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INSURANCE SECTOR EDUCATION
AND TRAINING AUTHORITY

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INSETA SECTOR SKILLS PLAN 2025-2030

01 August 2024



1 August 2024

Ms Weziwe Sikaka

Acting Director Seta Support and Learnerships

Seta Support Directorate

Department of Higher Education and Training

123 Francis Baard Street

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0002

INSETA SECTOR SKILLS PLAN 2025-2030 – 1 August 2024 SUBMISSION

Dear Ms Sikaka

The August 2024 Sector Skills Plan 2025-2030 submission is produced per the revised *Sector Skills Framework and Guidelines*. The INSETA has developed its SSP in compliance with these new guidelines. It has led to changes in the structure, content and style of the six SSP chapters.

The SSP was produced post the national elections, which took place on 29 May 2024. The election results mean that political parties will enter into coalitions since there is no outright majority. A Government of National Unity (GNU) will govern the country in the best interests of the citizens. It will have implications for all economic sectors, including the insurance industry. We envisage that the GNU will usher in economic growth, employment and poverty alleviation.

Currently, the South African economy is performing poorly due to electricity and water shortages, a lack of capital formation, weak foreign direct investment, and poor infrastructure in local municipalities. Business sentiment is also weak. The result is growing business closures and unemployment. These have implications for skills development.

The SSP addresses the National Skills Development Plan 2030 (NSDP), the blueprint for skills development in South Africa. It aligns with the *National Development Plan 2030, Human Resource Development Strategy for South Africa 2030, Medium-Term Strategic Framework (MTSF) 2019-2024*, and the *National Plan for Post-School Education and Training 2030*.

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The WSP/ATR submissions are a key data source for the SSP. We used the WSP/ATR that was collected until 30 April 2024. After that, the INSETA granted an extension to employers until 30 May 2024. The final SSP contains the updated WSP/ATR information.

What is discussed and highlighted here is the new aspects per chapter that this Framework has brought about. One of these is the identification of key skills issues in each chapter. Chapter one focuses on two key skills issues: youth unemployment and skills and disruptive technologies and skills. Concerning increasing youth unemployment, the question is: 'What measures can be implemented to increase the number of youth who secure and maintain their employment?'

Concerning digital skills, it is advanced that while technology disrupts many occupations, it also creates new jobs in fields such as Science, Technology, Education and Mathematics (STEM), data analysis, computer science and engineering. Developing new skills requires designing future-ready curricula that focus on areas ranging from critical thinking to emotional intelligence.

In Chapter 2, Key Skills Change Drivers, a section on Data Sources and Methodology has been added to this chapter. The methodology employed to identify change drivers involves consultation using PESTEL analysis and literature review. The change drivers identified in this Sector Skills Plan are Technology, Political Instability, Climate Change and Regulations. The skills implications of each of these change drivers are also highlighted. Two of the change drivers, viz. Technology and Political Instability encroach on several diverse areas. For technology, these areas range from Customer-Centric to Digitalization. For Political Instability these range from Energy Crisis to Grey Listing.

The INSETA bolsters the Economic Reconstruction and Recovery Plan with a skills support strategy ranging from short skills programmes to soft skills. Under climate change, as part of the Economic Reconstruction and Recovery Plan, the INSETA can participate in various skills development initiatives, ranging from support for SMMEs and cooperatives to participating in Green Economy initiatives to waste management projects.

A new inclusion for the August 2024 Sector Skills Plan submission is an in-depth analysis of the skills implications for all the policies and policy frameworks ranging from National Development Plan 2030 (NDP) to the National Plan for Post School Education and Training (NPPSET) (2021-2030), have been provided. Update existing University and Technical Vocational Education and Training Colleges programmes to ensure that programmes meet demand within key sectors of

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the Economic Reconstruction and Recovery Plan; Expand opportunities for workplace-based learning, viz. learnerships, internships and candidacy; provide retraining or upskilling programmes to preserve jobs; increased access to programmes resulting in qualifications; and supporting entrepreneurship and innovation.

Chapter 3 Sectoral Demand and Supply Analysis: Technical and Vocational Education and Training and Higher Education sections have been updated with the latest statistics in post-school education and training from the Department of Higher Education and Training, 2023. A new inclusion in this chapter is Future Occupations and Top-Up Skills. The INSETA will also undertake an empirical survey on Future Occupations. The variable used to measure Job trends in the South African insurance sector was the number of active job postings. There is also a section on skills mismatches where measures of skills mismatches, namely, qualifications in fields outside of insurance, over-qualification and under-qualifications, are contrasted between three SETAs that fall within the Finance Cluster: BANKSETA, FASSET, and INSETA.

In Chapter 4, SETA Partnerships, the revised Framework and Guidelines have brought forward a new categorization of SETA partnerships, namely, strategic and special projects, education and training delivery and industry and professional body partnerships. There is also a special emphasis on the strategic intentions of existing and proposed partnerships. It is also shown in this chapter that the INSETA makes significant contributions to the Economic Reconstruction and Recovery Plan (ERRP) and the Presidential Youth Employment Initiative (PYEI).

In Chapter 5, Seta Monitoring and Evaluation, the ten strategic priorities INSETA is directly involved with are indicated, ranging from research and innovation to monitoring and evaluation. An array of recommendations have been included about how the INSETA plans to improve its internal monitoring and evaluation function.

In Chapter 6, Strategic Skills Priority Actions, a new addition is that the findings from the first 5 chapters are associated with skills insights. The alignment of the 10 skills' priority actions has been accurately pinpointed to various sources of information.

We are confident that implementing key skills issues and the skills implications of change drivers and relevant policy frameworks will make a memorable contribution to skills development in the insurance sector.

