrees and Post Graduate)	594	261	273	908
NQF Level 9 (Masters)	151	57	75	477
Other	416	124	159	186

Source: WSP data, 2018/2019

At AET level 4 and below AET level 4, Africans have the highest level of representation. At NQF level 4, African males have the highest level of representation followed by White, Coloured and Indian males. At NQF levels 5 and 6, African males have the highest level of representation followed by Coloureds in the case of NQF level 5 and by Whites in the case of NQF level 6. In the case of NQF level 5, Whites precede Indians, and in the case of NQF level 6, Coloureds precede Indians. At NQF level 7, Africans have the highest level of representation followed by Whites. At NQF level 8, Whites males have the highest level of representation followed by Africans. At NQF level 9, Whites have the highest level of representation followed by Africans. At NQF level 10, Whites have the highest level of representation followed by Indians. At the Other level, Africans have the highest level of representation followed by Whites. Whites still dominate at the upper educational levels from 8-10, generally followed by Africans with the exception of NQF level 10, where Indians follow the Whites. At NQF levels 8-10, the level of transformation has not occurred according to expectation.

**Table 16 Qualifications of female employees in the sector by race and employer size (number)**

Female employees	African	Coloured	Indian / Asian	White
	Large / Medium	Large / Medium	Large / Medium	Large / Medium
AET Level/NQF Level 1 (at Grade 9/Std 7/Form2)	106	4	0	3
Below AET Level 4/NQF Level 1 (below Grade 9/Std7/Form 2)	118	13	4	5
NQF Level 10 (Doctoral)	10	0	1	10
NQF Level 2 (up to and including Grade 10/Std8/Form 3/NTC I)	189	66	9	90

Female employees	African	Coloured	Indian / Asian	White
NQF Level 3 (up to and including Grade 11/Std8/Form 4/NTC II)	675	109	20	215
NQF Level 4 (up to and including Grade 12/Std8/Form 5/NTC III)	28411	7661	3367	7537
NQF Level 5 (Diploma, Certificate/NTC IV,V,VI)	3591	1537	937	437
NQF Level 6 (National Diploma)	2337	948	393	1525
NQF Level 7 (First Degree)	2960	712	939	1924
NQF Level 8 (Honours, Professional Degrees and Post Graduate)	995	354	322	731
NQF Level 9 (Masters)	156	41	86	312
Other	571	181	182	225

Source: WSP data, 2018/2019

At AET and below AET level African females have the highest level of representation followed by Coloureds, Whites and Indians. At the upper NQF levels in the case of NQF level 10, African and White females have the highest level of representation followed by Indians and Coloureds. At NQF level 4, the usual pattern is evident and is reflective of population demographics where African females have the highest level of representation followed by Coloureds, Whites and Indians. At NQF level 5 and 6, African females have the highest level of representation followed by Coloured, Indian and White females in the case of NQF level 5, whilst in the case of NQF level 6 the trend is different where African and White females have the highest and 2nd highest level of representation, respectively, followed by Coloured and Indian females. At NQF level 7, African females have the highest level of representation followed by White, Indian and Coloured females.

#### 6.8 Implications of Findings for Skills Development

In an attempt to transform the South African economy, the NSDS prescribes that at least 54% of skills development beneficiaries should be women, 85% should be black and 4% should be people with disabilities. Therefore an analysis of the race, gender, disability, youth and educational levels of employees in the sector is important. Educational data shows that there is a growing mismatch between the skills employers need and the talent available. This applies both to technical skills and knowledge and to employees' capacity to learn, adapt, lead, think laterally and solve problems creatively.

## Conclusions

Despite these challenges, the insurance sector continues to contribute significantly to the broader economy. While the sector remains very competitive, INSETA must maintain strong relationships with many of the key role players laid out in the relationship map in order to ensure that this continues. An analysis of the current employer profile in the sector revealed that, whilst the larger businesses employ the most employees, this employment growth is slow. Small businesses are the future driver of the economy in South Africa.

The workforce data shows that in the Management occupational category, the White racial group holds disproportionately more positions than the Black racial group. While transformational objectives are being well met in the employment of women in the sector, there is still sufficient room for improvement to meet racial targets. There is also much work that has to be done to meet the targets for employment of persons with disabilities.

## CHAPTER TWO: KEY SKILLS ISSUES

### 1 Introduction

This chapter focuses on the key skills issues that impact the insurance sector. In 2014, INSETA commissioned research to look into the key change drivers within the sector; various professional bodies and industry associations were consulted. In 2015, the resulting report on key drivers affecting the insurance industry was released. A series of preliminary interviews conducted have shown that the majority of these change drivers are still prevalent in 2017.

The main overarching theme that will be followed throughout this year's research within INSETA is around Artificial Intelligence (AI) and Robotic Process Automation (RPA) technologies that aim to enable automation across a wide variety of tasks, processes, job functions, business areas and industry sectors. INSETA will focus research around the impact of skills for the future given the technological revolution we are faced with.

Other key issues on the table for discussion this year will be around the impact of the change in regulators for the sector and the reintroduction of the National Health Insurance scheme (NHI).

### 2 Change Drivers

The insurance industry has gone through its own digital transformation over the past five years. With a general acceptance that digital is here to stay, most insurers have incorporated digital into their organizations, implementing ad hoc capabilities to make their business faster and cheaper, creating online tools to further engage their distribution channels, and implementing table stakes technology in areas such as marketing, digital portals, customer self-service capabilities, and automation of some back-end processes. As we move into 2018, digital is continuing to reshape the way insurers do business (PwC, 2018).

The Global megatrends that are altering the insurance landscape, according to the PwC report on the outlook of the industry for 2018, are presented in Table 17 below.

**Table 17 Change drivers affecting the insurance sector**

<b>Change driver</b>	<b>Explanation of how it is a change driver</b>
<b>Social networks and changing customer behaviour</b>	In recent years, online social networking has emerged as a strong component of social interaction. Financial institutions are starting to recognise the opportunities social media can bring to their businesses. They are looking to gain a competitive advantage over other institutions while also trying to mitigate the threats posed by social media. Until recently, the sector has lagged behind some others in its comprehensive adoption of social media. However, many companies are now using social media to revolutionise the traditional business models that the finance sector has relied upon for decades.
<b>Technology, innovation and FinTech</b>	Financial technology companies are generally start-ups trying to disintermediate incumbent financial systems and challenge traditional corporations that are less reliant on software. The financial technology sector is booming: The FinTech market captured over US\$12 billion investments since 2015, a three-fold increase from the previous year. New start-ups are popping up at an increasing pace, and large banks and insurance companies are being pushed toward increasing digital operations in order to survive. Goldman Sachs estimates that FinTech start-ups could be taking up to \$470 billion in profits alone from bigger service companies in the financial industry.
<b>Environmental and sustainability issues</b>	Climate change is the most significant challenge to achieving sustainable development and it is not just a long-term issue. It is happening today, and it entails uncertainties for policy makers trying to shape the future, who are unsure what the local, regional, societal and economic impacts will be. Many of the decisions made now will have long-term consequences and remain sensitive to climate conditions.
<b>Economic change and future growth opportunities</b>	The future may be hard to predict, but need not be hard to prepare for. Insurers are grappling with the tough new business, investment and regulatory environments that are emerging from the financial crisis. The industry also faces far broader challenges. Demographic shifts, the rise in power of the emerging markets and changing customer behaviour will all help shape the sector's longer-term future. Insurers who can anticipate and plan for change can create their own future.
<b>Regulatory and political landscape</b>	There are strong signs that Africa's insurance industry is currently in a transformation phase, according to KPMG's South African Insurance Survey 2015. The report says the challenges faced by businesses today are fundamentally different to those of 20-30 years ago. The global risk landscape has been marred by political conflict in both emerging and developed markets, highlighting the growing need for political risk insurance globally. Thus the underwriting of political risk insurance, locally and internationally, is a growing business.



Source: PwC, 2017

Table 18 Change drivers from the Inseta/DHET Skills Needs Survey - May to June 2018

AUTO & GENERAL	MUNICH REINSURANCE	AON	DISCOVERY	HOLLARD	ASSUPOL	INDWE RISK SERVICES	AVBOB	MIWAY	AGILITY	AIG
<p><u>Technology</u> Insurance is moving to an online digital platform as the main method of communicating with its customers.</p> <p><u>Legislation</u> Organization is meeting industrial compliance, e.g. class of business</p>	<p><u>Technology</u> Digitalization &amp; Data Analytics is key</p> <p>The nature of jobs going to change because of artificial intelligence</p> <p>Digitalization may lead to an increase or decrease of costs</p>	<p><u>Technology</u> Digitalization Artificial Intelligence</p> <p><u>Retail Distribution Review</u> Move away from choosing the binder who charges highest binder fee</p> <p><u>Continuous Professional Development</u> has a positive impact for training employees</p>	<p><u>Legislation</u> Restructured our regulatory compliance because of directives from the Financial Sector Conduct Authority (FSCA)</p> <p><u>Technology</u> Need to be innovative otherwise the business will fail.</p> <p>Striving for the best business strategic model</p>	<p><u>Technology &amp; Digitalization</u> Human eye can be scanned to determine potential for heart attack Monitor heart rate with monitor on person's wrist linked to medical aid provider Mobile wallets and mobile money</p> <p><u>Customer Service Levels</u> Customer more informed</p> <p><u>Legislation</u> protects the customer</p> <p><u>Changing Work Force</u> Millenniums hold multiple jobs in one day</p>	<p><u>Technology</u> Provide real time services to clients Artificial intelligence</p> <p><u>Innovation</u> Customer opens a bank account – this same customer might be contacted by other companies offering other products</p> <p>Legislation <u>Compliance to Fit &amp; Proper Regulations</u></p>	<p><u>CPD &amp; Product specific training</u> Specific training for class of business Generic training undertaken must be signed with the training provider Internal training register must be signed internally Without a date of first appointment date from FSCA Indwe cannot appoint staff</p>	<p><u>Technology</u> Technology impacts on the calculation of premiums. To accommodate this, basic financial management course is undertaken district and area managers at AVBOB.</p> <p><u>Legislation</u> Changing legislation affects targets set with resultant revising of contracts Pieces of legislation considered to be change drivers: FAIS Act, Basic conditions of employment act and National Minimum Wage Act.</p>	<p><u>Technology</u> Driverless cars Robotics Human interaction has been reduced because potential customers apply online using an APP.</p> <p><u>Regulation –</u> Class of Business Continuous Professional Development Accreditation of Resources MiWay is busy aligning this to one central point</p>	<p><u>Culture Change</u> Company policy authorizes in terms of payment for hospital plan.</p>	<p><u>Legislation</u> FCSA drives skills development in terms of training that gets done in terms of the regulatory environment</p> <p><u>Change in Products</u> Staff and brokers need to have product knowledge of new products so that they can sell these products.</p> <p><u>Change in Systems &amp; Processes</u> Virgin products – all new processes For Claims</p>

Source: 11 skills need surveys conducted with INSETA stakeholder companies

It can be seen from table 18 above that change drivers identified by our stakeholders fall into the following main areas: Technology & Digitalization, Legislation, Retail Distribution Review, Customer Service Levels, Continuous Professional Development and specific training for Class of Business, Culture Change, Change in Products and Change in Systems and Processes. Under legislation much reference is made to compliance with Class of Business.

