

SECTOR SKILLS PLAN FRAMEWORK AND REQUIREMENTS

**SECTOR SKILLS PLANS AND ANNUAL UPDATES
2016 - 2018**



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

ACRONYMS	
ATR	Annual Training Report
DHET	Department of Higher Education and Training
DoL	Department of Labour
DTI	Department of Trade and Industry
FET	Further Education and Training
HET	Higher Education and Training
NEET	Not in employment, education or training
NGO	Non-governmental organisation
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
OFO	Organising Framework for Occupations
PFMA	Public Finance Management Act, 1999
PSET	Post-School Education and Training
RPL	Recognition of prior learning
SDA	Skills Development Act
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SLA	Service Level Agreement
SSP	Sector Skills Plan
WIL	Work-integrated learning
WSP	Workplace Skills Plan

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SECTION A: KEY CONCEPTS

1. KEY CONCEPTS

In South Africa, there is a tendency to assign different interpretations to key concepts used to identify and measure skills in the labour market. For instance, concepts such as “skills”, “occupations”, “scarce skills”, “critical skills” and “pivotal skills” are understood differently. If there is no common frame of reference by users of labour market information, it makes it difficult to integrate and benchmark data and information.

For standardisation purposes we define key concepts as follows:

Job: It is a set of roles and tasks designed to be performed by one individual for an employer (including self-employment) in return for payment or profit.

Change Drivers: Factors changing a sector and causing it to develop in a certain way. Factors driving change include, but are not limited to:

- Regulatory and policy issues such as government legislation.
- National and provincial plans that drive growth and development.
- Economic growth or decline in a sector.
- Changes to the nature of work such as changes in: technology, work organisation, production and process innovation.
- The business environment such as export markets, consumer preferences, and competitiveness in the market, globalisation and others.
- Immigration and emigration.
- Social issues such as poverty, HIV/AIDS, health and safety issues, etc.

Skills gaps: Refers to skills deficiencies in employees or lack of specific competencies by employees to undertake job tasks successfully to required industry standards. Skills gaps may arise due to lack of training, new job tasks, technological changes, or new production processes, to list a few. Skills gaps are addressed. The term “top up skills” also refers to skills gaps. It usually requires a short training intervention.

For example, a medical specialist (occupation) may require training in robotics (skills gap) to conduct surgery, or bank manager (occupation) may require training in customer care (skills gap) to manage clients effectively.

The term “critical skills” is used in the South African context to refer to skills gaps. We should avoid using this term and instead use the term “skills gaps” which is commonly used internationally.

Occupation: A set of jobs tasks characterised by such a high degree of similarity that they can be grouped together for the purposes of the classification.

Organising Framework of Occupations (OFO) is a skill-based classification system to standardise, describe and codify occupations.

Occupational shortages: Occupational shortages occur when the demand for workers in specific occupations exceed the supply of workers who are qualified, available and willing to work – it refers – to excess demand for workers in specific occupations. The strongest indicator or unit to measure occupational shortages is Hard-To-Fill Vacancies.

Hard-To-Fill Vacancy: This is a vacancy (occupation) that an employer was unable to fill within 6 months, or it took longer than 6 months for the employer to find a suitably qualified and experienced candidate.

Skills are defined as the necessary competencies that can be expertly applied job tasks. It can either be linked to an occupation or a gap in the skills profile of a worker within an occupation.

Skill Mismatches: When the supply of workers (in specific occupations) is not related to occupational demand.

SECTION B: POLICY AND PLANNING FRAMEWORK

2. STRUCTURE OF DOCUMENT

The structure of this document is as follows:

Section A:	Deals with key concepts that underpin that framework.
Section B:	Outlines the policy and planning framework for conducting skills planning research.
Section C:	Sets out the structure and requirements of a high-quality Sector Skills Plan; presentation; formatting, process issues; and establishing a portfolio of evidence. Provides guidelines for developing Sector Skills Plans - how to identify change drivers; research for identifying occupational demand and supply of skills; developing an occupational shortage list, establishing career pathways; proposing strategic partnerships; determining a portfolio of evidence; and strategy development.
Section D:	Looks at the research design, approach, methods and techniques for SSP research and offers pointers to researchers.
Section E:	Provides an evaluation framework.

3. PURPOSE OF FRAMEWORK

This document has been prepared to assist SETAs in the preparation and submission of Sector Skills Plans in accordance with the provisions of the Skills Development Act (Act 97 of 1998 and subsequent amendments) and SSP evaluation requirements of the Department of Higher Education and Training.

The Guide provides an explanation of the minimal SSP requirements including both regulatory (legislative) and evaluation criteria and highlights flexibility in approaches, methods and formats that are available to SETAs to meet the circumstances that prevail in their sector.

4. FRAMEWORK DEVELOPMENT

The research process recommended in this document for sector skills planning research is based on tried and tested techniques, including the work of SETAs over the years. We have reviewed existing research conducted by SETAs and other skills planning bodies. In addition, we have considered the key messages from government on the state of sector skills plans contained in the White Paper for Post-School Education and Training (2012) and Ministerial Task Team Report on SETA Performance (2013).

This framework document has been “tested” on a Reference Group – SSP Technical Task Team. We have outlined one broad approach for conducting sector skills plans research - there are many others. Having said this, within this overall framework, we have tried to identify a range of options (in terms of specific research techniques) for consideration. The

techniques appropriate to individual SETAs will depend to some extent on the availability of data, sector priorities, research capability, and so on.

5. TARGET AUDIENCE

SETA Researchers, Staff and stakeholders should use this document to conduct research on sector skills planning, strategy development and establishing processes for consultation.
Education and training providers that need to know what occupations short supply or where are the skills gaps, which curricula to update, what new skills are required, if new programmes in should be established, and if training should be scaled up or down.
Government officials and training experts in charge of skills-related research, enrolment planning and funding, designing and updating qualifications, monitoring training systems, or devising skills strategies at national or sector level.
Employers, unionists and workers at company or sector level also benefit from information on present and future skill requirements when designing and implementing sector strategies.
Vocational guidance and employment service professionals use the information to guide seekers of jobs or training to acquire skills relevant for the labour market.
Policy makers and labour market information professionals require information inputs about future skill needs for the economy to inform policy decisions on budget allocation to various (re)training measures and on regulation for migration. Expected occupational shortages in, for example, engineering professions can shape migration policy decisions.

6. BACKGROUND

There are 21 Sector Education and Training Authorities (SETAs) under the Department of Higher Education and Training as prescribed by *the Skills Development Act 1998 Section 9 (1)*. These SETAs are mandated to promote skills development in their designated economic sectors. A key part of their work involves sector skills planning research to ensure that public investments in skills development resonates with the needs of their respective constituencies and our government's key economic and social priorities.

The challenge is not for SETAs to compete with one another and see who produces the best SSP. Rather it is to ensure that all 21 SETAs produce high quality SSPs. The chain is as strong as its weakest link.

Guided by the *Skills Development Act*, the SETAs are tasked to develop the Sector Skills Plans for each sector and submit annual updates to DHET. A need to improve quality and credibility of SSPs has been identified by DHET through a consultative process with stakeholders. It is against this backdrop that a Sector Skills Plan Framework is developed.

The Framework addresses the key focus areas to be covered in the process of development and annual update of the SSP and is applicable to all SETAs.

The DHET requires authoritative, accurate and consistent intelligence on the state of the skills market to steer the post-school education and training system towards addressing national economic and social goals. Sector Skills Plans are key sources of this intelligence.

Facts are stubborn things; and whatever may be our wishes, our inclinations, or the dictates of our passions, they cannot alter the state of facts and evidence.