Yours sincerely

Ms Lizelle van der Merwe



INSETA Board Chairperson

As delegated by the Board on 31 July 2024

Ms Gugu Mkhize



Chief Executive Officer



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RESEARCH PROCESS AND METHODS

INSETA conducted research for its Sector Skills Plan (SSP) 2025-2030. The SSP is developed as per the *DHET Framework and Guidelines (2025-2030)* and is used to develop the five-year sector skills plan and annual updates. The SETA conducted empirical research and used primary and secondary data sources to comply with the methodological aspects. The research studies are aligned with specific SSP chapters and indicated. The following research initiatives were implemented to update the SSP:

Table 1: Research conducted for preparing the INSETA SSP (2025-2030)

Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
The impact of drone technology on SMME enterprises in the insurance sector (<i>Durban University of Technology</i>) Informed Chapter 3 on new and emerging occupations.	-Qualitative -Quantitative	To gain a comprehensive understanding of drone adoption, the identification of benefits and challenges of drone technology, the extent of the impact on risk assessment and underwriting, the impact of drones on claims processing, and tailored insurance packages for SME clients.	-Desktop research, Survey questionnaire, and a focus group discussion.	24	Survey (primary source)	October 2023-March 2024
Retirement Planning Practices of Black South African Entrepreneurs / Business Owners Informed Chapter 6 on support for small businesses.	-Qualitative -Quantitative	To understand the retirement planning practices of Black South African business owners. Identify generic retirement planning variables such as source of retirement funds, market products, targeted retirement age and type of business owned. To investigate how variables like gender, age and race intersect with retirement planning practices in the provinces.	-Cross-Survey Tool	333 respondents, including business owners and their employees	Survey (primary source)	May 2023 to 22 August 2023



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
Skills supply, demand, and mismatches in the insurance sector (<i>In-house</i>) Informed Chapter 3 on sectoral skills supply and demand analysis.	-Literature review -Interviews -Focus groups	Identify skills demand, supply, and mismatches by occupation and skills gaps	-Database analysis -Workshops -Questionnaire	All levy-paying employers that submitted WSP/ATRs.	INSETA database (secondary source)	2020-2023
ATR 2023 – 2024 and WSP 2024-2025 submissions Informed Chapter 1 on sector profile (employers and employees) and chapter 3 on sector skills supply and demand analysis to identify sectoral priority occupations.	Submission of ATR and WSP by employers as per prescribed INSETA template and a 5-year trend analysis.	The purpose of the WSP/ATR is to establish sector employer and employee profiles. Employer profile: employer size, proportion of levy-paying employees, geographical location. Employee profile: gender, race, age, disability, occupational groups and geographical spread.	-Database analysis	All levy-paying employers that submitted WSP/ATRs.	INSETA database (secondary source)	2023-2024
National Health Insurance (<i>In-house</i>) Informed Chapter 2 on key skills change drivers	-Literature review	Determine the impact of NHI on the insurance sector.	-Literature review	Medical schemes	NHI Study (secondary source)	2019-2021
Gig Economy (<i>Durban University of Technology</i>) Informed Chapter 2 on key skills change drivers and chapter 3	-Qualitative -Quantitative	Impact of the Gig Economy on the Insurance Sector and Regulatory Labour Framework	-Literature review -Focus groups -Think-Tank	-8 interviews -20 attendees to Think-Tank discussions	Gig Economy Research Study Primary and secondary sources	2021-2022



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
<p>on new and emerging occupations.</p> <p>Labour Market Analysis (University of Cape Town)</p> <p>Informed Chapter 1 on sector profile (employers and employees)</p>	-Qualitative -Quantitative	<p>The purpose of the study is to establish sector employer and employee profiles.</p> <p>Employer profile: employer size, proportion of levy-paying employees, geographical location.</p> <p>Employee profile: gender, race, age, disability, occupational groups and geographical spread.</p>	-Literature review -Survey of employees	Employees are drawn from 20 Employers.	Labour Market Analysis Study Primary and secondary sources	2021-2022
<p>Tracer study (Urban Econ)</p> <p>Chapter 3 on sector skills supply and demand analysis</p>	-Qualitative -Quantitative	Determine graduate destinations.	Survey	Learnerships – Sample: 327 (189 unemployed; 138 employed) Internships: 235 -Bursaries: 166	Tracer study Primary source	2019-2020
<p>Body of Knowledge (University of the Witwatersrand)</p> <p>Informed Chapter 2 on key skills change drivers</p>	Literature review	<p>Develop a body of knowledge in two insurance volumes:</p> <p><i>Volume 1: The legal system, legal principles and insurance products and</i></p> <p><i>Volume 2: State insurance funds and specialised insurance markets</i></p>	Professional Association Review Committee	22 committee members from insurance companies & professional associations	Body of Knowledge Books Secondary source	2021-2022
<p>Tracer/ Destination Study - (University of the Witwatersrand, Wits Real Centre, Singizi Consulting Africa)</p>	-Qualitative -Quantitative	A graduate destination study of INSETA learners who completed learnerships, internships, bursaries, and skills programmes between 2018-2021	Computer-Assisted Telephonic Interviewing (CATI)	575 respondents Primary source	INSETA databases from 2018-2021 Primary source	2020-2021



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
<p>Chapter 3 on sector skills supply and demand analysis</p> <p>Monitoring and evaluation framework (<i>University of the Witwatersrand/Wits Real/Singizi Consulting Africa</i>)</p> <p>Chapter 5 on monitoring and evaluation</p>	-Qualitative Study	Understand the nature of each programme, the outcome to be achieved, and the anticipated impact.	Theory of Change & associated Logic Model	n/a	INSETA APP and SP Secondary source	2020-2021
<p>Emerging skills of small emerging businesses and cooperative financial institutions. (<i>in-house</i>)</p> <p>Chapter 3 on sector skills supply and demand analysis and chapter 6 on priority skills actions</p>	-Qualitative -Quantitative	Identify the emerging skills needs of small emerging businesses and cooperative financial institutions	Surveys and interviews	74 respondents Primary and secondary source	INSETA Study Secondary source	2021-2022
<p>Action plan for building cybersecurity culture through TVET Colleges in rural and urban areas. (<i>Durban University of Technology</i>)</p>	-Qualitative -Quantitative	The building of an action plan for cybersecurity culture in an urban and rural area from a youth perspective and effectively implementing this action plan.	Qualitative & Quantitative Questionnaire; Interviews; Focus Groups; Document Analysis	Two TVET colleges, one urban, one rural 200 respondents 35 interviews	Desktop research. Data were obtained from questionnaires given to teachers and students at	Jan 2023 - May 2023