## Key Factors Affecting Skills Demand and Supply and Implications for Skills Planning

How change drivers affect skills planning is discussed in this section.

**Table 19 Factors affecting skills demand and supply in the sector and their implications for skills planning**

Factors impacting on skills demand and supply in the sector	Implications for skills planning in the sector
<p><b>Changes in legislation and regulation</b>  <b>Intensive regulation</b>  The increased regulation of the South African insurance industry has been driven by the need to achieve social and economic transformation, control the effects of the last global financial crisis, and improve governance. However, insurance industry members are concerned about:</p> <ul style="list-style-type: none"> <li>– The high cost of compliance</li> <li>– The difficulty of finding staff with the skill sets needed to ensure compliance</li> <li>– Uncertainty regarding many requirements for implementation</li> <li>– Possible effects on their ability to do business effectively</li> </ul>	<p><b>Compliance officers play a key role</b>  Most financial transactions cut across numerous pieces of major legislation. The role of the compliance officer has always been important, but it is now crucial. Developing individuals with the industry understandings and insurance and legal skills to play this role has become a priority. A significant concern is that, while in-house compliance officers servicing the large insurers are insurance specialists, the compliance agencies serving smaller players may have little or no insurance industry knowledge.</p> <p><b>Regulation is beneficial but presents challenges</b>  The increased regulation of the entire South African financial services industry, including the insurance industry, has been powered by the need to achieve social and economic transformation, control the effects of the last global financial crisis, and improve governance. However, compliance is costly, people with the skills to administer compliance are lacking, there is uncertainty regarding implementation, and industry members fear regulations may affect their ability to do business.</p>
<p><b>Developments in technology</b>  <b>Transformational technology</b>  Sophisticated and universal technologies are both changing the way humans interact with each other, and creating floods of information with the potential to change the way sellers interact with buyers. Short-term and life insurance sector participants believe smart phones and tablets will present the most important opportunities for technological innovation over the next five years. In particular, they predict improved direct insurance and online distribution, new actuarial systems and real-time data mining and new actuarial.</p>	<p><b>Bringing new skills into the industry</b>  Employers within the life insurance sector found an unexpected benefit in the technology-driven changes within the insurance industry. It is now believed that the industry needs a set of brand new skills – and this need is helping to drive the transformation process. Some employers are importing skills that are scarce because they are urgent/critical needs or to meet future demand through skills transfers. These trends create a need for a new high-tech skill set within the insurance industry. Key trends include the use of</p> <ul style="list-style-type: none"> <li>– Big data</li> <li>– Automated underwriting</li> <li>– Technology in marketing, sales and service provision</li> </ul> <p><b>Transformational effect of big data defined by available skills</b>  But, to translate this data into insights that lead to more effective relationships within the market, the insurance sector needs an influx of technological talent with strong business skills, and there is a global shortage of people with the mix of IT and other diverse skills to manage big data.</p>

## Alignment with National Strategies and Plans

Government initiatives include national qualification frameworks based on occupational standards and competence-based curricula, and the creation of sector skills councils. For these initiatives to succeed, employer involvement is critical. Companies need to work together to develop strategies that grow the skill base the entire industry needs, and so achieve industry-wide transformation. This will eliminate the need for poaching, will help balance employers' and employees' expectations, and will align salary scales and rate of promotion with comparable norms outside the insurance industry.

### National Development Plan

It is imperative to reduce the regulatory burden on small businesses and facilitate access to the labour market by young, unskilled work seekers (National Planning Commission, 2012). With regard to structural challenges, it is vital that INSETA supports and makes provision for "retraining".

### 4.4 Human Resource Development Strategy for South Africa 2010-2030

Strategic priorities of the above strategy that impact on skills planning initiatives include:

- **Strategic Priority 4:** To ensure that all new entrants to the labour market have access to employment-focused education and training opportunities. INSETA gives expression to this skills priority by ensuring that education and training are linked to scarce and critical skills, as well as qualifications that have general relevance to the insurance sector. It also gives preference to qualifications that are recognised by the SAQA and the QCTO.
- **Strategic Priority 7:** To ensure that education and training outcomes are equitable in terms of race, gender, disability and geographic location. This is identical to the demographic and transformational imperatives of the NSDS III, and INSETA incorporates these variables into its projects when scoping for them to ensure that the prerequisites of the B-BBEE Act and the Financial Sector Charter (FSC) are met.
- **Strategic Priority 9:** To meet INSETA's skills planning needs in relation to this skills priority, where the minimum level required is NQF Level 4 (for employed and unemployed individuals). INSETA funds skills programmes for workers and unemployed youths where unit standards relevant to the insurance sector are offered.

### 4.5 White Paper for Post-School Education and Training

INSETA, in line with the NSDS III, has multifaceted roles to play in the system. These roles range from working closely with TVET colleges and universities to collaborating with those institutions and with employers to promote post-school work-integrated learning. INSETA is doing this in a proactive way and has concluded memoranda of agreement with 13 TVET colleges. The insurance courses offered at community colleges will need to be pitched at a lower NQF level than those offered at TVET Colleges (Kaplan, 2014).

## Conclusion

Multiple research methods were used to identify five key change drivers and the factors influencing the skills supply and demand in the sector. The main factors affecting skills supply and demand range from legislative and regulatory changes to developments in technology. Technology has affected the seller-buyer relationship and created a need for high-tech skills within the insurance sector.

## CHAPTER THREE: OCCUPATIONAL SHORTAGES AND SKILLS GAPS

### 1 Introduction

This chapter focuses on occupational shortages and skills gaps, extent and nature of supply and contains a pivotal list for 2019/2020 that is indicative of the skills gaps in the insurance sector. The findings of the INSETA/INSETA Call Centre hard-to-fill vacancy survey that was conducted between May to June 2017 are presented. Also the top 10 hard-to-fill vacancies for 2019/2020 are discussed. The reasons for hard-to-fill vacancies are also addressed. Both a composite profile of skills gaps as well as generic skills gaps and the reasons for these gaps are highlighted and discussed. These skills gaps are stratified by major occupational groupings and analysed through various insurance sector supply chain pipelines such as higher educational institutions and INSETA itself. The supply problems experienced by companies are outlined. Finally, a pivotal list is presented and questions about how the pivotal skills list was derived are addressed.

### 2 Hard-to-Fill Vacancies

#### 2.1 The INSETA/INSETA Call Centre Hard-to-Fill Vacancy Survey 2017

The survey of hard-to-fill vacancies was issued to all insurance companies registered with INSETA. The respondents were skills development and HR practitioners in these organisations. The response rate received on the survey was as follows: 22 Large/Medium companies and 20 Small companies (Refer to table 20 below). Given that the insurance sector is dominated by the Short-Term and Long-Term sub-sectors, and the majority of employers are in the Short-Term sub-sector, it is not surprising that most of the respondents were from the Short-Term insurance category.

**Table 20 Top hard-to-fill vacancies for large and medium-sized employers in the short and long-term insurance sub-sectors**

Company Type	Sub-Sector	Version 15 OFO Code	OFO Code Description (Occupations in the sector)	Reasons for Hard-to Fill Vacancies	No. of Hard-to-Fill Posts: last 6 months	No. of Hard-to-Fill Posts: last 12 months
<b>Large / Medium employers</b>	Short-Term Insurance	2015-332101	Insurance Agent / Broker	1 & 3	27	29
		2015-251203	Java / Oracle Developer, including Program Developer	2, 3 & 7	27	3
		2015-422202	Outbound Contact Centre Consultant	1	24	18
		2015-325201	Case Manager / Care Coordinator	2	15	15
		2015-251101	Business Analyst	2, 3 & 7	10	-
		2015-	Insurance	1	6	6

Company Type	Sub-Sector	Version 15 OFO Code	OFO Code Description (Occupations in the sector)	Reasons for Hard-to Fill Vacancies	No. of Hard-to-Fill Posts: last 6 months	No. of Hard-to-Fill Posts: last 12 months
		331502	Investigator			
Large employers	Long-Term Insurance	2015-212101	Actuary	1	32	9
		2015-422202	Outbound Contact Centre Consultant	2	9	8
<b><u>Legend</u></b> <i>Reasons for hard-to-fill vacancies</i> 1. Applicants lack the required educational qualifications required for the post 2. Applicants lack sufficient and/or appropriate work experience required for the post 3. The remuneration and employment conditions are not appropriate for the level of the post 4. The post is in an inappropriate location (poor transport, long travelling distance, unsafe area) 5. Job is too demanding and/or does not have regular hours (shift work) 6. Work permit or visa difficulties 7. Equity considerations (race, gender and/or disability) 8. Applicants' personality traits are not suitable for the post or the organisation 9. Do not know 10. Other						

INSETA/INSETA Call Centre Hard-to-Fill Vacancy Survey May-June 2017

Within Large/Medium companies, there were 132 hard-to-fill vacancies over the last six months and 88 hard-to-fill vacancies over the last 12 months. The top three scarce skills are Actuary, Insurance Agent/Broker and the ICT-related occupations. Skills that are considered critical to the business but not scarce would include Contact Centre agent.