John Adams

Sector Skills Plans, if developed and implemented properly, contribute to enhancing workforce skills, improving productivity, meeting business needs for skilled workers and workers needs for good jobs. These plans also address the triple challenge of unemployment, inequality and poverty from a skills development perspective. Moreover, they activate programme responses for supporting marginalised communities, unemployed youth and displaced workers.

Businesses operate in regions that cross cities, towns and local districts. Sector Skills Plans work across these boundaries to identify and address specific workforce skills needs in all economic sectors across the formal-informal divide. Sector Skills Plans help to reduce inefficiencies and streamline efforts by co-ordinating various projects and braiding disparate funding streams intended for the same purpose. They combine 'top-down' analysis of official data with bottom-up intelligence to provide some rich understanding of the skills priorities within different sectors of the economy, across the nine provinces.

7. POLICY FRAMEWORK

This document is a policy framework for Sector Skills Planning and implementation. It establishes a legislative context for sector skills planning; identifies challenges for SSP research; describes a Sector Skills Plan (SSP) and its purpose, reviews the SSP planning cycle, sets out the annual time-frames.

The document assists in researching the current and future occupation-specific skill needs of economic sectors. It is intended to be a practical guide, and aims to encourage researchers to employ the most appropriate ways of conducting skills planning research.

Good policy requires good statistics at different stages of the policy-making process, and that investment in better statistics can generate high social returns. This is the key to good research.

8. GUIDING PRINCIPLES

Our recommended approach to developing Sector Skills Plans has been shaped by the following principles:

Capacity-Building	Enhancing the research capability of SETAs.
Evidence-based Research	The pursuit of evidence-based research is based on the premise that research should be based on systematic evidence and should include rational analysis.
Credibility	Credible evidence relies on a strong and clear line of argument; tried and tested analytical methods; analytical rigour throughout the processes of data collection and analysis; and on clear presentation of the conclusions.
Context	Producing research that is <i>contextualised and relevant</i> .
Strategic Analysis	Providing a strong evidence base for SETA's decision-making, including the development of SSPs, with an emphasis on the strategic understanding of issues.
Systems Thinking	Thinking and acting systemically.
Collegiality	Working co-operatively to support each other.
Practicalities	This relates to the extent to which the evidence is accessible to policy-makers; whether policy-makers have access to it in a useful form and therefore the ease with which it can be translated into policy and actionable programmes. It also refers to the cost of the policy implications of the research, and therefore whether it is feasible and affordable.

9. LEGISLATIVE CONTEXT

In accordance with the *Skills Development Act 1998 Section 10(1) (a)* each SETA is required to develop a Sector Skills Plan (SSP) within the framework of the National Skills Development Strategy (NSDS).

In addition, the following regulatory requirements provide a framework for the submission of SSPs:

- Alignment with national strategic, human resource and skills development priorities: *NSDS III (2011-2016), the National Development Plan (2030), New Growth Path (NGP), Industrial Policy Action Plan (IPAP) and the National Human Resources Development Strategy South Africa (2010 - 2030)*;
- Alignment with the skills development performance requirements: *Skills Development Act Section 10A(1)(a)* requires each SETA to conclude a Service Level Agreement (SLA) with the Director General concerning the SETA's performance of its functions in terms of the SDA and the NSDS;
- Alignment with planning and reporting requirements: Treasury Regulations 30 issued in terms of the *Public Finance Management Act (PFMA)* requires each SETA to develop

Annual Strategic Plans. In line with this, also requires each SETA to submit these Annual Strategic Plans as well as reports on the implementation of its SSP and SLA to the Director General on an annual basis; and

- *Grant Regulation 3, 03 December 2012*, states that there is a need for SETAs to align their SSPs, Strategic Plans (SP) and Annual Performance Plans (APP) with policies, systems and processes to enable these plans to be implemented. Of course, within the SP and APP it will be necessary to allocate human and financial resources in a manner that is also aligned to the impact set out in the SSP.

10. SETA RESEARCH CHALLENGES

This SSP Framework is developed at a time where several important developments are unfolding in the sector skills planning landscape. The DHET has commissioned the Human Sciences Research Council to lead a national research consortium supporting it in creating a strategic labour market intelligence system. Broadly, the project aims at contributing research and capacity building in a systematic, focused and coordinated manner, towards the establishment of a credible institutional mechanism for skills planning, to achieve the national priority of a skilled and capable workforce for an inclusive growth path.

Some of the challenges that would appear to be quite common across SETAs include the challenge of addressing occupational shortages and skills gaps. Partly due to poor research and partly because of lack of detailed planning, many priority skills needs are not being addressed effectively. The level of impact in addressing these needs must be increased.

According to the White Paper for Post-School Education and Training (2012) inadequate research capacity, a lack of economics, labour market and industry expertise, poor data management, and lack of planning expertise have resulted in sector skills plans that have limited credibility and impact in their sectors. Furthermore, the plans are not viewed as contributing to the achievement of national economic and industrial development goals and plans. Thus, the usefulness of sectorally developed plans has been questioned.

Furthermore, it mentions that government economic and developmental priorities are not being adequately addressed, including skills requirements for strategic infrastructure projects, and for implementing the Industrial Policy Action Plan and key sectors identified in the New Growth Path. Far more, and better-quality, research is needed if skills plans are to be improved and gain credibility and value.

The Sector Skills Plan Review Team (2010) also indicated that the sector skills plans lacked cohesive analysis and that there are concerns about the quality of the plans. This was partly attributed to the way in which labour market information is utilized; the lack of currency of the data; the extent to which the plan allows for the identification of priorities for the

sector; and whether ultimately this analysis of the data is in fact translated into the strategic plan of the SETAs.

The Ministerial Task Team Report on SETA Performance (2013) found that SETAs used different methodologies, and had different interpretations of their data such that it is not possible to compare across the different sector skills plans.

This SSP Framework takes cognisance of these manifest challenges facing SETAs. It also recognises the capacity constraints within the skills system. With this mind, it seeks to improve the efficiency of the model for producing SSPs together with concomitant quality improvements.

A new approach to producing SSPs is presented to ensure that SETAs produce high quality plans that reflect skills development realities in their designated sectors. The challenge is not for SETAs to compete with one another and see who produces the best SSP. Rather it is to ensure that all 21 SETAs produce high quality SSPs. This is essential for economy-wide sector skills planning. We cannot have a situation where research on one or two economic sectors is lagging because it impacts on entirely on national skills planning. Put differently, “the chain is as strong as its weakest link”.

The DHET is committed to working collectively with SETAs to take SSP research on a higher trajectory. This SSP Framework is a key part of the process. It is critical that SSPs add value to skills planning and restore the confidence of their stakeholder constituencies.

11. DEVELOPMENT APPROACH

The construction of Sector Skills Plans has been problematic. It is therefore essential that a developmental approach should be adopted to build institutional capacity within the VET eco-system. This implies a facilitative, flexible and proactive approach to sector skills planning.

The developmental approach of the DHET involves the following:

✓	Offering unambiguous guidelines for developing SSPs.
✓	Setting SMART (specific, measurable, achievable, realistic and time-bound) minimum criteria and targets.
✓	Providing advisory support services to the SETAs during SSP development
✓	Suggesting tried and tested research methods that are credible.
✓	Raising the SSP requirements incrementally year-on-year.
✓	Holding SSP meetings, discussions and workshops with SETAs.
✓	Enhancing the labour market intelligence capability of SSP users.
✓	Developing user-friendly, readable and succinct SSPs.
✓	Ensuring wide stakeholder participation.
✓	Review and feedback on SSP submissions.
✓	Providing a strong evidence base for decision-making.