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
Chapter 3 on sector skills supply and demand analysis				2 focus groups: teachers & students	two TVET colleges. Primary source	
Learning and career pathways for four insurance sector priority occupations (<i>University of Cape Town</i>) Chapter 3 on sector skills supply and demand analysis and chapter 6 on priority skills actions	-Qualitative & - Quantitative Research	Aspects such as key requirements, available learning pathways and the career pathways for these priority occupations. Also, the potential to meet current and future demand for these occupations.	Survey of employers & employees	WSP data	Survey of employers; Survey of employees; Desktop Research Primary and secondary source	Feb 2021- Aug 2022
Planned Research 2024-2025						
<i>(The planned research has been advertised to public universities, but the service providers have not been selected yet)</i>						
Conduct impact assessments of INSETA learning programmes yearly for 3 years. Chapter 3 on sector skills supply and demand analysis and chapter 6 on priority skills actions	Mixed methods research – both qualitative and quantitative	-To assess the employment status and absorption rate of learners that our Seta funded; to obtain perceptions of learners towards INSETA qualifications; actions that need to be undertaken to improve the qualifications for learners; also the quality of services rendered by our Seta to improve the standards of our learning programmes further; and to assess the impact of INSETA skills development providers.	Questionnaire and semi-structured interview guide	To be determined in collaboration with the appointed service provider	INSETA learnership, internship and skills program databases. Primary and secondary source	2024-2025
Developing small, and medium enterprise-critical and scarce skills	Mixed methods approach - qualitative approach	-To identify SMEs' critical and scarce skills for the insurance sector. -Sub-objectives range from establishing strategies for mitigating the skills gaps for SMEs	-Desktop Interviews -Surveys -Questionnaires	The sampling size is to be determined in collaboration	-Database analysis	May 2024 – November 2024



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
for the insurance sector. Chapter 3 on sector skills supply and demand analysis and chapter 6 on priority skills actions		within the insurance sector to investigating the challenges and barriers to new SMEs' entry into the insurance market.	-Workshops	with the service provider.	-Descriptive statistical techniques Primary and secondary source	
Enhancing skills development for insurance professionals in the face of climate change Chapter 2 skills change drivers, Chapter 3 on sector skills supply and demand analysis, and chapter 6 on priority skills actions	Primary and secondary research. Primary research consists of surveys encompassing qualitative data – interviews and quantitative data – research questionnaires.	The study's objectives range from investigating the skills developmental needs of insurance professionals in the face of climate change to identifying factors impeding the skills development of insurance professionals.	Focused interviews and research questionnaires	-Interview 300 insurance personnel with the aid of a questionnaire. Interview 30 insurance personnel with the assistance of an interview guide.	Journal and internet articles and company publications. Secondary source	March 2024 to December 2024
Research Process Develop the SSP						
INSETA conducted research for its Sector Skills Plan (SSP) 2025-2030. The SSP is developed as per the new approved DHET Framework and Guidelines for stakeholder participation. The WSP/ATR 2024-2025 submissions were used to identify priority occupations and skills gaps. The following research initiatives were implemented to update the SSP:						
Chapter 1: Sector Profile	Mixed Methods	Chapter One provides a profile of the insurance sector in South Africa in terms of the following: Data sources. Scope of industrial coverage as per standard classification (SIC) codes.	Literature review Database analysis	WSP/ATR submissions 1036	Secondary source	2024



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
		<p>Key insurance role-players in relation to skills development and the National Skills Development Plan (NSDP).</p> <p>Economic performance and labour market analysis.</p> <p>Employer and employee profiles.</p> <p>Key skills insights.</p>				
Chapter 2: Key Skills Change Drivers		<p>Chapter Two discusses key skills drivers reshaping the insurance sector in South Africa and its implications for skills development in terms of the following:</p> <p>Outline data sources and methods for identifying change drivers.</p> <p>Analyse the major change drivers impacting on the sector and their impact on skills demand and supply.</p> <p>Discuss the implications of these change drivers for skills planning in the sector.</p> <ul style="list-style-type: none"> Identify and describe major national strategies and plans affecting skills demand and supply and their implications for skills planning in the sector. 	Literature review	n/a	Secondary source	
Chapter 3: Sectoral Skills Demand And Supply Analysis		<p>In addition, this chapter analyses the Workplace Skills Plan/Annual Training Report 2024-2025 submissions of insurance companies.</p> <p>Identify Hard-To-Fill vacancies in terms of volume and reasons.</p> <p>List the major skills gaps in the sector.</p> <p>Identify emerging or new occupations in the sector.</p>	<p>WSP/ATR submissions</p> <p>Literature review</p> <p>Survey</p> <p>Workshop</p>	<p>WSP/ATR submissions 1036</p> <p>Survey 123 responses</p> <p>Workshop 30 participants</p>	Primary and secondary sources	



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
		<p>Discuss the state of supply-side education and training provision in the sector.</p> <p>Methods to determine the Sectoral Priority Occupations and Interventions List.</p> <p>Production of the Sectoral Priority Occupations and Interventions List.</p>				
Chapter 4: Seta Partnerships		<p>Chapter Four provides information on existing and proposed INSETA partnerships in terms of the following:</p> <ul style="list-style-type: none"> • INSETA’s approach to partnerships. • Strategic and special project partnerships. • Education and training partnerships. • Professional bodies’ partnerships. • Most successful partnerships. • Most challenging partnerships and mitigating measures. • Proposed partnerships and reasons thereof. 	Literature review	n/a	Secondary sources	
Chapter 5: Seta Monitoring and Evaluation		<p>The chapter focuses on monitoring and evaluation (M&E) at INSETA, outlining M&E background, purpose and the legislative and policy framework underpinning M&E.</p> <p>Approach to M&E.</p>	Literature review	n/a	Secondary sources	