The vacancy that is hardest to fill in the Short-Term Insurance category was Insurance Agent, followed by Information Technology (ICT) related occupations (Developers and Programmers). The Contact Centre occupation will always appear on this list due to the nature of the business. Contact Centres have a high turnover of staff on a weekly basis, and Contact Centre Agents are a critical occupation in the Contact Centre environment. This does not mean that because the occupation is in demand, that it is necessarily a scarce skill. There are many learners graduating with Contact Centre qualifications; however, not many of these people have insurance-specific qualifications. In order to sell insurance products to customers, Contact Centre agents need to be FAIS compliant. Most of the time, they are not, and are acting under supervision.

Table 21 shows the top occupations that are hard to fill in the Short-Term and Long-Term Insurance sub-sectors within Small-sized and Micro-sized employers. Once again, there were no submissions made from the Collective Investments category of employers.

**Table 21 Top hard-to-fill vacancies for small and micro-sized employers in the short and long-term insurance sub-sectors**

Company Type	Sub Sector	Version 15 OFO Code	OFO Description (Occupations in the sector)	Code	Reasons for Hard-to Fill Vacancies	No. of Hard-to-Fill Posts: last 6 months	No. of Hard-to-Fill Posts: last 12 months
<b>Micro and Small employers</b>	Long-Term Insurance	2015-332101	Insurance agent / Broker		5 & 10	8	10
		2015-241301	Financial Investment Advisor		2 & 3	7	7
		2015-212101	Actuary		1	1	2
<b>Small employers</b>	Short-Term Insurance	2015-332102	Insurance Broker		1 & 2	2	2

*INSETA / INSETA Call Centre Hard-to-Fill Vacancy Survey May-June 2017*

Within Small companies, there were 18 hard-to-fill vacancies over the last six months, and 21 hard-to-fill vacancies over the last 12 months. The top hard-to-fill vacancy for Small companies in the Long-Term Insurance category is Insurance Agent, followed by Financial Investment Advisor. Within the Short-Term Insurance category, Insurance Broker remains the top occupation, although this was the only sample received for the Short-Term Insurance category. Given more time, INSETA can reissue the survey; however, based on the historical data received, the information as it stands holds true. The sector is in urgent need of qualified Insurance Brokers and Agents. With the regulator placing pressure on the sector to have all businesses employ only qualified and registered key individuals and representatives, the market ends up with the need to poach from their competitors just to stay in business. This, in turn, affects the wages of the Broker fraternity due to the small pool of skilled people, and this is the same issue with the Actuarial occupations. With the Actuarial occupation though, employers claim that finding people of the right equity has become a major challenge with regard to recruitment.

Interestingly, Small and Micro companies have stated the following reasons for hard-to-fill vacancies (INSETA, 2017):

- Applicants lack the required educational qualifications required for the post
- Applicants lack sufficient and/or appropriate work experience required for the post
- The remuneration and employment conditions are not appropriate to the post
- Job is too demanding and does not have regular hours/shift work

Therefore, the reasons for these vacancies are a mixture of skills-related and non-skills-related reasons.

Following this survey, which was obtained from an e-mailed survey that was sent out to INSETA stakeholders during May-June 2017, is the top ten hard-to-fill vacancies list for 2019/2020. The facts were derived from WSP/ATR data for 2018/2019

## 2.2 Top 10 Hard-to-Fill Vacancies for 2019/2020

**Table 22 Top 10 hard-to-fill/scarse skill occupations for 2019/2020**

OFO Occupation and Code	Number	Percentage
2017-332101 Insurance Agent	52	17.7%
2017-212101 Actuary	45	15.3%
2017-122102 Sales Manager	23	7.8%
2017-2512013 Developer Programmer	19	6.4%
2017-332102 Insurance Broker	18	6.1%
2017-242207 Compliance Officer	16	5.4%
2017-122101 Sales & Marketing Manager	14	4.7%
2017-241301 Financial Investment Advisor	14	4.7%
2017-251201 Software Developer	14	4.7%
2017-331503 Insurance Loss Adjuster	13	4.4%
2017-431204 Insurance Claims Administrator	13	4.4%
2017-121101 Finance Manager	12	4.0%
2017-134904 Office Manager	10	3.4%
2017-241107 Financial Accountant	10	3.4%
2017-242101 Management Consultant	10	3.4%
2017-251101 ICT Systems Analyst	10	3.4%
Total	293	

*Source: WSP data, 2018/2019*

The insurance agent in descending order of representation (percentage) is identified as the hardest-to-fill vacancy followed by Actuary, Sales Manager, Developer Programmer, Insurance Broker, Compliance Officer, Sales & Marketing Manager + Financial Investment Advisor + Software Developer (tied), Insurance Loss Adjuster + Insurance Claims Administrator (tied), Finance Manager, Office Manager + Financial Accountant + Management Consultant + ICT Systems Analyst (tied). When one compares the above with the hard-to-fill vacancy survey that was issued earlier this year, one can see that without having the Collective Investment category contribute, we could not have seen that the Financial Investment Advisor was the top scarce skill required amongst all sub-sector categories. Insurance Agent still came out in the top two with the Contact Centre, Developer and Actuary occupations still featuring in the top 10 scarce skills list.

## 2.3 Reasons for Hard-to-Fill Vacancies for the top 10 Hard-to-Fill Vacancies List

The level of importance of the reasons for the hard-to-fill vacancies is shown diagrammatically and is also discussed below.

**Table 23 Reasons for hard-to-fill vacancies**

Version 17 OFO Codes	Hard-to-Fill Vacancy	Lack of relevant qualifications	Lack of relevant experience	Poor remuneration	Unsuitable job location	Unsuitable working hours	Equity considerations
2017-332101	Insurance Agent	31	35	4	4	0	12
2017-212101	Actuary	23	22	3	2	0	15
2017-122102	Sales Manager	11	16	1	0	0	2
2017-2512013	Developer Programmer	10	13	3	1	0	10
2017-332102	Insurance Broker	10	12	1	2	0	4
2017-332102	Compliance Officer	6	8	1	0	0	6
2017-332102	Sales & Marketing Manager	6	11	2	0	0	4
2017-332102	Financial Investment Advisor	7	9	2	0	0	4
2017-251201	Software Developer	5	9	1	1	1	6
2017-331503	Insurance Loss Adjuster	10	12	1	0	0	6
2017-331503	Insurance Claims Administrator	11	11	1	0	0	5
2017-331503	Finance Manager	5	7	1	0	1	2
2017-331503	Office Manager	0	9	0	0	0	1
2017-241107	Financial Accountant	3	7	2	0	0	1
2017-241107	Management Consultant	2	6	4	1	0	2
2017-251101	ICT Systems Analyst	3	11	1	0	0	2
	Total:	143	341	28	11	2	93

*WSP/ATR data 2018/2019*

Interestingly, the overall reasons for hard-to-fill vacancies for the top 10 hard-to-fill fall into 3 main categories in descending order of progression: lack of relevant experience, lack of relevant qualifications and equity consideration. Poor remuneration, unsuitable job location, and unsuitable working hours as shown numerically, are significantly less important. For each of the hard-to-fill vacancies individually lack of relevant experience is generally first ranked and lack of relevant qualifications is 2nd ranked although there is only one exception, viz. actuary. Equity considerations are 3rd ranked. Poor remuneration is 4th ranked. Unsuitable job location is 5th ranked and unsuitable working hours is last ranked.



## 2.4 A Composite Profile of Skills Gaps in the Insurance Sector: 2015-2019

A composite profile of skills gaps associated with specific occupations in the insurance sector for the period 2015-2019 has been constructed. The tables below highlight the complexity of skills gaps associated with scarce skill occupations. These tables provide a construct of role activities, level of experience and key performance activities associated with the identified scarce occupations. This exercise involved the extraction of skills gaps where a count of numerical skills was calculated together with the associated percentage. The size of sample corresponding to the applicable OFO code occupational category is provided. A content analysis was performed on the array of skills gaps in order to reduce the data and extract commonalities (common groupings) linked to the skills gaps. It can be seen from the tables that follow that some of the percentages linked to skills gaps attached to scarce occupations are low and some are noticeably high. The full range of percentages has been included as it still provides an indicator of the skills gaps that individual companies consider being of value. A point worth noting is that skills gaps may be particular to specific companies rather than common to all companies (companies in themselves may have unique skills gaps). However, more weight should be attached to the higher percentages. The lower-percentage skills gaps can be linked to particular companies with specialised and unique insurance functions. These are the types of skills gaps that would more likely be discussed around the table at a focus group discussion; therefore the value of low-percentage critical skills should not be underestimated or discounted. In some cases, the percentages in these tables do not add up to 100% because our stakeholder companies did not always provide reasons for skills gaps. More generic skills gaps and the reasons for them are discussed later in this section.