12. DEFINING A SECTOR SKILLS PLAN

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

A Sector Skills Plan covers a five-year horizon and is intended to determine the following:

Skills Drivers	Identifying factors influencing and driving change in an economic sector from a skills perspective.
Skills Imbalances	Identifying occupational shortages and surpluses and skills gaps (top up skills) of employees in a sector.
Occupations in Demand	Identifying occupations in demand currently or in the future and estimating the extent of demand, if possible.
Occupational Supply	Determining the stock of people in occupations that are available currently and in the future.
Career Pathways	Proposing new career pathways and qualifications.
Strategic Training Partnerships	Promoting industry training clusters to improve skills, productivity and competitiveness.
Alignment	Responding to government’s priorities and the objectives of the NDP, NGP, NSDS III, IPAP and HRD-SA.
Targeted Interventions	Outlining key skills development targets and activities.
Signalling	Signalling to education, training and skills development providers about occupations that are currently needed, or being oversupplied, and those skills that will be needed in future in different economic sectors.
Strategic Planning	Informing Annual SETA Strategic Plans that outline key strategic interventions to address identified skills needs and constraints to effective recruitment, utilisation and development of skills.
Performance Monitoring	A framework for SETA performance monitoring and management.

Although there is no prescribed methodology for SSP research, SETAs **must** adhere to certain requirements to ensure good quality plans and comparability of information and data for economy-wide skills planning. It should be stressed that SETAs have the scope to innovate, build and implement research methodologies which are appropriate and applicable to their respective sectors.

13. SSP PURPOSE

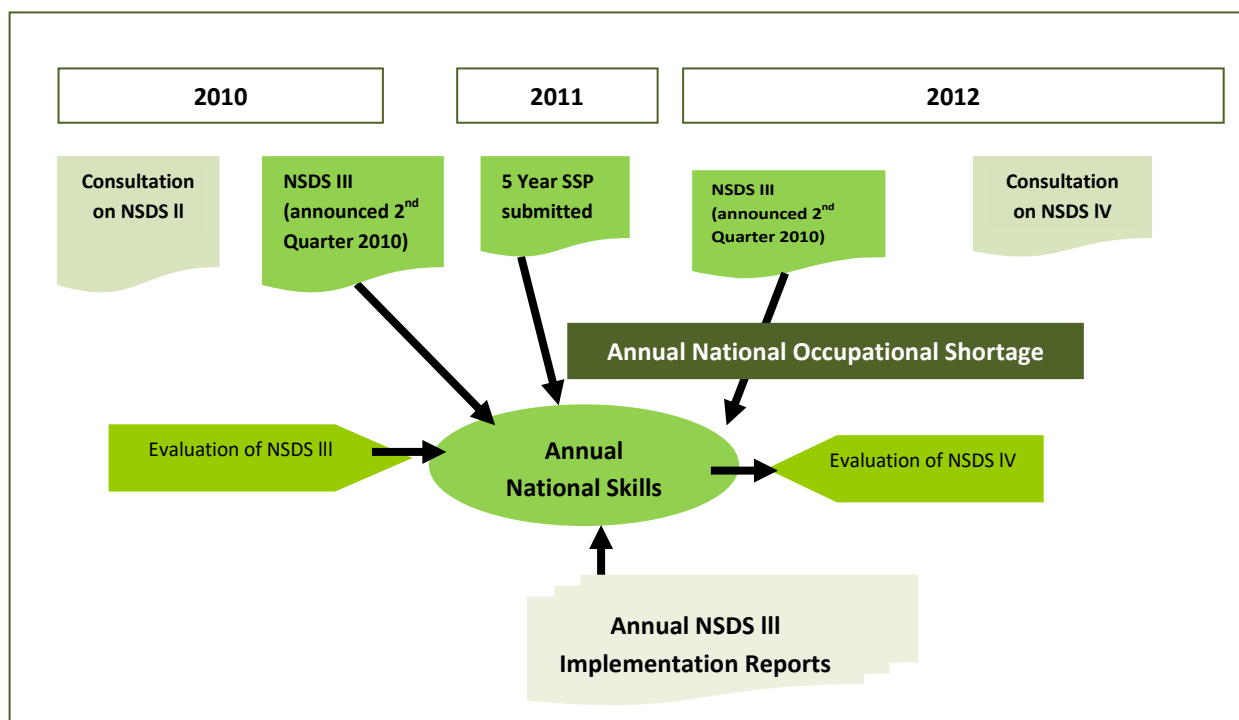
The main purposes of a Sector skills Plan, outlined in the *Skills Development Act 1998, Section 10 (1)*, and in the *National Skills Development Strategy III*, are the following:

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

The SSP is practical, user-friendly report that provides vital information to understanding skills development issues in a economic sector without going into an academic treatise.

14. PLANNING CYCLE

The National and Sector Strategic Planning cycle covers a five-year period. The current cycle runs for the period April 2011 to March 2016. The national and sector skills planning cycle is reflected below:



15. TIMELINES

The Sector Skills Plan is developed for a five-year period aligned to the SETA licensing with an annual update. The submission of the SSP is regulated with an annual draft submission during May.

The Annual Timelines are as follows:

LMIP, SSP Task Team and Technical Working Group, SSP CIP Support	30 st April	WSP/ATR Submission by stakeholders to SETAs	Analysis of Annexure 2 Data
	15 th June	Submission of Draft SETA SSP and draft Pivotal List	Draft SSP submitted and Draft SETA Pivotal List submitted
	15 th June -30 th July	DHET Feedback to SETAs	Feedback Meetings
	1 st August	Submission of Final SSP and Final SETA Pivotal List	Alignment of SSP to Strategic Plan
	31 st September	Final SSP and Final SETA Pivotal List evaluation	SSP Evaluation and Final SETA Pivotal List report

SECTION C: DEVELOPING A HIGH-QUALITY SECTOR SKILLS PLAN

16. DEVELOPING HIGH QUALITY SSPs

It is a general concern that the quality of SSPs produced by SETAs collectively is wanting. This concern has been expressed in the *DPRU Report on SETA Performance (2010)*, *White Paper on Post-School Education and Training (2013)* and the *Ministerial Task Team Report on SETA Performance (2013)*. There has also been concerns from national and provincial department, employer associations and labour unions that there is insufficient “grassroots consultations” in the preparation of SSPs.

Without deliberating further on past problem, there now exists an excellent opportunity for SETAs to rise to the challenge of producing SSPs that are credible, insightful and high quality which is reflective of the complex dynamics in their respective economic sectors and the challenges of meeting national economic and social goals.

SSPs should underpin industry strategies where they exist and serve as a driving force to improve workforce skills, firm-level productivity and the competitiveness of the sector. They should also underpin government's development agenda of reducing unemployment, combating inequality and alleviating poverty.

Sector Skills Plans should be dynamic documents that stakeholders, interest groups, government policy-makers and planners and investors should be using as a reference point for decision-making. Only when this happens can a SETA claim to possess a high quality SSP that add value to the project of national social and economic transformation. This is the singular research challenge confronting SETAs at this juncture.

The DHET has the following expectations of SSP:

- Authoritative and focused research on the state of the skills market;
- Production of skills intelligence to support growth and development;
- Consistent, rich and comparable understanding within different economic sectors;
- Participation by stakeholders in the development process;
- Easy to read, understand and apply;
- Evidence-based research; and
- Actionable interventions that make a difference to skills planning.

The DHET is not interested in which SETAs have the best SSPs. We expect all SSPs to be the "best" to support economy-wide sector skills planning. Anything less is not acceptable.

Before embarking on developing a powerful SSP, we need to step back and consider what is a high quality or a good SSP. But to answer we also need to know what is a poor quality or bad SSP.

17. HIGH AND LOW QUALITY SSPs

Some SETAs have produced relatively high quality SSP previously, whilst others have not been able to do so. We have drawn our findings for this part from SSP evaluation reports and research conducted by the DHET. We have touched on the main issues, but there are a whole range of other issues that also impact on SSP quality.