Topic and SSP Chapter Alignment	Study Design	Objectives of the Study	Data Collection Tools	Sample Size	List of Data Sources	Start/End Date
		<p>Use of results from previous year's performance.</p> <p>Alignment of strategic priorities with previous Strategic Plan and Annual Performance Plan.</p> <p>Implementation of national priorities.</p> <p>Implementation of Strategic Skills Priorities from the previous planning cycle</p> <p>Production of the Sectoral Priority Occupations and Interventions List.</p> <p>Plans to improve skills planning, strengthen internal M&E function.</p> <p>Improve implementation.</p>				
Chapter 6: Strategic Skills Priority Actions		<p>The final chapter outlines the strategic skills priority actions that will feed into the Strategic Plan and Annual Performance Plan.</p> <p>Key skill findings from previous chapters</p> <p>Planned Strategic Priority Actions</p> <p>Measures to support the change drivers</p> <p>Recommendations and conclusion</p>	Literature review	n/a	Secondary sources	



FOREWORD

I present on behalf of INSETA the first iteration of the Sector Skills Plan (SSP) 2025-2030. The compilation of the SSP is through a collaborative effort between the INSETA Board, staff and our research partner, the Durban University of Technology (DUT). The SSP was produced during the national elections, which took place on 29 May 2024. The election results mean that political parties will enter into coalitions since there was no outright majority. A Government of National Unity (GNU) will govern the country in the best interest of the citizens. It will have implications for all economic sectors, including the insurance industry. We envisage that the GNU will usher economic growth, employment and poverty alleviation.

The South African insurance sector is forecasted to grow by 2030 as the population increases. Sector growth and technological disruption have significant implications for skills development in the sector. It requires highly skilled workers to engage with new devices and work processes. The demand for high-skilled workers will increase as new products enter the market. Therefore, the industry must prepare a talent pipeline for the future.

We have made a considerable effort to accurately identify occupations in demand, future and emerging occupations and skills gaps in the sector. INSETA will deliver programmes addressing the skills needs of the sector. As a sector, we are mindful of addressing national unemployment, poverty and inequality priorities. Therefore, our contribution extends to the unemployed youth. We are part of major project initiatives through the District Development Model to address pressing challenges. Technology is a major disruptor. Therefore, the INSETA is allocating resources to hone technological skills. We work with the Durban University of Technology, the University of KwaZulu-Natal and the University of Witwatersrand for research and student bursaries.

As the country moves into the 7th administration, we are excited about the future of the insurance sector.

Ms Lizelle van der Merwe

INSETA Board Chairperson

01 August 2024

As delegated by the Board on 31 July 2024



ACKNOWLEDGEMENTS

With thanks and appreciation for your participation in this update to the Sector Skills Plan:

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Professor Colin Thakur, Research Chair, Durban University of Technology

**ACRONYMS**

AAT	Association for Accounting Technicians
AET	Adult Education and Training
ASISA	Association for Savings and Investment South Africa
ATR	Annual Training Report
BBF	Black Brokers Forum
BHF	Board of Healthcare Funders
BIAC	Black Insurance Advisory Council
BUSOSA	Burial Society of South Africa
CET	Community Education and Training
CISA	Compliance Institute Southern Africa
CPI	Consumer Price Index
DBE	Department of Basic Education
DDM	District Development Model
DG	Discretionary Grant
DHET	Department of Higher Education and Training
DUT	Durban University of Technology
DPRU	Development Policy Research Unit
ERRP	Economic Reconstruction and Recovery Plan
FAIS	Financial Advisory and Intermediary Services Act
FEDUSA	Federation of Unions of South Africa
FIA	Financial Intermediaries Association of Southern Africa
FPI	Financial Planning Institute
FSCA	Financial Sector Conduct Authority
GDP	Gross Domestic Product
GVA	Gross Value Added
GWh	Gigawatt hours
HRD	Human Resource Development
HTFV	Hard-To-Fill Vacancy
IBM	International Business Machines Corporation
ICB	Institute of Certified Bookkeepers
ICT	Information and Communication Technology
IISA	Insurance Institute of South Africa
ILASA	Institute of Loss Adjustors
INSETA	Insurance Sector Education and Training Authority
ISSF	Insurance Sector Student Fund
M&E	Monitoring and Evaluation
MoU	Memoranda of Understanding
MTEF	Medium-Term Expenditure Framework
NATED	National Accredited Technical Education Diploma
NC(V)	National Certificate (Vocational)
NDP	National Development Plan National Development Plan
NHI	National Health Insurance



NQF	National Qualifications Framework
NSC	National Senior Certificate
NSDP	National Skills Development Plan
NSDS	National Skills Development Strategy
OFO	Organising Framework for Occupations
PA	Prudential Authority
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PSET	Post-School Education and Training
RPL	Recognition of Prior Learning
SAFOBS	South African Funeral Business Services
SAIA	South African Insurance Association
SAPOA	South African Property Owners Association
SARB	South African Reserve Bank
SASRIA	South African Special Risks Insurance Association
SAUMA	South African Underwriting Managers Association
SET	Science, Engineering and Technology
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SMME	Small, Medium and Micro-Enterprises
SP	Strategic Priorities
SSP	Sector Skills Plan
Stats SA	Statistics South Africa
TVET	Technical and Vocational Education and Training
UCT	University of Cape Town
WEF	World Economic Forum
WIL	Work-integrated learning
Wits	University of Witwatersrand
WSP	Workplace Skills Plan
4IR	Fourth Industrial Revolution



EXECUTIVE SUMMARY

The INSETA Sector Skills Plan for 2025/30 consists of six chapters, including a profile of the sector (Chapter One), key skills change drivers (Chapter 2), an analysis of the sector’s skills demand and supply (Chapter 3), insights into the sector’s strategic partnerships (Chapter 4), an overview of monitoring and evaluation (Chapter 5), and lastly, strategic skills priority actions (Chapter 6). The executive summary highlights key findings and content of each chapter.