### 2.4.1 Critical Skills Gaps 2015-2019

**Table 24 Skills gaps associated with the financial investment advisor occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-2-Professionals	2015-241301 – Financial Investment Advisor	Experienced Financial Advisor	50	64,93%
		Financial plans for individuals and organisations; investment strategies and taxation; securities, insurance, pension plans and real estate	20	25,97%
		Investment Analyst	4	18,18%
		Portfolio Manager Retail Implementation and Private Wealth	3	3,89%
			77	

*WSP/ATR data 2017/2018*

The skills gaps associated with the Financial Investment Advisor are mentioned above in the description of the identified skills gap. The highest level of representation for this occupation is an Experienced Financial Advisor

**Table 25 Skills gaps associated with the insurance agent occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-3-Technicians and Associate Professionals	2015-332101 – Insurance Agent	Insurance Sales meet fit and proper requirements (FAIS compliant)	1019	92,38%
		Personal, Commercial and Technical	72	15,59%
		Medical Underwriting	12	1,087%
			1103	

WSP/ATR data 2017/2018

The major skills gap associated with the Insurance Agent occupation is finding an agent that meets the (FAIS) fit and proper requirements as set out by the Financial Services Board.

**Table 26 Skills gaps associated with the sales manager occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-1-Manager	2015-122102 – Sales Manager	Sales/Business Management experience which is core to the business and its functions	165	89,67%
		Management of insurance environment	17	9,23%
		FAIS ST1 Commercial Lines qualification (New business development of commercial entities)	2	1,08%
			184	

WSP/ATR data 2017/2018

The chief skills gap associated with the Sales Manager is that of sales and business management experience. General managers who have limited background in sales and managing teams commonly fill this position. These are skills that are learned over time.

**Table 27 Skills gaps associated with the outbound contact centre consultant occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-4-Clerical Support Workers	2015-422202 – Outbound Contact Centre Consultant	Sales and Marketing through occupying the position of sales agent	410	66,88%
		Regulatory Exams and Qualification approved by the FSB as the minimum requirement to be compliant	110	17,94%
		Team Leader experience, knowledge of the insurance industry and motivator	73	11,90%
		Contact Centre Management qualification - NQF level 4	20	3,26%
			613	

The skills gaps associated with Outbound Contact Centre Consultant are sales and marketing skills through occupying the position of Sales Agent. This is followed by regulatory exams and qualifications as the minimum requirement to be compliant. The next gap is related to team leader experience and knowledge of the insurance industry and motivator. Contact Centre Management qualification (NQF level 4) is another identified gap.

**Table 28 Skills gaps associated with the commercial sales representative**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-3-Technicians and Associate Professionals	2015-332201 – Commercial Sales Representative	Short-Term Underwriters (both personal and commercial lines)	12	50%
		Commercial Underwriting Managers	12	50%
			24	

Two critical skills share equal representation with Commercial Sales Representative: Short-Term Underwriters and Commercial Underwriting Managers.

**Table 29 Skills gaps associated with the sales and marketing manager occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-1-Manager	2015-122101 – Sales & Marketing Manager	Account, Business Development, Regional and Team Managers	27	84,37%
		Sales and Marketing Management production targets and goals; technical ability and knowledge of the industry	3	9,37%
		Knowledge of investment instruments and financial theory; financial service experience; asset-management environment experience and related financial services	2	6,25%
			32	

The main skills gaps associated with the Sales and Marketing Manager are Account, Business Development, Regional and Team Managers. These are followed by Sales and Marketing Management production targets, technical ability and knowledge of the industry. The final skills gap involves knowledge of investment instruments and financial theory, financial service, asset-management and environment experience and related financial services.

**Table 30 Skills gaps associated with the developer programmer occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-2-Professionals	2015-251203 – Developer Programmer	Analyst Developer; Application Architect; Senior Developer (.Net); System Developer and Technical Developer	28	82,35%
		Write programs in a variety of computer languages, viz. C++; Java Update; debug programs through testing and fixing errors; build and use computer-assisted software	6	18,75%
			34	

WSP/ATR data 2017/2018

The skills gap associated with the Developer Programmer with the highest level of representation is Analyst Developer, Application Architect and Senior, System and Technical Developers. The next gap involves writing programs in a variety of computer languages, debugging programs and using computer-assisted software.

**Table 31 Skills gaps associated with the Actuary occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-2-Professionals	2015-212101 – Actuary	Actuarial Analyst; Actuarial Assurance Specialist; Actuarial Consultant; Actuarial Manager; Group Benefits Actuarial Managers; and Management Professionals	35	36,45%
		Moses testing; VBA; C++; Actuarial studies and exams; IT skills & programming; risk calculation; unique business need	52	54,16%
		Consultant: Regulator Co-ordination & Advanced Analytics	1	1,04%
		Limited pool Actuaries with long-term insurance experience	8	8,33%
			96	

WSP/ATR data 2017/2018

The chief skills gaps associated with an Actuary range from Moses testing to unique business need, Actuarial Analyst to Management Professionals, Actuaries with long-term insurance experience, and regulator coordination.

**Table 32 Skills gaps associated with the insurance administrator occupation**

Major OFO Grouping	Scarce Skill Occupation and OFO Code	Description of Identified Skills Gaps	Number	Percentage
2015-4-Clerical and Sales Workers	2015-431201 – Insurance Administrator	Insurance Consultant with short-term insurance experience	12	80%
		Qualified Engineers with underwriting experience	3	20%
			15	

WSP/ATR data 2017/2018

The main skills gap associated with the Insurance Administrator occupation is Insurance Consultant with short-term insurance experience, followed by qualified Engineers with underwriting experience.

The composite profile of skills gaps for the period 2015-2019 is different from the generic skills gaps discussed below because different methodologies were used to obtain the responses. In the former study, the critical skills are inherent to a specific scarce skills occupation because they constitute the critical tasks required to perform that occupation, and were analysed content responses captured on the INSETA skills indicium system. Generic skills gaps are not unique in the sense that they apply to all occupations across all sectors and are defined by the look-up table.

## 2.5 Generic Skills Gaps and the reasons attributed to these skills gaps

This section introduces the concept of skills gaps and the reasons attributed to skills gaps. Only one major occupational is focused on, viz. Managers.

**Table 33 Skills Gaps broken down by one major occupational grouping & reasons for skills gaps**

Major Occupational Grouping	Type of Skills Gap	Reasons for Skills Gap	N of mentions (listings)
Managers	Advanced IT & Software	Lack of relevant experience	4
		Lack of relevant qualifications	1
		New technology	11
		New work processes	2
	Basic Computer (IT)	Lack of relevant experience	1
		New work processes	1
	Communication (oral & written)	Lack of relevant experience	10
		Lack of relevant qualifications	4
	Communication (oral & written)	New policy	2
		New products being produced	1
Managers		New work processes	9
	Customer service skills	Lack of relevant	5

Major Occupational Grouping	Type of Skills Gap	Reasons for Skills Gap	N of mentions (listings)
		experience	
		Lack of relevant qualifications	1
		New products being produced	1
		New technology	1
		New work processes	4
	Financial & accounting	Lack of relevant experience	8
		Lack of relevant qualifications	8
		New policy	2
		New products being produced	1
		New technology	3
		New work processes	3
	Interpersonal	Lack of relevant experience	12
		Lack of relevant qualifications	3
		New policy	1
		New products being produced	1
		New work processes	3
	Legal governance & risk	Lack of relevant experience	10
		Lack of relevant qualifications	7
		New policy	14
		New products being produced	1
		New work processes	8
	Management & leadership	Lack of relevant experience	56
		Lack of relevant qualifications	21
		New policy	3
		New products being produced	3
		New technology	5
	Management & leadership	New work processes	15
	Marketing & sales	Lack of relevant experience	3
		Lack of relevant qualifications	3
		New policy	1
		New products being produced	4
		New work processes	1
	Planning & organizing	Lack of relevant experience	5
		Lack of relevant	3

Major Occupational Grouping	Type of Skills Gap	Reasons for Skills Gap	N of mentions (listings)
		qualifications	
		New policy	2
		New products being produced	2
		New technology	1
		New work processes	3
	Problem-solving	Lack of relevant experience	11
		Lack of relevant qualifications	1
		New policy	1
		New technology	1
		New work processes	9
	Project management	Lack of relevant experience	10
		Lack of relevant qualifications	11
		New policy	2
		New products being produced	2
		New work processes	5
	Supervisory	Lack of relevant experience	3
		Lack of relevant qualifications	3
		New work processes	1
	Team working	Lack of relevant experience	1
		Lack of relevant qualifications	1
		New policy	2
		New work processes	2
	Technical (Job specific)	Lack of relevant experience	14
		Lack of relevant qualifications	8
		New products being produced	4
		New technology	2
		New work processes	1

WSP/ATR data, 2018/2019

For the interpretation of the above table only the top score/s found within the reasons for skills gaps are deemed to be significant. For example the advanced IT and Software, new technology and lack of relevant experience is considered significant; for Basic Computer (IT), the reasons identified for skills gaps do not have value because of their limited endorsement; for Communication (oral and written), two skills gap reasons, viz. lack of relevant experience and new work processes stand out from the rest; for Customer Service skills, lack of relevant experience and new work processes are the key skills gap reasons; for

Financial & Accounting lack of relevant experience and relevant qualifications are the central skills gap reasons.

## Extent and Nature of Supply

### 4.1 The Extent of Occupational Supply in the Sector

The supply of skills into the insurance sector comes from matriculated learners, TVET graduates and Higher Education graduates. The supply of skills into the sector is hampered by the fact that the schooling system is failing in terms of supplying adequate Mathematics and Science students to enter into the insurance-specific professions that are in demand.

### 4.2 The Challenge of Skills Shortages

There is a growing mismatch between the skills employers need and the talent available. This applies both to technical skills and knowledge and to employees' capacity to learn, adapt, lead, think laterally and solve problems creatively. Scarce-skill occupations identified in this chapter are those occupational categories where the majority of vacancies exist. These are the most difficult occupations to fill.

### 4.3 Professional Qualifications

The insurance sector is a highly professionalised sector; it is highly dependent on the professional qualifications band. A huge challenge facing insurance companies is the complexity and cost of regulation. The challenge to INSETA and other industry leaders is to find ways to make this simpler for small operators through creative solutions, training and support. Surveys and industry observers indicate the benefits of tough regulation, and the high professional standards in the sector are a positive thing. However, the roll-out of programmes like FAIS has become a challenge for industry employers to keep up with. In many instances, the insurance brokers and agents are unable to achieve the required qualifications and standards set by the FSB in order to continue working in the sector.