The great Sir Winston Churchill once remarked when a document was put on his table, "This report, by its very length, defends itself against the risk of being read".



HIGH QUALITY SSP THAT WORKS	
1	The SSP demonstrates mastery, insight and intelligence of the economic sector and skills-related issues emanating from it. Issues are conceptualised strategically with actionable interventions.
2	The SSP is written in an analytical, incisive and insightful manner. It is not descriptive in nature. Complex issues are dissected and discussed. There is argument development.
3	The SSP show evidence of stakeholder involvement in the formulation process. There is evidence of value-add in the level of engagements. Stakeholder participation is carried out thoughtfully.
4	There is evidence that a comprehensive range of data sources were used. A variety of research methods are employed that are consistent with the research design.
5	Analysis of occupationally-specific skills demand and supply is realistic to draw conclusions on skills mismatches . Conclusions and recommendations in line with the analysis and evidence.
6	There is a logical flow of information and analysis of trends or imperatives is clearly presented.
7	There is reliance on a composite of skills market signals , rather than on a single forecast. Judgments are made on the basis of the weight of market evidence rather than on point estimates.
8	Accurate identification of occupational shortages , the size of the shortage (only if possible), and the method applied to reach this finding with supporting evidence.
9	The SSP should be concise; visual and graphical ; use simple language; and easy to understand and implement.
10	The SSP has a limited number of key priorities .
11	There is alignment with national strategies and plans.



LOW QUALITY SSP THAT FAILS	
1	There is very little insight and understanding of the economic sector and skills development issues emanating from it.
2	The SSP is written in a purely descriptive manner with a shopping list of the following: change drivers, names of training providers, learnerships and qualifications, MoUs, etc.
3	The sector economic profile and labour market is inadequately sketched and unrelated to the sector. There is a lack of understanding and analysis.
4	The SSP is wholly unbalanced, irrelevant and long-winded . For instance, much of the narrative is a production of facts and figures that are unrelated or indirectly related to skills in the sector.
5	Little or no consideration is given to research design, methods and techniques . No clarity of definitions; confusion in the usage of terminology; limitations not acknowledged.
6	The SSP appears disjointed ; information is dated. The SSP consists of a collection of literature that is pasted without any logical argument, flow and analysis.
7	Information provided and analysis does not align with the identification of priorities and emerging

	trends.
8	Stakeholder participation is ad hoc and weak.
9	The SSP is written in a thesis or peer-reviewed academic journal style without consideration for audience.
10	There is a simplistic understanding and interpretation of occupational supply and demand .

18. KEY QUESTIONS

The key issue is: how does a SETA know it has produced a high quality SSP? The answer is: if it can answer the following questions with a high degree of accuracy and confidence:

1. Critically assess the economic and labour market performance of your sector and comment on its implications for skills development?
2. How have occupational patterns and skill structures changed in your sector in response to shifts in industrial composition, technological advances and other labour market changes?
3. What are the occupational shortages in your sector? How do you know this?
4. How have graduates in your sector fared in the labour market?
5. What are the implications of national strategies and plans (including the White Paper) for skills development in your sector?
6. How effective are supply-side measures in addressing occupational shortages in your sector?
7. How can education and training systems be fine-tuned to produce a skilled workforce to make firms competitive?
8. What is the match between occupation-specific skills demand and supply in your sector?
9. What are the 3 most important skills development priorities in your sector?
10. What is the impact of investments in human capital development in the sector?

19. FORMAT AND LENGTH

The format and length of the SSP is as follows:

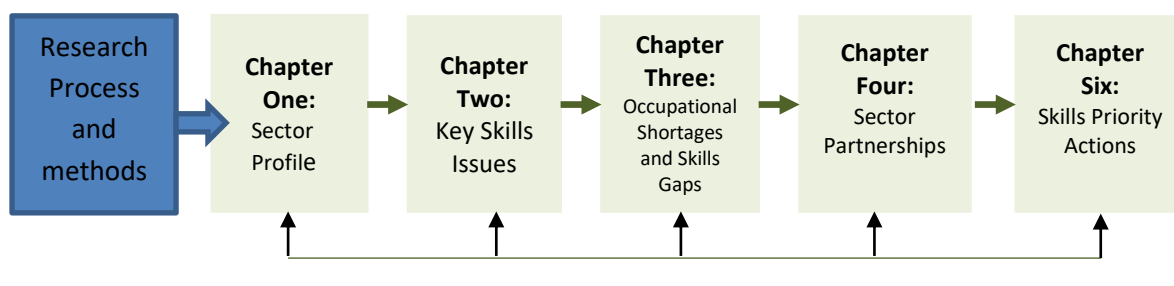
Length:	The length of the Sector Skills Plan MUST BE NOT MORE THAN 60 PAGES in length from cover to cover (this includes everything). The content should be succinct, focused, analytical and insightful rather than voluminous. SSP SUBMITTED WITH OVER 60 PAGES SHALL BE RETURNED.
Portfolio of Evidence (PoE):	All sources of evidence, research materials, stakeholder engagement documents, attendance sheets, and other information on the SSP research should be kept as a Portfolio of Evidence at the SETA for referral in the event of a query. The SETA is NOT REQUIRED TO SUBMIT THE PoE TO THE DHET , but must make it accessible, if required.
Margins:	2.54cm top, bottom, left and right.
Line Spacing:	Single line spacing.
Font	Calibri 12
Illustrations:	Diagrams, tables and graphs should be numbered and labelled.
Layout:	The layout should be user-friendly.

Headings:	Headings should be numbered.
Language:	Free of language errors, easy to read and understand
Statistics	Use 2013 and 2014 statistics
PRESCRIBED STRUCTURE	
Cover Page	Cover page needed. (1 page)
Foreword:	A foreword for not more than 250 words should be written by the SETA Chairperson. (1 page)
Acronyms	Acronym Page. (1 page)
Executive Summary:	There should be an executive summary of not more than 3 pages. (not more than 3 pages)
Contents Page, Table of Figures, and Tables	There should be a contents page, table of figures and tables. (2 pages)
Text Referencing	Use the Harvard Method
Bibliography	A bibliography must be included at the end. (2 pages)
Chapter Breakdown	
Chapter 1	Economic Sector Profile (not more than 15 pages)
Chapter 2	Key Skills Issues (not more than 5 pages)
Chapter 3	Occupational Shortages and Skills Gaps (not more than 20 pages)
Chapter 4	Sector Partnerships (not more than 5 pages)
Chapter 5	Skills Priority Actions (not more than 5 pages)

20. PRESCRIBED STRUCTURE OF SSP

The Sector Skills Plan should be structured into five chapters. Each chapter should lead logically to the other. The interlocking nature of the chapters should be maintained. It is necessary to refer to preceding chapters to ensure the Sector Skills Plan is fully integrated.