Chapter One: Sector Profile

The South African insurance sector is large, complex, internationally competitive and highly regulated. It has a high penetration and density of insurance products. It hosts diverse business models, from traditional participation to Insurtechs¹. Insurance is 18% of SA’s financial services sector, with USD 50.57 billion in 2022. The sector is expected to grow at 10.52%, reaching a value of USD 101.42 billion by 2029. A total of 1 221 employers submitted Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) in 2024 – 935 small, 159 medium, and 127 large employers. About 52% of employers are in Gauteng, 16% in the Western Cape and 14% in KZN, and 13% in the Eastern Cape. There are an estimated 161 307 employees in the sector. Big Data, AI, product innovation, customer preferences, and data analytics drive the growth and positive outlook of the insurance sector.

Chapter Two: Key Skills Drivers

There are four key skills change drivers reshaping the insurance sector with major skills development implications:

Technology	Political Instability
<p>Focus on cross-sectoral skills: ICT Skills – intermediate and advanced. Data Science and analytics – Predictive analysis, business intelligence, big data, IoT.</p>	<p>SA is caught in a low growth cycle, high public debt, crime and unemployment. On the 29 May 2024, there were national elections which ushered in a Government of National Unity. It is hoped that the GNU will lead to better economic growth and service delivery.</p>

¹ Insurtechs are insurance companies that prioritise the use of technology innovations to bring savings and efficiency to the insurance industry model for the benefit of clients. The term insurtech is a combination of 'insurance' and 'technology'.



Climate Change	Regulation
Invest in staff awareness training on climate change. Support the environmental goals of the Economic Reconstruction and Recovery Plan (ERRP).	Focus on financial literacy and inclusion. Employee training to stay abreast of regulations Insurance training courses in regulatory compliance.

The INSETA contributes to national strategies/plans such as the **ERRP, Just Energy Transition (JET) and the Presidential Youth Employment Initiative (PYEI)** through the provision of learnerships, bursaries, career guidance and internships, especially in rural areas, in partnership with the TVET Colleges. The INSETA offers skills programmes and learnerships to the unemployed youth as part of the District Development Model (DDM) in the Capricorn District Municipality, Mopani, Sekhukhune, Vhembe and Waterberg districts.

Chapter Three: Sectoral Skills Demand and Supply Analysis

The Top 10 Sectoral Priority Occupations:

Insurance Broker	Insurance Agent	Actuary	Financial Investment Advisor	Insurance Claims Administrator
Insurance Administrator	Finance Manager	Insurance Policy Claims Administrator	Loss Adjuster	Marketing & Sales Manager

The major skills gaps are:

Management & Leadership	Communication
Project Management	Office administration
Supervisory	Customer service skills
Problem-solving	Technical (job specific)
Planning and Organising	Advanced IT and Software

The high skills intensity of occupations in the insurance sector means that tertiary education is required for employment. The sector requires people with mathematics, accounting, financial management, ICT, and marketing.



Chapter Four: Partnerships

The SETA partners with SMMEs, large employers, CSOs, trade unions, professional bodies, SETAs TVET Colleges, CET Centres and HEIs. The approach is to deliver skills to employed and unemployed learners. For the former, the aim is to upskill and reskill; for the latter, the aim is to expose unemployed youth to career opportunities.

The current partnerships focus on increasing training for unemployed learners, enabling rural communities to develop skills development through learnerships, developing occupational qualifications, conducting tracer studies to understand how learners move into the labour market, SMME development, and partnering with public TVET Colleges to develop lecturer capacity.

The INSETA should prioritise partnerships on:

- Youth unemployment using the Presidential Youth Employment Initiative (PYEI), the Just Energy Transition (JET) skilling programme, and the YES programme (internships).
- Entrepreneurship, job skills, financial literacy, and financial inclusion programmes through the CET Colleges to address poverty.
- Rural development programmes for sustainable livelihoods.
- Fighting climate change.
- Digital skills.

Chapter Five: Monitoring & Evaluation

The INSETA has a division called Organisational Planning Data and Reporting which looks at the monitoring and evaluation of the Discretionary grant process, including the projects that emanate from the application by employers. The Discretionary Grant (DG) Committee ensures that the DG applications are evaluated and adjudicated before the CEO approves. Upon approval by the CEO, the divisional managers issue the recommendation letters, and a contract is signed between the employers and the INSETA. In cases where the employers are first-time applicants for the INSETA DG, they get approved pending a site visit. The INSETA will then conduct a site visit as a mechanism of M&E. INSETA also conducts an impact assessment for the learners enrolled and completed its programmes.



Chapter Six: Strategic Skills Priority Actions

The SSP identified ten priority actions:

- Research and innovation
- Transformation and professionalisation of the sector
- Strategic partnerships for impact and responsive skills
- Support the sector with digitalisation
- Support SMEs and CFIs
- Career guidance and career pathing
- Employability and work readiness
- Support for public TVET and CET colleges
- Pursuing alternative funding sources
- Monitoring and evaluation

INSETA will invest in research focused on creating a skills map for the next five years to ensure that the relevant technical and support skills are developed for the sector.

Ms Gugu Mkhize
Chief Executive Officer
01 August 2024



CHAPTER ONE: SECTOR PROFILE

1.1. INTRODUCTION

Chapter One provides a profile of the insurance sector in South Africa in terms of the following:

Data sources.
 Scope of industrial coverage as per standard classification (SIC) codes.
 Key insurance role-players in relation to skills development and the National Skills Development Plan (NSDP).
 Economic performance and labour market analysis.
 Employer and employee profiles.
 Key skills insights.