**Table 34 Percentage of adults who have attained a post-secondary TVET qualification by type of programme (relevant to the insurance sector and population group, 2016)**

Field of TVET post-school qualification	Statistics	Black African	Coloured	Indian/Asian	White	Total
Management	Number	112 107	9 091	4 449	19 815	145 462
	Percent	77,1	6,3	3,1	13,6	
Marketing	Number	41 492	3 989	2 626	4 804	62 911
	Percent	66,0	6,3	4,2	23,5	
Information Technology and Computer Science	Number	53 453	3 759	3 242	12 882	73 336
	Percent	72,9	5,1	4,4	17,6	
Finance, Economics and Accounting	Number	41 142	5 337	3 743	17 352	67 574
	Percent	60,9	7,9	5,5	25,7	

Source: Community Survey, 2016



The above table shows that the TVET post-school qualification programme Management had the highest number of learners who completed a TVET post-school qualification, followed by Information Technology and Computer Science, Finance, Economics and Accounting, and finally, by Marketing. Among all these post-school TVET programmes Black Africans had the highest level of representation, followed by Whites, Coloureds and Indians/Asians. These are the type of programmes from which the insurance sector draws its entry-level qualified persons. Probably the programme from which the insurance sector draws most of its qualified persons is finance, economics and accounting, followed by information technology and computer science, management & marketing.

**Table 35 Percentage of adult individuals aged 20 and older who have attained a post-secondary, university qualification by type of programme and population group, 2016**

Field of education	Statistics	Black African	Coloured	Indian/Asian	White	Total
Business Economics & Management Sciences	Number	207 365	27 665	28 965	172 725	436 719
	Percent	47,5	6,3	6,6	39,6	
Computer and Information Sciences	Number	58 434	6 356	9 432	38 654	<b>112 875</b>
	Percent	51,8	5,6	8,4	34,2	
Law	Number	46 759	7 151	7 153	42 709	<b>103 772</b>
	Percent	45,1	6,9	6,9	41,2	
Mathematics & Statistics	Number	7 143	1 361	1 175	8 598	<b>18 276</b>
	Percent	39,1	7,5	6,4	47,0	

*Source: Community Survey, 2016*

The above table shows the fields of education from which the insurance sector draws its entry-level graduates from. Business Economics & Management Sciences has the highest number of completed learners, followed by computer and information sciences, Law, and Mathematics & Statistics. Among the Business Economics and Management Sciences category, Black African have the highest level of representation, Whites, Indian/Asians and then by Coloureds. Among the computer and information sciences category, Black Africans have the highest level of representation, followed by Whites, Indians/Asians and then by Coloureds. Among the Law category Black African have the highest level of representation, Followed by Whites, Indians/Asians and then by Coloureds. Among the Mathematics & Statistics category Whites have the highest level of representation followed by Black Africans, Coloureds and then by Asians/Indians.

#### 4.4 INSETA's Contribution to the Supply of Skills in the Insurance Sector

##### Private learning provision

INSETA is delegated by QCTO to perform all quality assurance functions related to the delivery, implementation and promotion of learning programmes as registered on the National Qualifications Framework (NQF) that are quality assured by INSETA. INSETA, through the Education and Training Quality Assurer (ETQA), is responsible for ensuring the following goals for learning provision in the insurance and related financial services sector:

- The accreditation of skills development providers (SDPs) for specific standards or qualifications as registered on the NQF
- Strengthening the implementation of a quality assurance system through the building of capacity amongst INSETA staff and stakeholders.

#### 4.5 The State of Educational and Training Provision – Supply of Skills into the Insurance sector

The new supply of skills into the sector needs to take careful consideration of the regulatory requirements in order to ensure a sustainable future within this sector. INSETA's new programmes for the 2018/19 financial year have taken into consideration the regulatory board's requirements before one can enter and practice in the sector. To this end, INSETA will be funding a Candidacy programme, helping workers to write and complete their regulated Board exams for the various occupational areas

##### 4.5.1 Pivotal Trained Beneficiaries

The table below presents the number of employees within the sector that have completed insurance specific qualifications in 2017 as reported by employers in the Annual training reports to INSETA.

**Table 36 Pivotal Trained Beneficiaries – Sector sponsored qualifications**

Name of Qualification, Certificate or Diploma	Completions
Certificate Financial Products	2686
Bachelor of Commerce	2087
National Certificate: Wealth Management	1234
Higher Certificate in Wealth Management	999
Further Education & Training Certificate: Short-Term Insurance	914
Further Education & Training Certificate: Wealth Management	893
Higher Certificate: Short-Term Insurance	634
Certificate: Accounting	361
Certificate: Wealth Management	328
National Certificate: Long-Term Insurance	222
Certificate: Financial Planning	216
Further Education & Training Certificate: Long-Term Insurance	215
Certificate: Management	191
Advanced Certificate Nature Conservation Trans-Frontier Conservation Management	155
IISA Programme in Advanced Insurance (120 credits)	144
National Certificate: Information Technology: End-User Computing	123
Bachelor of Business & Commerce	116
Further Education and Training Certificate: Generic Management	115

Certificate: Middle Management Development Programme	111
Bachelor of Business Administration	100
Qualifications completed	11 844

*WSP/ATR data, 2017*

Particularly, noteworthy is that the Certificate: Financial Products has the highest rate of completion followed by the Bachelor of Commerce, National Certificate in Wealth Management, Higher Certificate in Wealth Management, Further Education & Training Certificate: Short-Term Insurance, Further Education & Training Certificate: Wealth Management, Higher Certificate: Short-Term Insurance, Certificate: Accounting, Certificate: Wealth Management, National Certificate: Long-Term Insurance, Certificate: Financial Planning, Further Education & Training Certificate: Long-Term Insurance, Certificate: Management, Advanced Certificate Nature Conservation Trans-Frontier Conservation, IISA Programme in Advanced Insurance (120 credits), National Certificate: Information Technology: End-User Computing, Bachelor of Business & Commerce, Further Education & Training Certificate: Generic Management, Certificate: Middle Management Development Programme, and Bachelor of Business Administration.

What is apparent from this table is that mainly insurance focused qualifications are sponsored and completed, followed by commerce/accounting qualifications, management qualifications, transfrontier conservation management (an exception to the general pattern), a specialized IT qualification, and finally, business administration. What is also clear from this table is that insurance companies forming part of the insurance sector have pinpointed their training needs and in this way, they are directly contributing to the skills supply of the sector and also assisting with the alleviation of scarce skills and skills gaps. In this way, insurance companies are upskilling their own employees and moving them to areas where there are skills shortages.

The funding of these pivotal qualifications involves a combination of government, seta and company contributions and therefore all these entities are contributing towards increasing the skills supply to the insurance sector.

#### [4.8 Impact of Skills Shortages on Insurance Companies](#)

Although many contest its nature and extent, South Africa's skills shortage is widely regarded as a key factor that prevents the achievement of targeted growth rates. Adcorp, the labour market specialist, attributes South Africa's skills shortage to the emigration of highly skilled workers, immigration restrictions for highly skilled foreigners, and an education system that cannot respond adequately to employment demands (Adcorp cited in Irmsa 2015).

The Corporate Governance Framework Research Institute (CGFRI) states that prescriptive regulation and the lack of a skilled workforce are two significant business growth inhibitors in South Africa, with clear and direct effects on employment. According to CGFRI, 36% of business owners indicate that a lack of skills constrains their expansion plans (IRMSA, 2015).

## PIVOTAL List

Below is INSETA's PIVOTAL List for 2018/2019, after which an explanation follows.

**Table 37 Inseta's Pivotal List 2019/2020**

SHORT-/MEDIUM-/LONG-TERM	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY THE SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
Short & Medium	2019-2020	2017-332101	1) Insurance Agent	Insurance Underwriter	Training on Commercial and Personal Lines insurance as well as Technical & Medical Underwriting. Focus on Fit & Proper Requirements in order to conduct effective insurance sales	NQF LEVEL 7	Y	52	1000		X		Pivotal skills training Funding mechanisms such as learnerships, bursaries, projects & skills programmes
Short & Medium	2019-2020	2017-212101	2) Actuary	Actuary Manager/Average Adjuster	Training of Actuaries to undertake Moses testing, VBA & C++ programming & Risk Calculations. Training of qualified actuaries to obtain long-term business experience	NQF LEVEL 6	Y	45	50	X			Pivotal funding is directed at the full range of pivotal scarce & critical skills required
Short & Medium	2019-2020	2015-122102	3) Sales Manager	Sales Executive	Training on the management of the insurance sales environment. FAIS ST1 Commercial Lines qualification (New business development of commercial entities)	NQF LEVEL 6	Y	23	100	X			Funding mechanisms such as learnerships, bursaries, projects & skills programmes
Short & Medium	2019-2020	2017-251203	4) Developer Programmer	ICT Developer/ Applications Developer	Training to develop high-level system developers, such as analyst, architect & technical developers. .	NQF LEVEL 7	Y	19	50	X			Pivotal funding is directed at the full range of pivotal scarce & critical skills required