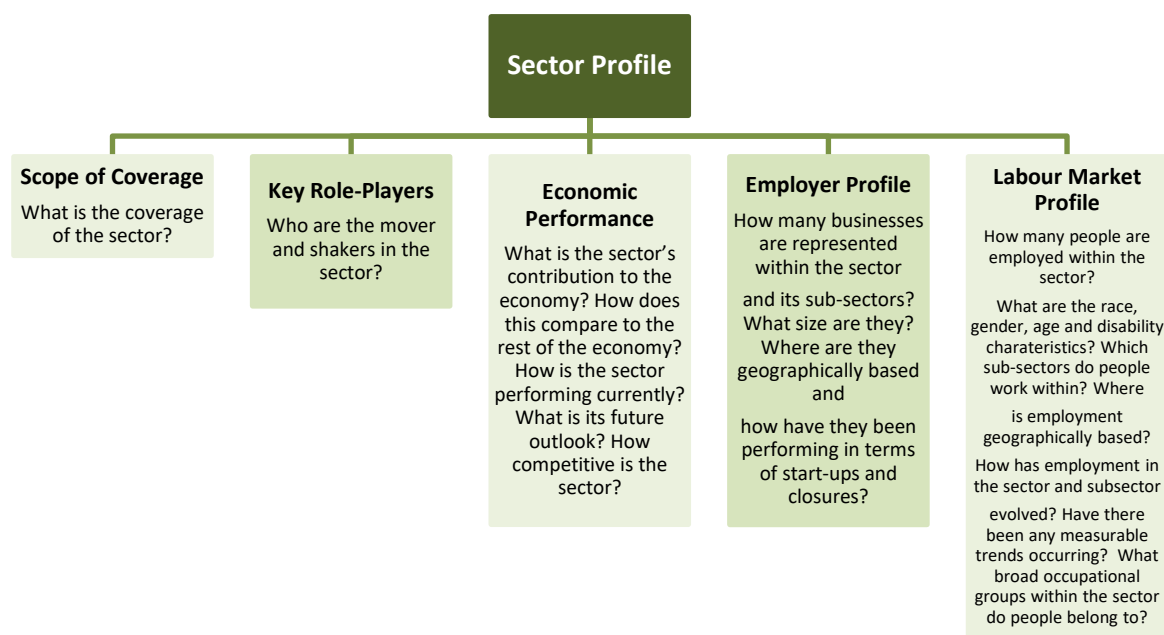
Structure of SSP



20.1 Chapter One: Sector Profile

What is this chapter about?

The main purpose of the Sector Profile is to present a profile of the sector. It indicates the scope of coverage of the sector, its key role-players, its economic performance and labour market profile; and how it has been evolving. This chapter gives a sense of the size and shape of the sector, allowing the reader to understand the contribution of the sector in economic and employment terms.



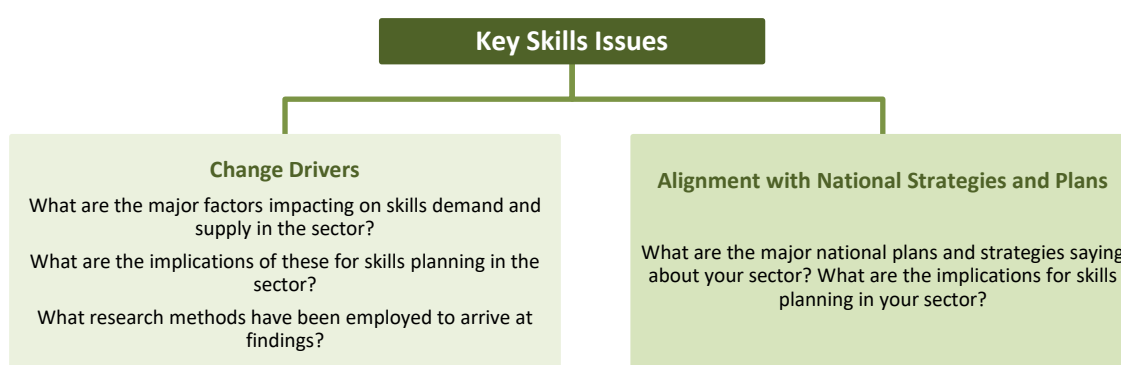
<i>What is best research practice?</i>	<i>What to Avoid?</i>
✓ An accurate profile of the sector and its sub-sectors.	X A general profile of all sectors in the economy.
✓ An analysis of the major role-players.	X Usage of dated statistics.
✓ An analysis of the economic performance of the sector.	X A description of the sector without insight, foresight and analysis.
✓ An analysis of the competitive position of the sector.	X Large gaps in the data.
✓ An analysis of the employer profile.	X Irrelevant and marginal information.
✓ An analysis of the employee profile.	X Unnecessarily long chapter.
✓ An accurate profile of the sector and its sub-sectors.	X Lack of understanding of the sector.
✓ Capture the dynamism and movement in the sector.	X Too essay-type, lack of visuals.
✓ Trends and patterns in the sector.	X No trend analysis.
✓ All the above should offer directions for skills development.	X Lack of commentary on implications for skills development.

20.2 Chapter Two: Key Skills Issues

What is this chapter about?

This chapter is concerned with *identifying factors that are driving change in the sector* influencing skills demand and supply of skills either positively or negatively. There are a myriad of factors impacting on skills demand and supply such as changes which impact on the way work is done in the sector such as changes in technology, work organisation, globalisation, business environment, consumer preferences, and so on. The aim is to identify the “key skills issues” and analyse its implications for skills development in the sector.

Another “key skills issue” that should be analysed is the alignment of sector skills planning to national strategies and plans such as, but not limited to: *National Development Plan, New Growth Path, Human Resource Development Strategy for South Africa, Industrial Policy Action Plan 2* and relevant economic sector policies and strategies. Relevant aspects of these documents for skills demand and supply should be analysed.

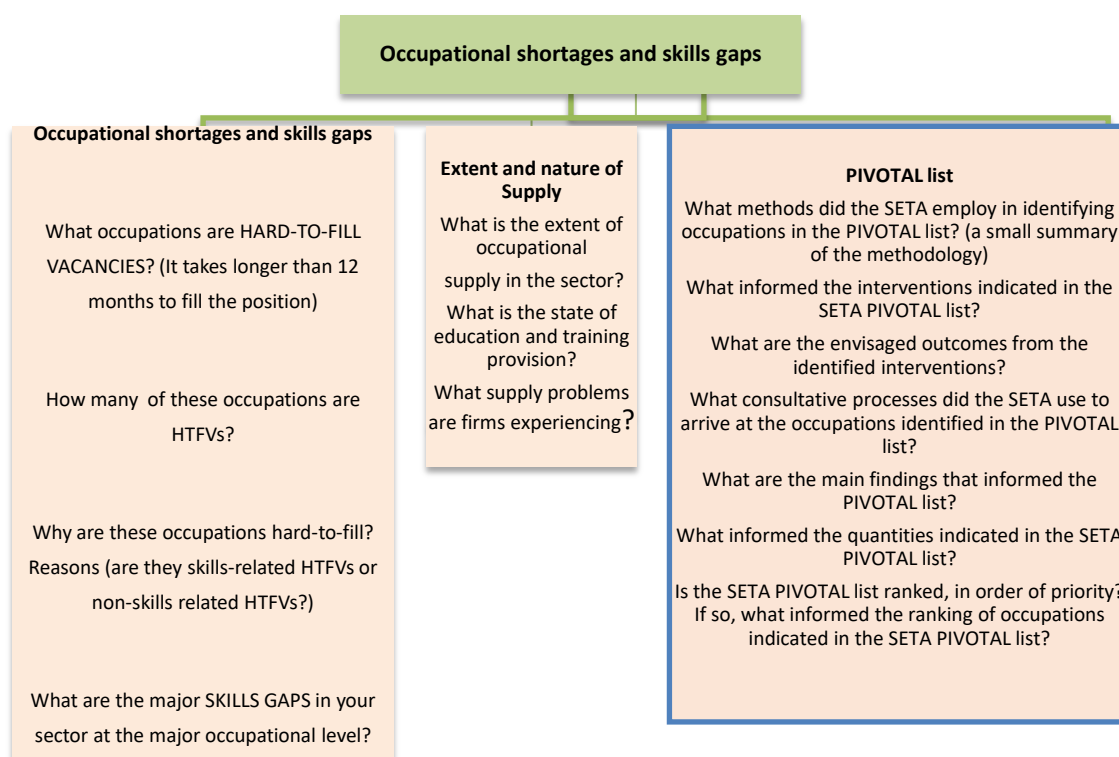


<i>What is best research practice?</i>	<i>What to Avoid?</i>
✓ Use of appropriate research methods to make findings.	X A long “shopping list” of change drivers.
✓ Use of a variety of research methods.	X Long narrative of change drivers.
✓ Evidence of meaningful stakeholder participation.	X A description of national strategies and plans.
✓ Analytical and insightful findings.	X Pure desktop research.
✓ Choice of change drivers directly related to skills demand and supply.	X Irrelevant and marginal information.
✓ Ascertain the implications of national strategies and plans for sector skills planning.	X Lack of understanding of change drivers impacting on skills demand and supply.
✓ Identify up to a maximum of 5 “key skills issues”.	X Lack of commentary on implications for skills development.