The data sources included, but was not limited to, the quarterly labour force study, industry publications, workplace skills plan/annual training report and economic reports. The National Skills Development Plan 2030 (NSDP) is the blueprint for skills development in South Africa. It aligns with the *National Development Plan 2030*, *Human Resource Development Strategy for South Africa 2030*, *Medium-Term Strategic Framework (MTSF) 2019-2024*, and the *National Plan for Post-School Educational and Training 2030*.

VISION		
'An Educated, Skilled and Capable Workforce for South Africa'		
MISSION		
To improve access to occupations in high demand and priority skills aligned to supporting economic growth, employment creation and social development whilst also seeking to address systemic considerations.		
OUTCOMES		
1		Identify and increase the production of occupations in high demand.
2		Linking education and the workplace.
3		Improving the level of skills in the South African workforce.
4		Increase access to occupationally directed programmes.
5		Support the growth of the public college system.
6		Skills development support for entrepreneurship and coops.
7		Encourage and support worker-initiated training.
8		Support career development services



1.2. SCOPE OF COVERAGE

INSETA's scope of coverage consists of ten Standard Industrial Classification (SIC) subsectors at the five-digit level, all forming part of the financial intermediation, insurance, real estate, and business services industry.

Table 2: Standard Industrial Classification

SIC Code	Subsector	Category
81901	Unit trusts	Collective investments
81902	Risk management	Various
82100	Insurance & pension funding, except social security	Life insurance
82110	Life insurance	Life insurance
82120	Pension funding	Life insurance
82131	Healthcare benefits administration	Non-life insurance
82191	Short-term insurance	Non-life insurance
82192	Funeral insurance	Life insurance
82193	Reinsurance	Non-life insurance
83000	Activities auxiliary to financial intermediation	Various

The ten subsectors are grouped into three major categories: life insurance covers life-changing events, such as death, retirement, and disability. Life, disability, dread disease, funeral, and credit life are the insurance products. Non-life insurance is all other insurance besides life insurance and includes vehicle, property, household, medical, personal liability, travel, and business insurance.

1.3. KEY ROLE-PLAYERS

The key role-players in the insurance sector contribute to meeting the eight National Skills Development Plan (NSDP) outcomes.

Table 3: Key Role-Players in the Insurance Sector

Industry Associations	NSDP Outcomes
The Association for Savings and Investment South Africa (ASISA) represents the collective interests of the country's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers, and life insurance companies.	1-8
The Black Insurance Advisors Council (BIAC) provides the insurance industry with skilled, informed, fit, and proper financial services providers. BIAC works with other insurance industry and statutory organisations to address issues affecting the insurance industry.	1-8
The Board of Healthcare Funders (BHF) guides how the organisation fulfils its function as a representative body of the healthcare funding industry.	1-8
Burial Societies of South Africa (BUSOSA) supports burial societies to become sustainable and provides education and training for entry into the industry.	1-8
The Financial Intermediaries Association (FIA) is a trade association for intermediaries in all insurance subsectors. The FIA gives a voice to its members by promoting, developing, educating, supporting, and protecting their rights.	1-8



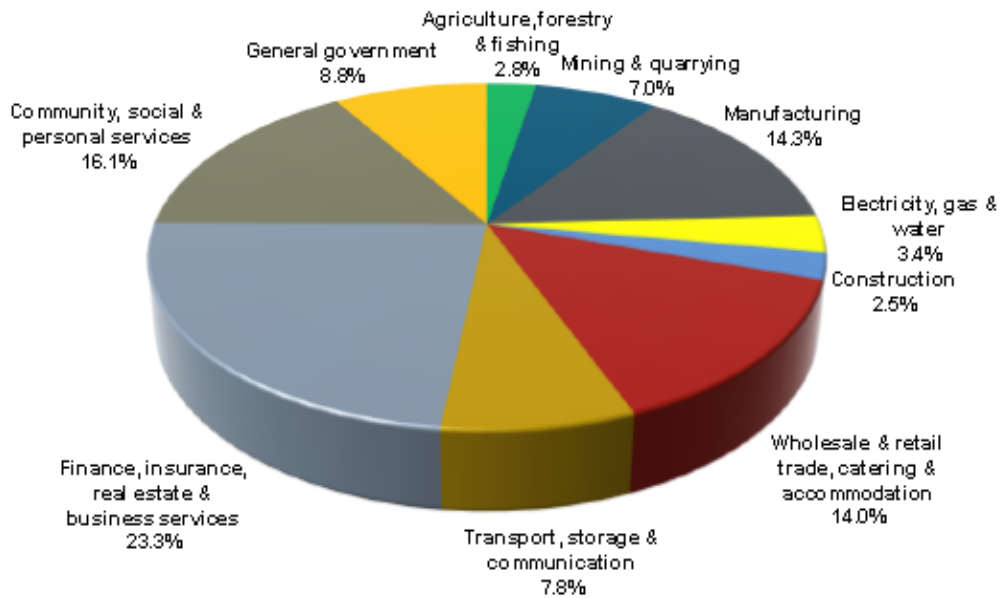
Industry Associations	NSDP Outcomes
The South African Federation of Burial Societies (SAFOBS) oversees the coordination, training and education of burial societies and their staff.	1-8
The South African Insurance Association (SAIA) is the representative body for the non-life insurance industry. The organisation has non-life insurers, including reinsurers.	1-8
The South African Underwriting Managers Association (SAUMA) protects the underwriter's rights in the industry. SAUMA provides INSETA with insights into the skills development needs of its members.	1-8
PROFESSIONAL BODIES AND ASSOCIATIONS	
The BATSETA , the Council of Retirement Funds for South Africa, focuses on the interests of principal officers, trustees and fund fiduciaries in the retirement industry and advises INSETA on developing new qualifications linked to life insurance.	1-8
The Black Brokers Forum (BBF) is a representative body of black financial advisers. The BBF provides INSETA with insights into its members' skills development needs.	1-8
The Compliance Institute Southern Africa (CISA) is the recognised professional body for the compliance profession. It promotes education, training, and professionalism in compliance with its members and other stakeholders.	1-8
The Financial Planning Institute of Southern Africa (FPI) is the recognised professional association for financial planners in South Africa. The FPI is the only institution in the country to offer the CFP® certification.	1-8
The Institute of Loss Adjusters of Southern Africa (ILASA) controls the professional standards and conduct of loss adjusters. ILASA promotes the profession's skill, efficiency, service, and responsibility.	1, 2, 3, 4, 8
The Insurance Institute of South Africa (IISA) is a professional membership institute for the non-life insurance industry. The primary responsibility is to promote advancing knowledge and skills, maintaining the highest standards and ethics, and professional development in the insurance industry.	1-8
REGULATORY AND OTHER PUBLIC SECTOR BODIES	
The Financial Sector Conduct Authority (FSCA) is the market conduct regulator for the financial services sector, while the Prudential Authority (PA) regulates the financial soundness of financial institutions.	FSCA: 1, 3 PA: 1, 3
The South African Reserve Bank (SARB) and Statistics South Africa (Stats SA) are data producers. SARB maintains price stability in the interest of balanced and sustainable economic growth.	SARB: 1, 2, 3, 7 Stats SA: 1, 7