SHORT-/MEDIUM- /LONG-TERM	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY THE SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
Short & Medium	2019-2020				Training on writing programs in variety computer languages, such as C++ and Java Update								
Short & Medium	2019-2020	2017-332102	5) Insurance Broker	Short Term Insurance Consultant	Funding of short-term insurance qualifications, viz. degrees, diplomas, certificates and skills programmes.	NQF LEVEL 6	Y	18	1000		X		Pivotal funding is directed at the full range of pivotal scarce & critical skills required
Short & Medium	2019-2020	2017-242207	6) Compliance Officer	Financial Markets Compliance Officer	Increasing the regulatory body of knowledge of compliance officers through training interventions. Training of compliance officers to apply their knowledge both theoretically and practically to the insurance sector.	NQF LEVEL 7	Y	16	500		X		Funding mechanisms, such as learnerships, bursaries, projects & skills programmes
Short & Medium	2019-2020	2017-122101	7) Sales & Marketing Manager	Sales Executive	Training on procedures to meet Production Targets & Goals. Training on Investment Instruments & Financial Theory. Training on Financial Services & Asset Management	NQF LEVEL 6	Y	14	15	X			Pivotal funding is directed at the full range of pivotal scarce & critical skills required
Short & Medium	- 2019-2020	2017-241301	7) Financial Investment Advisor	Financial Planner	Training on Financial Plans for Individuals & Organizations; Investment Strategies & Taxation; Securities, Insurance, Pension Plans & Real Estate	NQF LEVEL 7	Y	14	50	X			Funding mechanisms, such as learnerships, bursaries, projects & skills programmes

SHORT-/MEDIUM- /LONG-TERM	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY THE SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
Short & Medium	2019-2020	2017-251201	7) Software Developer	Software Architect	Training on SQL server, JavaScript and SharePoint	NQF LEVEL 7	Y	14	30	X			Pivotal funding is directed at the full range of pivotal scarce & critical skills required
Short & Medium	2019-2020	2017-331503	8) Insurance Loss Adjustor	Claims Assessor	Training candidates in credit management, analytical, and administrative skills. Learning how to undertake a claims investigation.	NQF LEVEL 6	Y	13	200		X		Funding mechanisms, such as learnerships, bursaries, projects & skills programmes
Short & Medium	2019-2020	2017-431204	8) Insurance Claims Administrator	Insurance Brokering Clerk/Assistant	Training of existing Insurance Consultants to obtain short-term insurance experience. Training of Engineers to obtain underwriting experience	NQF LEVEL 6	Y	13	200		X		Pivotal funding is directed at the full range of pivotal scarce & critical skills required
Short & Medium	2019-2020	2017-121101	9) Finance Manager	Chief Accountant	Learning programmes that involve advanced financial analysis. Courses on understanding & implementing budgetary controls. Advanced financial skills in order to check accuracy of claims	NQF LEVEL 7		12	20	X			Funding mechanisms, such as learnerships, bursaries, projects & skills programmes
Short & Medium	2019-2020	2017-134904	10) Office Manager	Centre Manager	Learning interventions in advanced business administration skills	NQF LEVEL 6		10	100	X			Pivotal funding is directed at the full range of pivotal scarce & critical skills required

SHORT-/MEDIUM-/LONG-TERM	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY THE SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
Short & Medium	2019-2020	2017-241107	10) Financial Accountant	Company Accountant	Advanced financial skills through degrees, diplomas and certificates.	NQF LEVEL 6	Y	10	20				Funding mechanisms, such as learnerships, bursaries, projects & skills programmes
Short & Medium	2019-2020	2017-242101	10) Management Consultant	Corporate Planner	Relationship & leadership management training	NQF LEVEL 6	Y	10	50	X			Pivotal funding is directed at the full range of pivotal scarce & critical skills required
Short & Medium	2019-2020	2017-251101	10) ICT Systems Analyst	Systems Programmer	Business & Systems Analytic principles Peoplesoft 9.2 skills ICT system architecture	NQF LEVEL 6		10	50	X			Funding mechanisms, such as learnerships, bursaries, projects & skills programmes

### 5.1 Methods Used to Identify Occupations in the PIVOTAL list

Stakeholder companies who submitted WSP/ATRs for 2018/19 identified their scarce skill occupations for this year's band.

### 5.2 Findings that Informed the PIVOTAL List

The top 10 PIVOTAL skills occupations were identified at varying levels of frequency (frequency distributions). The top five PIVOTAL occupations occurred at noticeably higher levels of frequency than the bottom five.

### 5.3 Basis of Quantities Indicated in the PIVOTAL List

The quantities are informed by a count per occupation for all PIVOTAL occupations. The top 10 PIVOTAL occupations were then ordered by rank. Quantities to be supported by the SETA were obtained from the Annual Performance Plan (INSETA, 2017).

#### 5.4 Ranking of the PIVOTAL List

The list is ranked by priority. An exhaustive list of every PIVOTAL occupation was calculated together with the numeric count and percentage of total. From this, the top 10 PIVOTAL occupations were identified.

#### 5.5 Basis of Interventions in the PIVOTAL list

Suggested interventions are based on a composite profile of critical skills for the insurance sector (2015-2019), using multiple research methodologies. These included content analysis of critical skills identified by stakeholder companies (to create common categories and reduce the number of categories), role activities, level of experience, and key performance activities associated with identified scarce-skill occupations. Critical skills were identified through a numerical count of the skills identified, together with the associated percentage.

#### 5.6 Envisioned Outcomes from Identified Interventions

The interventions are aimed at reducing skills shortages in the areas of scarce and critical skills in the occupational categories identified. The evaluation of the PIVOTAL List identified also focuses on the reasons for scarce-skills occupations, and direct interventions for these applicable reasons.

### Conclusion

The incongruity between the skills employers need and the skills available was discussed in this chapter. The reasons why certain occupations lack particular specialist skills were discussed. Occupational skills supply has been examined, with some emphasis on the professional qualifications band. The top 10 hard-to-fill vacancies for 2019/2020 have been identified. These range from financial investment advisor to insurance administrator. INSETA's PIVOTAL list for 2017/2018 has also been included in this chapter. Columns range from Alternative Title/Specialisation to Rationale for PIVOTAL List.

There are several factors that mitigated against favourable employment conditions in the past year. These range from high regulatory costs to industrial action. The highest level of employment turnover is attributable to resignations and non-renewal of contracts in medium to large companies.

The types of programmes offered by TVET Colleges and Universities and the level of representation by race are discussed in this chapter. Overall transformation has taken place with the exception of the Mathematics and Statistics category where Whites outnumber Black Africans.

The frequency distribution of educational qualifications is highlighted. Most people in the insurance sector still have only a National Senior Certificate (Grade 12), and more employees have national certificates and diplomas rather than degrees in the sector. INSETA, through its ETQA division and under the jurisdiction of the QCTO, focuses on the cultivation of quality assurance criteria among its SDPs that meet the highest standards of excellence and which ultimately culminate in a best practice model. The developments in relation to the role of ETQA and the development of occupational qualifications, together with the QCTO, have been outlined.



## CHAPTER FOUR: SECTOR PARTNERSHIPS

### 1 Introduction

In this chapter, all INSETA partners are introduced and described. The effectiveness of these partnerships in the sector, with particular reference to TVET colleges, Employers, Professional Bodies and Industry Associations, is assessed. INSETA has also formed sector partnerships with public higher educational institutions, the South African Qualifications Authority (SAQA) and other SETAs such as EWSETA and BANKSETA. Our partnerships are reflected in the projects that INSETA runs, in particular those during 2017.

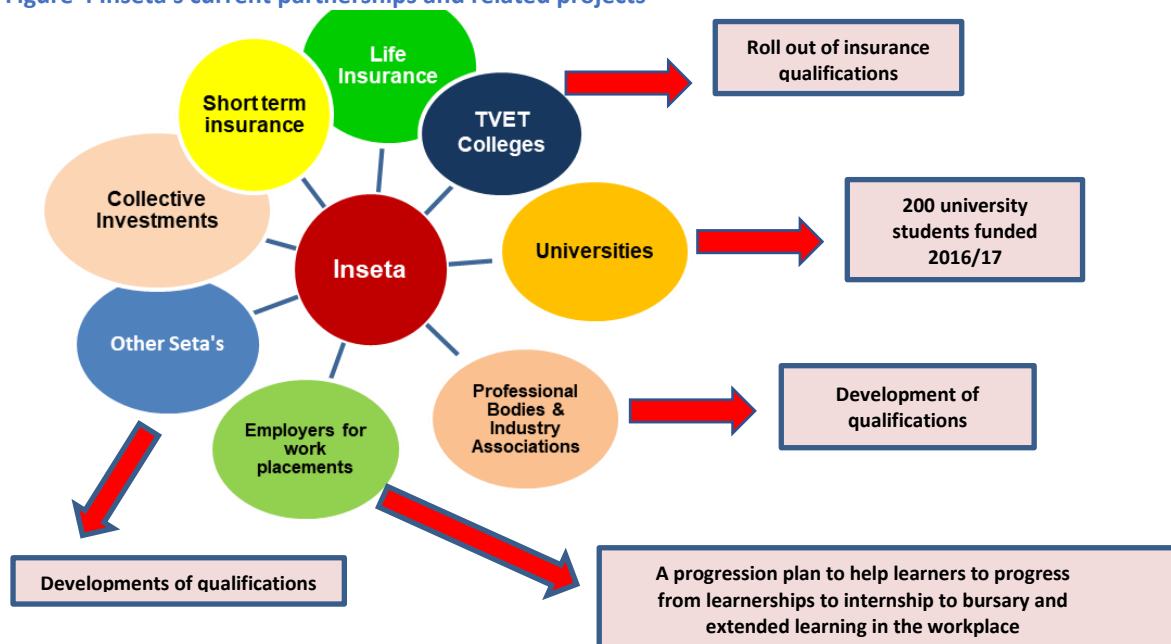
**INSETA will be focusing on the promotion of symbiotic partnerships in developing skills across sectors outside of INSETA's scope of practice.** INSETA has been working on a pilot project that looks at needs within the short-term insurance industry. The project looks at areas where short-term insurers make use of external, certified providers to provide a service to policyholders. Areas that could be evaluated include replacement of geysers, replacement of damaged carpets, automobile services, assessors etc. There is potential to work with other, relevant SETAs, up-skill providers and provide a greater understanding of the role and legalities of the short-term insurance industry. INSETA will explore the opportunities that may exist.

### Existing Partnerships

Figure 4 below represents INSETA's current partnerships and related projects.

Table 38 Description of Inseta's current partnerships and their provides a further explanation of these partnerships and their present status.