20.3 Chapter 3: Occupational Shortages and Skills Gaps

What is this chapter about?

Having profiled the sector, the people employed within it, and the key issues driving change, this chapter focuses primarily on understanding occupation shortages, skills gaps and occupational supply in the sector.



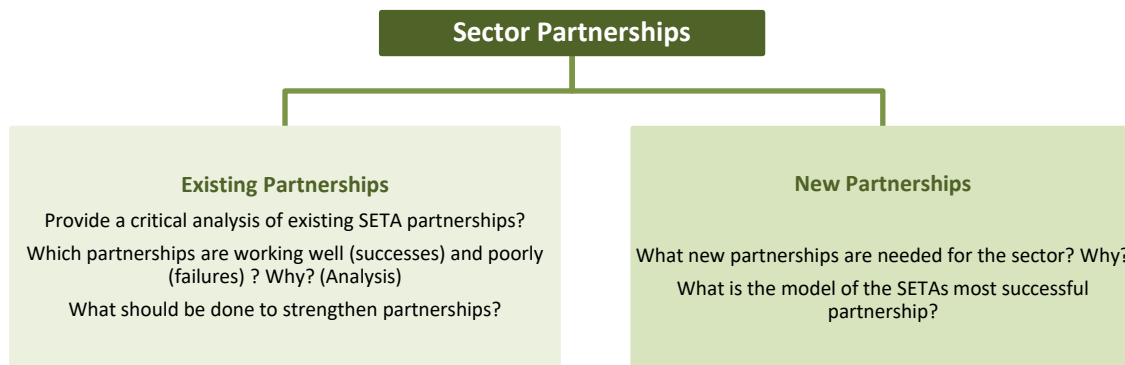
<i>What is best research practice?</i>	<i>What to Avoid?</i>
✓ Analysis of the state of occupational demand.	X A occupational shortage list containing occupations where there is no shortages or evidence of shortages.
✓ Analysis of the state of occupational supply.	X Quantifying occupational shortages without supporting Evidence.
✓ Accurate occupational shortage list (evidence for each occupation on the list).	X Identifying a shopping list of skills gaps without supporting evidence.
✓ Appropriate research methods have been employed to determine occupational shortages, skills gaps and occupational supply	X Pure desktop research.
✓ Critical analysis of the state of education and	X Irrelevant and marginal information.

	training in the sector.		
✓	Ascertain the implications of national strategies and plans for sector skills planning.	X	Presentation of statistics without analysis
✓	Accurate identification of skills gaps with evidence.	X	Lack of commentary on implications for skills development.

20.4 Chapter Four: Sector Partnerships

What is the chapter about?

The purpose of this chapter is to assess the effectiveness of existing SETA partnerships in the sector with particular reference to TVET College partnerships. The chapter should identify problems to maintaining and creating partnerships and propose measures for deepening TVET College partnerships.



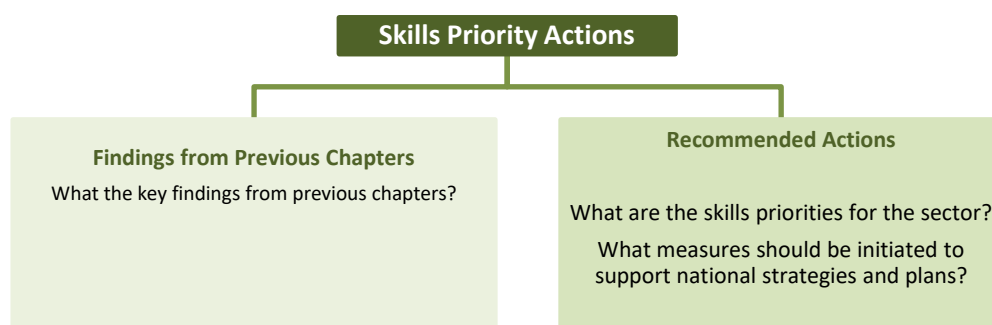
<i>What is best research practice?</i>		<i>What to Avoid?</i>	
✓	A critical analysis of the state of existing partnerships.	X	Presenting a shopping list of MoU signed by the SETA.
✓	Discussion of partnerships working well and poorly?	X	Providing a description of all existing partnerships.
✓	An example of a successful partnership model	X	Providing trivia on partnerships.
✓	Outcomes of partnerships	X	Boosting

20.5 Chapter 5: Skills Priority Actions

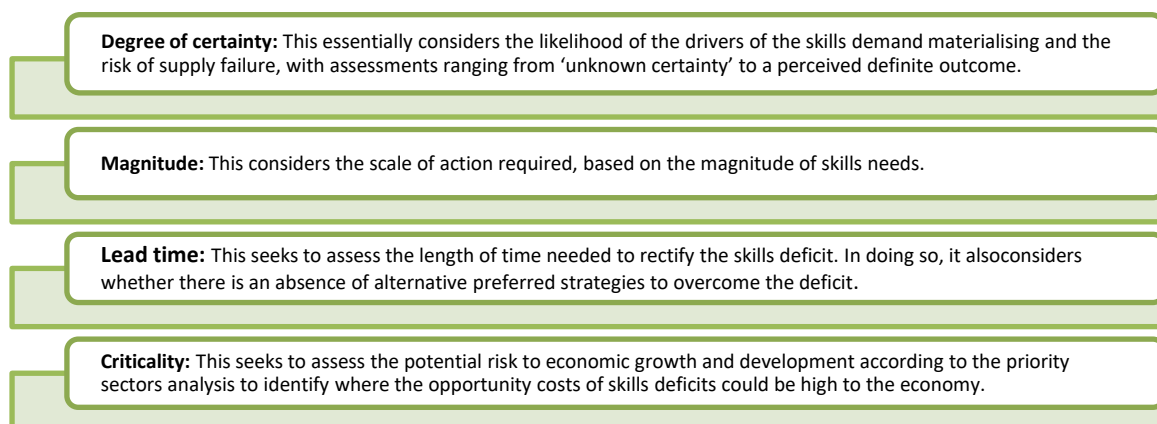
What is the chapter about?

This chapter should consolidate and presents the findings from previous chapters and reflects on priority actions for the sector. The previous chapters provided the information and analysis and thus enable a response in the form of **recommended actions** that are realistic, consistent and achievable. This Chapter provides a set of priority actions and is **not** a detailed strategic or operational plan.

Consideration should also be given to national strategies and plans to thus ensure alignment with government's priorities.