1.4. KEY TRENDS IN THE ECONOMY

The sectoral composition of the South African economy in terms of GDP shares is given below:

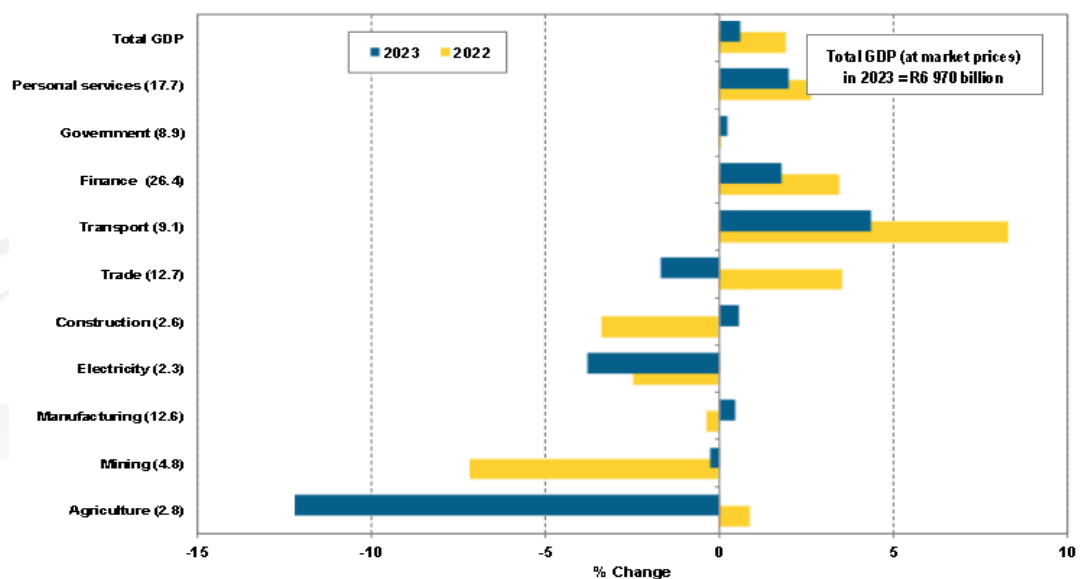
Figure 1: National GDP shares



Source: IDC, April 2024

Insurance falls into the finance, insurance, real estate and business services major group and comprises 23.3% of national GDP. Key sectors are finding it difficult to raise output as global and domestic factors are affecting growth momentum. These include loadshedding, challenges on the rail network, logjams at ports and harbours, which are macroeconomic risks that are limiting economic growth.

Figure 2: GDP growth by main economic sector



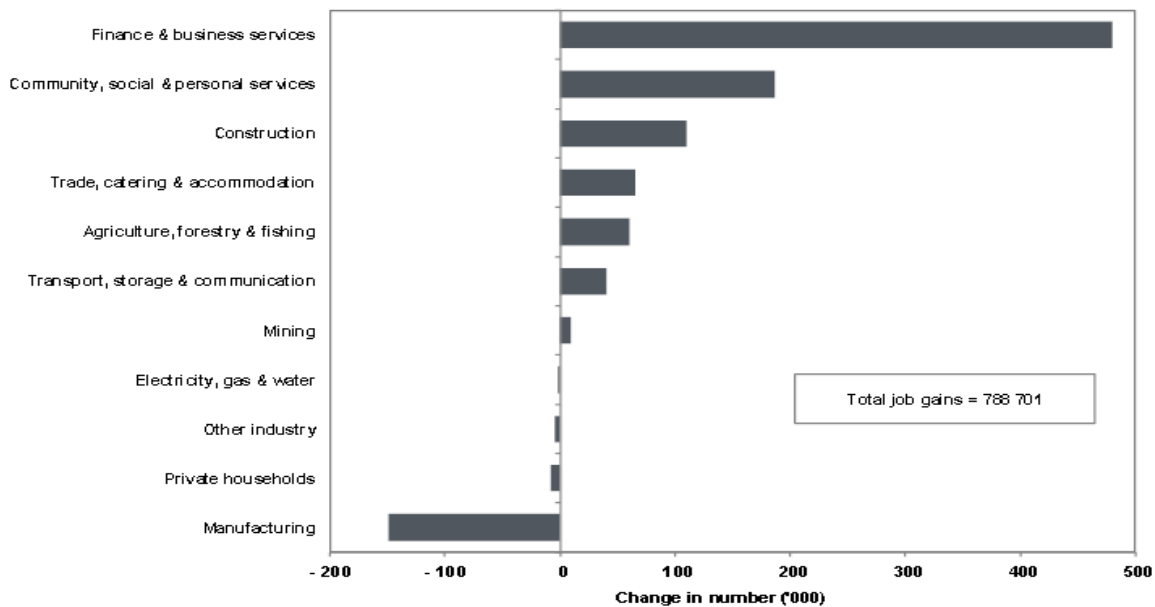
Source: IDC, April 2024



The strongest growth was recorded in the transport and communication sector as companies shifted from rail to road. Moreover, the services segment of the economy sustained its growth momentum to a large degree. Several adverse factors as highlighted above had the largest impact on the mining sector which reported a 0.3% contraction in its real GDP in 2023, following a 7.1% decline in 2022. The agricultural sector output contracted in 2023, adversely affected by the outbreak of diseases, including avian flu, loadshedding and logistical constraints.