Figure 4 Inseta's current partnerships and related projects



**Table 38 Description of Inseta's current partnerships and their status**

Description of the Partnership	Status of the Partnership
<b>TVET Colleges</b>	
<p><i>Partners: Umfolozi, Vuselela, West Coast, Coastal, False Bay, Gert Sibanda, Ingwe, Letaba, Majuba, Mnambithi, Motheo, Northern Cape rural, Northern Cape urban, South Cape, Taletso, Thekwini, Tshwane North, South West Gauteng, Buffalo City, Cape Town, Flavius Mareka, Tshwane South, Ekurhuleni West, Port Elizabeth, Ikhalala, East Cape Midland, Maluti, Orbit, Mthashana</i></p> <p>This 2015 project targeted learners in TVET Colleges. It contributed to supporting partnerships within TVET colleges. INSETA significantly increased training to unemployed learners in 2015/16. INSETA funded training to 4006 unemployed learners. In addition, 1468 unemployed youths completed learning programmes, which commenced prior to the financial year under review (INSETA, 2015).</p>	<p>This partnership is working well. INSETA began lecturer development from 2016 to ensure that lecturers are trained as assessors and moderators. INSETA will be rolling out the insurance-specific qualifications in the TVET colleges from 2019, after development and capacitation matters have been addressed within the TVET college system.</p>
<b>Universities and Colleges</b>	
<p><i>Partners: Gert Sibande College, Mangosuthu University of Technology, Nelson Mandela Metropolitan University, Rhodes University, Stellenbosch University, Tshwane University of Technology, University of Cape Town, University of Fort Harare, University of Johannesburg, University of Limpopo, University of North West, University of Pretoria, University of Western Cape, Vaal University of Technology, Walter Sisulu University, Wits University</i></p> <p>INSETA has funded over 200 University students since the 2016/17 financial year.</p> <p>INSETA is pleased with the achievement of the students who were awarded bursaries. The majority of learners passed and will move into second year.</p> <p>INSETA enjoys an active relationship with the Department of Insurance at Wits University. In 2018 INSETA will be funding a chair in the insurance department under Professor Robert Vivian.</p>	<p>The funding model with the Universities works well. There are no challenges experienced here.</p> <p>The four financial markets – short-term insurance, life insurance, retirement funding and health insurance markets – employ in the region of 120 000 people in South Africa. Insurance and Risk Management graduates are well positioned to obtain employment in companies operating in these markets, or as intermediaries for these markets. The Insurance &amp; Risk Management Discipline works closely with a number of corporate organisations that have sponsored prizes and scholarships for top performing students.</p>
<b>Professional Bodies &amp; Industry Associations</b>	
<p>INSETA has partnered with the Insurance Institute of SA for many years on OFO that affect the short-term insurance industry and the development of new qualifications for the sector.</p>	<p>After years of consultation and engagement, the qualification for Underwriting was approved by QCTO and is now ready for implementation. INSETA is now looking at the other qualifications that would need to be developed as we have established a strong and eager consultation task team that is willing to support the process of new qualification development.</p>
<b>Employers for work placements</b>	

Description of the Partnership	Status of the Partnership
INSETA receives an overwhelming response yearly for employers to host learners in the workplace.	The only challenge INSETA has encountered is that Workplaces are not able to retain the learners on completion of the internship. INSETA is currently working on a progression plan that would provide learners with a plan to progress from learnerships to internships to bursaries and then lifelong learning opportunities in the workplace should the employer retain the learner. Further discussions and consultations are underway to manage this expectation.
<b>Other SETAs</b>	
One of the projects that INSETA is busy implementing with regard to meeting the “demand for SIPS” is the artisan development concept (Skills for a Green Economy). The project is aimed at addressing the need for artisans to progress in their existing careers and for unemployed learners at entry level to qualify for access into the insurance sector. With support from GIZ/Skills for Green Jobs, a national consultation process with all major short-term insurance underwriters, their outsourced partners and INSETA showed that the sector is a key starting point to advocate and market Solar Water Heating (SWH) technologies. These findings are supported in light of the new National Solar Water Heating Programme (NSWHP) and the commitments of the insurance sector based on individual memoranda of agreement between insurance underwriters and the Department of Energy.	This project has almost completed the training phase and implementation from the insurance sector is now underway.

#### *INSETA Project Information 2017/2018*

### 2.1 Problems Experienced

Usually the partnerships formed within projects present a common set of problems:

- A project may not be sustainable because of insufficient candidate support. As a consequence, the partnership formed within the project is disrupted, and may only resume once the conditions required for continuance of the project are attained.
- Partnerships within the project team and with all key role players may become strained because of poor delivery of project deliverables. This may also occur when the memoranda of understanding are not properly monitored and prescribed progress reports are not submitted. Strain within partnerships between institutions can also happen when the one institution does not provide prescribed documentation on time and this results in delays in payments for projects.

### 2.2 Strengthening Partnerships

Ensuring that the project deliverables are met can strengthen partnerships between institutions and within the project team. INSETA has established project consultation groups in-house to discuss project concerns and how these can be addressed. The risk meetings on

projects are a key component that assists in addressing and strengthening project weaknesses.

### 2.3 INSETA's Model of an Ideal Partnership

Figure 5 below represents INSETA's model of an ideal partnership (*adapted from Stephen Key, Co-Founder of inventRight and Author of the "One Simple Idea" Series*).

**Figure 5 Inseta's model of an ideal partnership**



The success of a business depends on its ability to forge and maintain productive partnerships. Creating the perfect partnership takes understanding, significant effort and above all, a sincere desire to make it work. INSETA's five-step plan to creating the perfect partnership involves the following key principles:

1. Determine everyone's strengths and weaknesses
2. Discuss your short, medium and long-term goals upfront
3. Define all roles explicitly and ensure sound project management
4. Communicate regularly, not only through email, but also through face-to-face interactions
5. Supporting one another to achieve measurable outcomes.

### New Partnerships

Table 39 shows the new partnerships planned by INSETA.

**Table 39 Inseta's planned partnerships**

INSETA's new partnership	Description of the partnership	Status of the partnerships
<b>TVET Colleges</b>	Investigation is in process regarding funding of an Insurance school in partnership with INSETA, TVET and IISA	In progress, with positive discussions and developments
<b>Universities</b>	Funding of a Research Chair with Wits University	In progress, with

		positive discussions and developments
<b>Professional Bodies &amp; Industry Associations</b>	<p>Partnerships between INSETA and its professional bodies have been forged to promote jobs in the insurance sector as careers of choice. INSETA and professional bodies will seek to cooperate to create comprehensive pathways for the insurance sector. This will involve in-school youth, out-of-school youth, and employed workers, to create career pathways for them.</p> <p>Partnerships currently in discussion and underway with IISA, Council for Retirement Funds and Association for Savings and Investments.</p> <p>Industry Bodies such as FIA and BATSETA are providing a platform for INSETA to address employers in the sector around provision of workplace-based learning.</p>	In progress, with positive discussions and developments

#### *INSETA Project Information 2017/2018*

An important partnership that was established recently with INSETA, as indicated above, involves the Insurance Institute and TVET College. This project focuses on the progression of learners from the schooling system into the TVET college system with the support of sector professional bodies.

### Conclusion

INSETA has many partnerships that are currently functioning well and progressing towards positive outcomes. However, there are a few concerns with certain partnerships. INSETA has identified some core problems and put an ideal model in place to help address these difficulties. INSETA's new planned partnerships will be approached via this model of strengthening partnerships in order to achieve the best possible results.

## CHAPTER FIVE: SKILLS PRIORITY ACTIONS

### 1 Introduction

In this chapter, findings from all the previous chapters are summarised in order to inform identified skill priority actions for the sector.

#### Findings from Previous Chapters

##### Chapter 1

- The sector is highly competitive and contributes significantly to the GDP.
- INSETA received data from 1231 employers in the 2017/18 WSP /ATR submissions.
- The number of employers has increased since 2016, with the majority categorised as Small businesses and the vast majority based in Gauteng.
- SMEs remain a key driver of economic growth and development. Transformation is gradually occurring across all major groups and occupations. The sector as a whole employs more Blacks (African, Coloureds and Indian) than Whites and at each occupational level. However, in the management category, Whites still hold the majority of positions.
- The majority of workers in the insurance sector are women.
- Most of the workforce in the sector only has a Grade 12 National Senior Certificate. In 2012, more people had degrees in the sector than at present. Currently, more persons hold certificates and national diplomas (post-schooling) than degrees.
- Older members of the workforce own a large part of the knowledge and skills that employers need.

##### Chapter 2

### *What's been most disruptive to your business?*



Source: PwC's Audit and Risk Committee Forum–Insurance session audience survey

- Social networks are revolutionising traditional business models and changing customer behaviour.
- Financial technology companies are on the rise and insurance companies are being pushed towards increasing digital operations in order to survive.
- Environmental and sustainability issues are creating uncertainties for policy makers who do not know what the local, regional, societal and economic impacts will be.

- New business, investment and regulatory environments, demographic shifts and the rise in power of the emerging markets will all shape the sector's longer-term future.
- The underwriting of political risk insurance, locally and internationally, is a dynamic and growing business.
- There is a sector demand for people with certain skills sets to meet transformational goals at various occupational levels. Difficulties with recruitment are slowing transformation. The insurance industry believes the recruitment pool is too small to meet its needs.
- The education system is not meeting industry needs and is failing to produce work-ready job applicants.
- Regulatory changes improve governance, but compliance is costly, people with the skills to administer compliance are lacking, there is uncertainty regarding implementation, and industry members fear regulations may affect their ability to do business.
- A significant concern is that, while in-house compliance officers servicing large insurers are insurance specialists, compliance agencies serving smaller players may have little or no insurance industry knowledge.
- The sector needs an influx of technological talent with strong business skills, and there is a global shortage of people with the mix of IT and other skills to manage big data.
- Some employers are importing skills that are scarce because it is an urgent or critical need, or to meet future demand through skills transfer.
- INSETA's projects are well aligned with National Strategies and Plans.
- INSETA is currently exploring the possibility of entering into partnerships with community colleges.
- INSETA's Solar Water Heating (SWH) strategic integrated project will create opportunities for artisans to progress in their existing careers and for unemployed learners to gain access into the insurance sector.