It is one thing to bring together all the knowledge from previous chapters, it is another to tease out the priorities for action: This risk based approach uses four specific criteria to identify priorities, namely:



<i>What is best research practice?</i>	<i>What to Avoid?</i>
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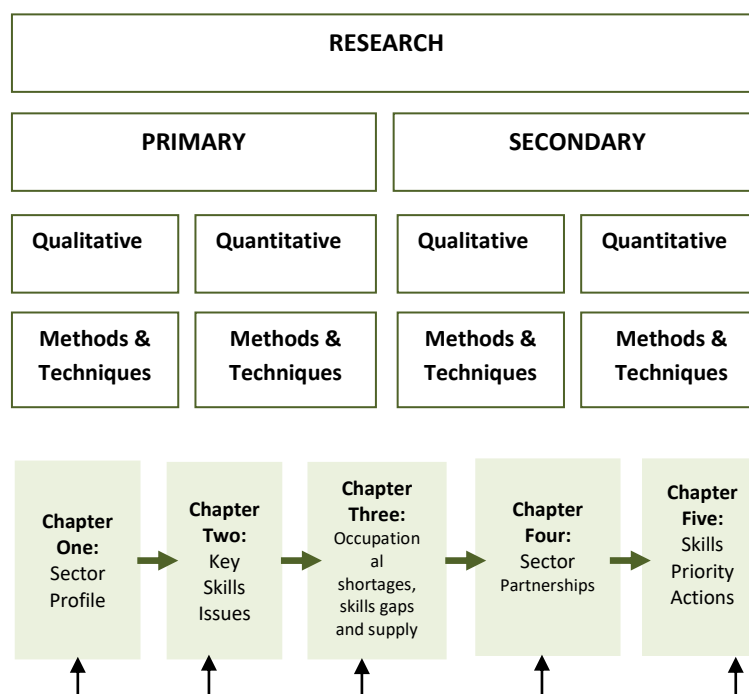
✓	Focus on few major priorities	X	A shopping list of a large number of priorities.
✓	Insight and analysis of findings from previous chapters translated into skills actions skilfully.	X	Priorities that are unrelated to previous chapters.

SECTION D: RESEARCH METHODS

21. RESEARCH DESIGN, METHODS AND TECHNIQUES

21.1 Research Design

At the outset, it is necessary to conceptualise the plan or blueprint for the research in its entirety. This would involve working out all aspects of the research process from initiation to completion such as: formulating research objectives and outputs; choice of methods; human resource capacity, activities; budgets; and time-frames.



21.2 Types of Research

There are two broad types of research – primary research, which involves some original data and information gathering, and secondary research, which uses available research and data.

It is worth noting that typically a research study would start off with some secondary research (to identify *existing* research/data), followed by primary research – often a qualitative phase (to *explore* and *understand* the subject of interest) and then a quantitative phase (to *measure* it).

21.3. Qualitative research

The purpose of primary qualitative research is usually to provide detailed feedback on the subject of interest. It is a very useful tool to understand attitudes and opinions, generate and test ideas and solutions, diagnose problems and ensure that the subject is fully explored.

Primary qualitative research often involves interviewing a limited sample of people, usually face-to-face and using open questions. The main methods used are focus groups and depth interviews. Because it involves a small sample, the results of qualitative research are not statistically reliable. In other words, although you know that some people in the target population hold the views expressed, you do not know how widely the views are held.

Qualitative research techniques have a wide variety of uses in relation to skills research. It is an important tool because it provides a strategic understanding of the relevant issues. For example, qualitative research can be used to understand the key change drivers of a sector and its outlook, or to evaluate how effectively the training system is working and what improvements can be made, or to identify strategies to ensure that the sector obtains the skills it needs.

21.4. Quantitative Research

Quantitative research is about statistics and measuring things – the output of quantitative research is usually numbers. Although most people tend to think of a survey when they think of quantitative techniques, in fact any statistical analysis of data (for example analysis of numerical data gained via desk research) constitutes quantitative research.

Survey-based data collection involves using a structured questionnaire (conducted face-to-face, by phone, internet or by post) consisting mainly of closed questions, with a large statistically reliable sample of respondents. This can be useful for rating attributes, uncovering differences in opinion amongst different groups of people, identifying regional variations, etc. However, it can be expensive, and, unless there is an ongoing programme of research, only usually provides a “snapshot” at a given point in time. A further pitfall with this type of research is the danger of measuring the wrong thing. In other words, it is usually important to undertake some desk research and/or qualitative research *before* conducting a survey, to identify and understand the relevant issues which are then measured via the survey.

Several other quantitative techniques can be used in relation to skills and labour market research. One that is frequently mentioned is “econometric modelling”, which essentially means measuring mathematically the relationship between several variables. Often this involves identifying a “best fit” line for a time series to try and project historical trends into the future. However, overall we recommend that you consider carefully whether quantitative research is the most appropriate tool to achieve your research objectives.

21.5 Desktop Research

This is a form of secondary research, and involves investigating what data/research already exists. It avoids “reinventing the wheel” and is relatively quick and inexpensive. It is therefore generally useful to start off the research study with desktop research, to avoid embarking on (costly) primary research if information already exists. However, the down side of desk research is that the research/data found may not exactly meet your needs.

21.6 Delphi Studies

Delphi Studies make use of a panel of experts, which is sent a series of questionnaires anonymously, and is provided with a summary of opinions from the preceding questionnaire before answering the next one. In each succeeding round of questionnaires, the range of responses by the panellists decreases and the median moves toward what is deemed to be the “correct” answer.

Delphi Studies are often used for long-term forecasting. One advantage of the Delphi Method is that the experts (who often reside throughout the world) never need be brought together physically. Since the responses are anonymous, the pitfalls of ego, domineering personalities and the “bandwagon or halo effect” in responses are all avoided.

However, on the down side, this method lacks the interactivity of, say, a focus group. In addition, “respondent fatigue” may set in during the various rounds of questionnaires.

21.7 Action Research

Action Research, put simply, is “learning by doing” – a group of people identify a problem, do something to resolve it, see how successful their efforts were, and if not satisfied, try again. What separates this type of research from daily problem-solving is the emphasis on scientific study – the researcher studies the problem systematically and ensures the intervention is informed by the appropriate research methodology.

Because of its action focus, this type of research intuitively has much appeal. However, it needs to be conducted rigorously so that the outcomes are evaluated in an objective way.

Action research can be useful in the context of skills research. For example, it can be used to test and evaluate some training or labour market strategies previously identified through desk or qualitative research.

21.8. Quantitative Surveys

A survey (telephone, postal, internet etc.) of industry stakeholders can be used to identify sector trends. For example, you could question a sample of employers about anticipated skill needs/skill shortages, etc. This type of survey is most useful if it is conducted regularly so that trends can be identified, and its forecasting ability evaluated.

However, care needs to be taken with this approach. It is not always easy for respondents to predict the future, even in relation to their own actions. And employers' responses to questions relating to skill shortages will usually be biased upwards. A one-off survey with no track record to evaluate its forecasting power may be of limited use, or even misleading.