### **Chapter 3**

1. There were 132 hard-to-fill vacancies in Large/Medium companies and 18 hard-to-fill vacancies in Small companies in the last six months.
2. There were 88 hard-to-fill vacancies for Large/Medium companies and 21 hard-to-fill vacancies in Small companies in the last 12 months.
3. In 2018/2019 the top ten hard-to-fill vacancies ranged from Insurance Agent to Office Manager
4. Financial Investment Advisor, Insurance Agent/Broker and Actuarial professional are the hardest vacancies to fill in Small, Medium and Large companies.
5. There is a growing mismatch between the skills employers need and the talent available. This applies both to technical skills and knowledge and to employees' capacity to learn, adapt, lead, think laterally and solve problems creatively.
6. There is a growing demand within the corporate environment for high-level professionals.
7. The schooling system has failed in terms of providing the right candidates for the workplace. Some learners do not meet the access requirements of the Higher Education system due to poor schooling results.
8. Turnover is mainly due to resignations, followed by non-renewal of contracts in Large and Medium-sized companies. For Small companies, turnover is mainly attributed to the

resignations and retrenchments. Most dismissals are due to people not passing the FAIS exams and hence not meeting the compliance requirements as financial advisors.

## **Chapter 4**

- 1468 unemployed youths completed learning programmes.
- Over 200 University students were funded in the 2016/17 financial year by INSETA. Over 330 TVET College students will be funded in the 2017/18 financial year.
- The funding model with the universities is working well.
- INSETA receives an overwhelming response from employers annually to host interns. Employers are unable to employ interns after the internship programme is completed and that is a significant challenge.
- Ensuring that the project deliverables are met can strengthen partnerships within the project team.

## **Recommended Actions**

### **3.1 Skills Priorities for the Sector**

INSETA's skills priority actions are directed by the foundation that has been set by the NSDS III, and are set by the goals of this same strategy. They include increased access to occupationally directed programmes, better use of workplace skills development, training and support provided to sector cooperatives, small enterprises and non-governmental organisations, and enhancing career and vocational guidance. Three of INSETA's programmes (youth, education and development; addressing the need for scarce and critical skills; and Small and Micro-enterprise development) determine the direction of its skills priorities. INSETA's skills priorities can be seen from the type of projects that are executed.

### **Advance the employability potential of young adults**

Equip unemployed youths (18-34 years old) with the means to secure a job and a brighter future through education and training. This is achieved through year-on-year funding increases to applicable projects that advance the employability potential of young adults. This support takes various forms in the projects that are run, such as skills programmes for unemployed youths, bursaries for youths not in employment (in collaboration with the National Student Financial Aid Scheme), SME learnerships and internships.

### **Strive to meet transformation targets**

Assist in tangible ways with the transformation of the insurance sector. One way in which this is realised is through the selection of candidates for bursaries and skills programmes to satisfy the NSDS III principle as follows: Black (85%), Women (54%) and people with Disabilities (4%). Several INSETA projects are geared towards addressing transformational issues.



### **Alleviate the scarce and critical skills in the sector**

Promote the alleviation of scarce and critical skills in the insurance sector by developing new qualifications through QCTO. This is also achieved through funding applications for bursaries, learnerships and internships. This provides PIVOTAL programmes to support the alleviation of scarce and critical skills.

### **Supporting the professionalisation of the sector**

Foster the development of Financial Service Providers (FSPs) by supporting them in their endeavours to obtain FAIS Act credits and pass the regulatory examinations. INSETA gives other tangible expression to this priority through the development of learning material training around FAIS, namely Key Individuals and Representatives manuals. As a SETA, it has also given credence to this objective by developing a national Recognition of Prior Learning option for FSPs, which has the support of the FSB and was developed jointly with SAQA.

### **Supporting rural development initiatives through partnership with cooperatives**

Promote the development of micro-cooperatives, in particular burial societies. INSETA assists burial societies to register as cooperatives and equips them with skills through the training of burial societies. All INSETA's projects are evaluated for their degree of risk: high, medium or low. A risk register that records the level of risk and how the level of risk can be reduced through applying various interventions is in place.

#### **3.2 Measures to Support National Strategies and Plans**

All of INSETA's Discretionary Grant programmes must comply with the key developmental and transformational imperatives of the NSDS III, namely equity profile, class and geography. B-BBEE and the Financial Sector Charter (FSC) drive the transformation of the sector. INSETA needs to support small black businesses because of the poor state of transformation in this area, which is exacerbated by structural barriers to entry. This support will require concerted efforts and substantial resources. One of the key pillars being investigated by the Human Capital Project for the insurance industry is transformation (INSETA, 2014b).

INSETA's SSP imparts vital substance to Strategic Goal 3: better use of workplace-based skills development through various projects. The Business and System Analysis, Year 13 QCTO Pilot Underwriters, INSETA National Skills Broker Network and Employment Portal, and SME projects are all geared towards alleviating scarce or critical skill shortages and unemployment.

INSETA also contributes to the burial society movement and, in turn, to Strategic Goal 4: training and support provided to sector cooperatives, small enterprises and non-governmental organisations. This is achieved by measuring target variables, identifying recent legislation that is relevant to burial societies and stokvels and encouraging implementation of legislation. The SSP strategically targets geographic regions where burial societies need to be increased.

INSETA's SSP also contributes to Strategic Goal 5: building career and vocational guidance. This is achieved through its plan to adopt a multifaceted approach to career and vocational guidance through empirical analysis of the various elements. The SSP needs to evaluate the current career guidance calendar and appraise whether additional items need to be added. In addition, the SSP needs to evaluate statistics and trends from Goal 4.8 (career paths are mapped to qualifications in all sectors and sub-sectors and are communicated effectively). The SSP must identify relevant elements of the legislative framework and incorporate this into the current strategic plan (INSETA, 2014c).

Aspects of the National Development Plan, the New Growth Path and associated National Youth Accord, and the HRDSA (Department of Education, 2009) are all considered when scoping projects. These projects include placing youths in employment through various mechanisms, promoting and developing SMEs, SETAs co-financing training with employers, setting targets to achieve a credible mechanism for skills planning, and meeting demographic and transformational imperatives. Tangible operational measures are put in place through INSETA projects, which wholeheartedly support the goals of the NSDS III, the NDP and the HRDSA 2010-2030.

## Conclusion

Central conclusions are drawn from the five chapters. What is noteworthy in Chapter 1 is the continuing growth of employers and employees in the sector, though transformational targets still need to be met. Critical to Chapter 2 is the fact that the insurance sector faced difficulties recruiting skilled workers and this affected transformation. Compliance was also identified as a troublesome issue. Another polemic that raises concern is the large number of entry-level workers entering the insurance sector versus the huge need for skilled workers in the same sector. A point worth mentioning from Chapter 3 is the incongruity between the skills employers need and the talent that is available. In Chapter 4, it was highlighted that INSETA has a diverse range of sector partnerships, which include partnerships with TVET colleges, public higher educational institutions, private stakeholder companies, SAQA; and partnerships through projects. New partnerships with professional associations must include the creation of insurance career pathways for the insurance sector. In Chapter 5, five skills priorities were identified. These range from equipping unemployed youths (18-34), with the means to find jobs and brighter futures, to the promotion and development of micro-cooperatives. Measures to support national strategies and plans include input from discretionary grant programmes, the role of the INSETA SSP, and supporting sector cooperatives as required by the NSDS III.

INSETA was in a strong position to facilitate skills plans, with levy income rising by R46 million from the 2014/15 financial year (R371 million) to the 2015/16 financial year (R417 million). In 2016/17, INSETA saw a slight decline in the projected levy income and will remain cautious when budgeting for the 2018/19 financial year. INSETA-funded projects and grant expenditure for the year was R362.8 million. INSETA's skills blueprint is its SSP, which regularly updates to keep abreast of trends such as those noted by PWC (2016). During the year, the SSP was again brought up to date with, among other information, the latest scarce and critical skills findings that inform interventions and ensure their relevance to the needs

of the market and the plans of the government. In implementing the plan, INSETA promotes the seven NSDS III transformational imperatives. Insurance requires increasingly professional intermediate and high-level occupationally-specific qualifications, such as underwriter, claims assessor, risk manager and actuary. These roles will meet the demands of a competitive and challenging market and enable it to cope with increasingly stringent regulatory requirements. INSETA is committed to supporting the sector to achieve this raised level of qualification, by increasing access to occupationally-directed programmes and to a range of qualifications that meet scarce and critical skills needs.

One of a number of catalytic interventions during the year under review was the continuation of our groundbreaking broker development programme, which was launched towards the end of the previous financial year. It is helping to fill a pressing need in the marketplace. The programme was crafted to cultivate Small to Medium Black brokerages and expand the supply and quality of scarce and high-priority skills, while enriching the industry and fostering transformation. Run in partnership with the Association for Savings and Investments South Africa (ASISA), the project entailed a 12-month development, training and mentorship programme. Concurrently, research was undertaken to gauge the feasibility of a shared-services model including classroom-based education that will ensure optimal, scalable and sustainable approaches to broker development in the future. This project has had a real impact, as evidenced by a growth in revenue and profitability of the eight brokerages involved, as well as the formation of impactful partnerships of beneficiary brokerages. INSETA has also provided support for those who must comply with the “fit and proper” requirements of the FAIS Act. Discussions are in progress on anticipated legislation and will be examined in terms of INSETA’s mandate with the sector and the FSB. A customised “captains of industry” programme was run successfully with a view to creating cutting-edge leadership attributes and management skills for current industry drivers.

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