21.9. Quantitative Occupational Forecasting

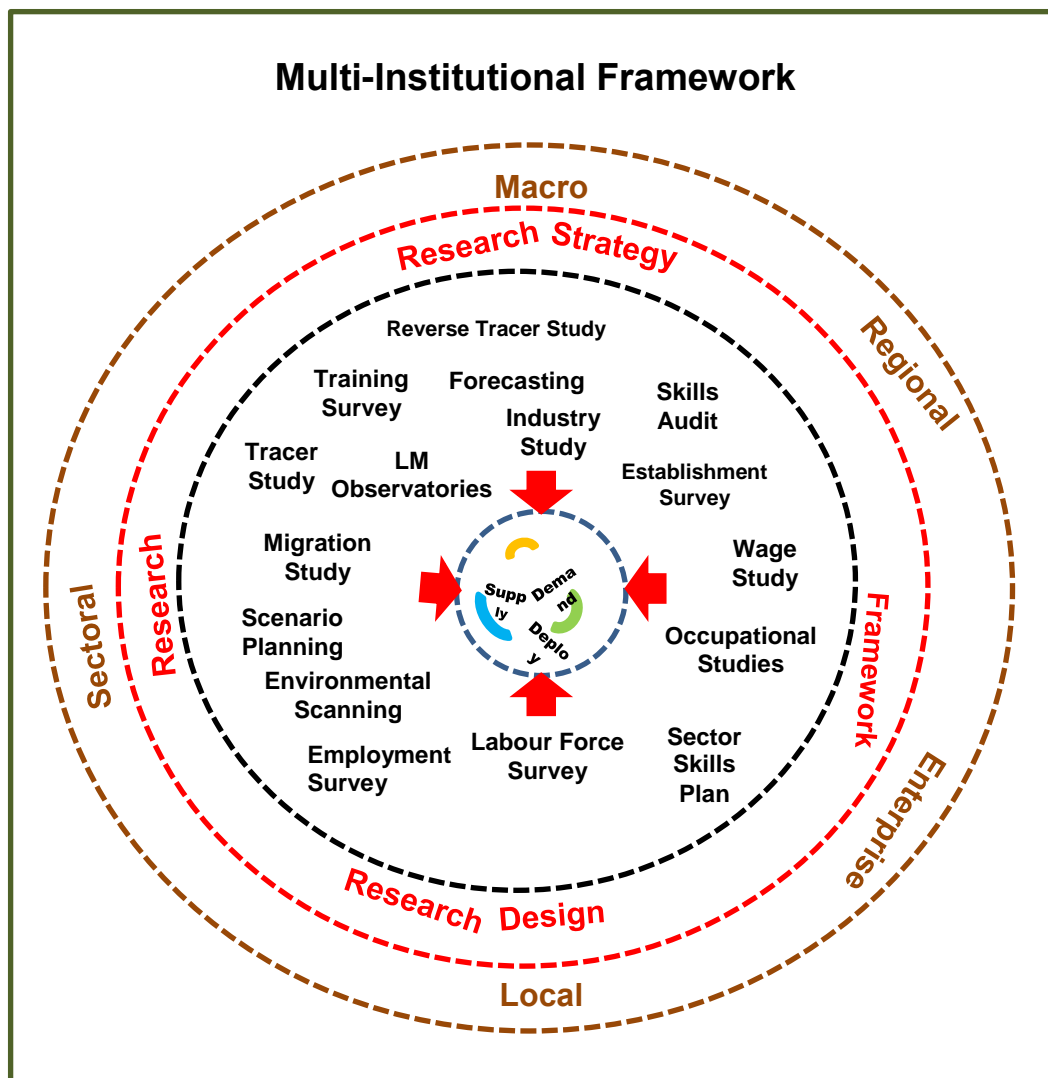
There are a number of methods of forecasting industry employment. Usually these involve estimating (often using proprietary macro-economic models) the future output demand in an industry, and the corresponding level of employment, based on various assumptions, e.g., productivity growth.

One method that can be used is a simple model of net and gross occupational requirements (based on historic training enrolment/completion rates, retirement rates, migration rates, occupational wastage rates etc) to meet projected demand. The benefit of this approach is that it is relatively simple, understandable and transparent. Conceptually it is useful in the sense that it differentiates between *replacement demand* and *market expansion demand*. However, it may be difficult to obtain all the data (e.g. occupational wastage) and this type of model does not necessarily take account of any inter-relationships or overall constraints in the economy.

Currently the research consortium between the HSRC, DRPU and Wits University are developing a socio-econometric occupational forecasting model. Hence there is no need for SETA to conduct such a study. It would, however, be necessary to consider and use the findings of this research study when it is available.

21.10 Other Research Methods

There are a range of other research methods that should be used for skills-related research. Some of the more commonly used methods include the following:



Prof Hoosen Rasool, 19 March 2014, Skills Planning Mechanism Presentation, HSRC Roundtable

Anticipating occupation-specific skill needs is a very challenging exercise because the labour market is in a state of constant change. Disequilibrium is the normal state of the labour market. Demand and supply are not static. The trick is to catch the *flow* of skills in your sector.

SECTION C: EVALUATION FRAMEWORK

22. EVALUATION CRITERIA

NO	EVALUATION CRITERIA	CRITERIA MET	CRITERIA NOT MET	COMMENTS
FORMATTING CRITERIA				
1	The length of the Sector Skills Plan SHALL NOT BE LONGER THAN 60 PAGES in length from cover to cover (this includes everything).			
2	There is a Portfolio of Evidence with supporting evidence at the SETA office for referral in the event of a query.			
3	Margins are 2.54cm top, bottom, left and right.			
4	Single line spacing.			
5	Calibri 12			
6	Diagrams, tables and graphs are numbered and labelled.			
7	Usage of 2013 and 2014 statistics			
8	There is a cover page. (1 page)			
9	A foreword for not more than 250 words must be written by the SETA Chairperson. (1 page)			
10	Acronym Page. (1 page)			
11	There is an executive summary. (not more than 3 pages)			
12	There is a contents page, table of figures and tables.			
13	Usage the Harvard Reference Method			
14	A bibliography must be included at the end. (2 pages)			
15	Chapter 1: Economic Sector Profile (not more than 15 pages)			
16	Chapter 2: Key Skills Issues (not more than 5 pages)			
17	Chapter 3: Occupational shortages, skills gaps and occupational supply (not more than 20 pages)			
18	Chapter 4: Sector Partnerships (not more than 5 pages)			
19	Chapter 5: Skills Priority Actions (not more than 5 pages)			
20	The SSP is signed-off by the Board Chairperson prior to submission.			
PROCESS CRITERIA				
21	There is evidence that key stakeholders have been fully involved in the process by means of data sources, inputs, and other references.			
22	Evidence of a range of data and information sources accessed and analysed in the formulation of the SSP.			
23	There is a logical and understandable flow of information within chapters, and between chapters.			
24	Graphics are used appropriately to present data; they are clear, they support the text with which they are presented and analysis of trends or imperatives are clearly illustrated by these graphs			
RESEARCH CRITERIA				
25	There is evidence that the research is well-designed.			
26	There is a mix of appropriate research methods used.			
27	The SSP is analytical in nature with a sound analysis of the data.			
28	Conclusions are based on research findings.			
CHAPTER 1: SECTOR PROFILE CRITERIA				
29	The profile of the sector is accurately captured in all respects.			
30	The economic performance, employer and employee profile is analytically discussed.			
31	Trends and patterns in the sector are captured.			
32	Implications of findings for skills development are discussed.			
CHAPTER 2: KEY SKILLS ISSUES				
33	Key skills issue is teased out using participative research methods.			
34	Choice of change drivers are directly related to skills demand and supply.			
35	The sector skills implications of national strategies and plans are identified and discussed.			

NO	EVALUATION CRITERIA	CRITERIA MET	CRITERIA NOT MET	COMMENTS
36	There is a maximum of 5 “key skills issues”.			
CHAPTER 3: OCCUPATIONAL SHORTAGES, SKILLS GAPS AND OCCUPATIONAL SUPPLY				
36	Appropriate research methods have been employed to determine skills mismatches			
37	Occupational mismatches are identified with supporting evidence.			
38	There is an accurate occupational shortage list with supporting evidence for each occupation on the list.			
39	There is critical analysis of the state of education and training in the sector.			
40	There is accurate identification of skills gaps with supporting evidence.			
CHAPTER FOUR: SECTOR PARTNERSHIPS				
41	A critical analysis of SETA partnerships demonstrating an understanding of issues.			
42	A focus on outcomes (what has been achieved?)			
43	Example of a successful partnership model.			
CHAPTER FIVE: SKILLS PRIORITY ACTIONS				
44	Few major skills priorities are identified and discussed.			
45	Insight and analysis of findings from previous chapters are pulled through into this chapter and translated into skills actions skilfully.			