The sector growth's impact on the labour market has been positive as shown below.

Figure 3: Employment effects by sector



Source: IDC, April 2024

Financial, insurance and business services was the fastest growing sector in terms of employment increases. It created just under 500 000 of the total 788 701 jobs for all sectors. Hence, economic growth increased employment growth.

1.5. INSURANCE SECTOR ECONOMIC PERFORMANCE

1.5.1. Key Economic indicators

The South African insurance sector is large, complex, internationally active, and competitive. Has a high penetration and density of insurance products. Hosts diverse business models -traditional participation, bank-led conglomerates, asset management groups, and technology-driven new entrants. Most large insurance groups are actively expanding their businesses globally.

18% of SA's financial services sector.

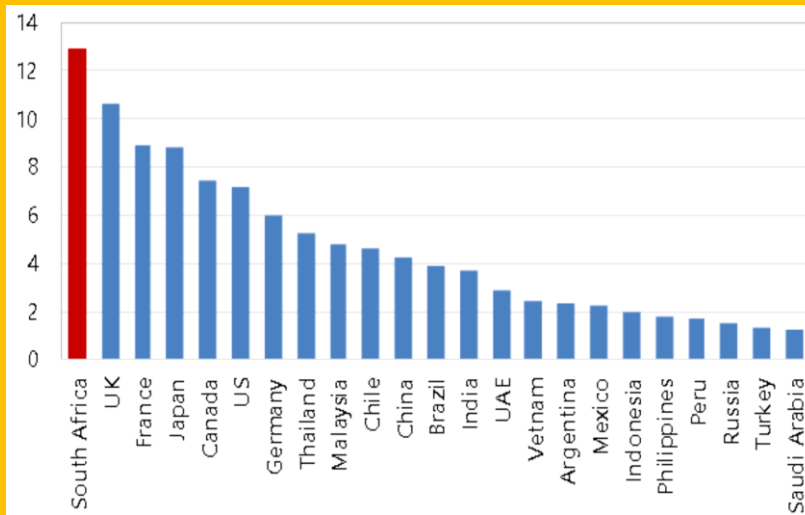
Source: Statista (2023)



The top six insurance companies represent over 90% of net premium income: Old Mutual, Momentum, Sanlam, Hollard, Liberty, and Discovery.

Source: Statista (2023)

Insurance penetration is among the highest in the world.



7.2%

Global Average

13.7%

South Africa

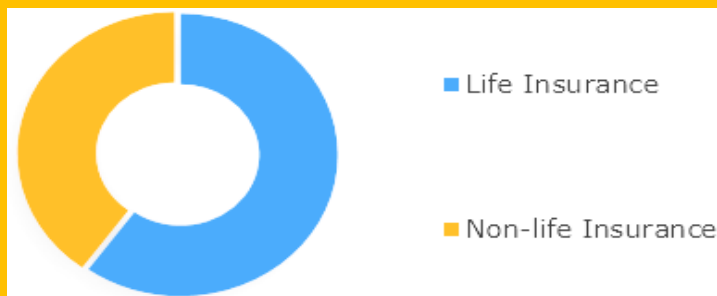
Source: IMF (2022)

Insurance market size 2019-2029 in USD billions...

SA market size USD **50.57 billion** in 2022. Expected to grow at a significant CAGR of 10.52%, reaching a value of USD

101.42 billion by 2029. Source: AON (2023)

Life insurance dominates the market...



3.7 trillion

(ZAR)

Asset base of life insurers

136 billion

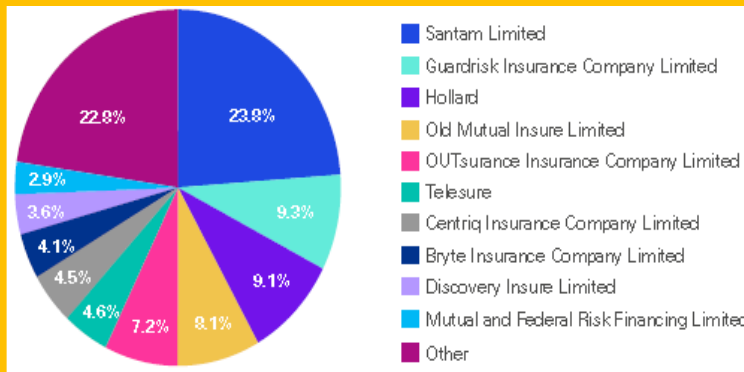
(ZAR)

Asset base of non-life insurers

Source: Moonstone (2023)



The market share by gross written premiums...



Gross written premiums

R140.1

billion in 2022. An increase of

9.6% from

2021. Source: KMPG (2023)

The life insurance industry's solvency cover ratio increased from R169.2 billion in 2021 to R172.8 billion in 2022.

Increased from R17 billion in 2021 to R26.1 billion in 2022. Insurers navigated the COVID-19 pandemic, the Ukraine war, inflation, interest rates and stock market corrections.

54%

Increase in after-tax profit

Source: KMPG (2023)

1.5.2. Insurance Outlook

The insurance sector has shown steady market growth despite three overarching local and global events in the form of South Africa's ongoing energy crisis, natural catastrophes, and rising geopolitical tensions in Ukraine and the Middle East, through to local elections. The bounce back of this sector is notable given the context of the growth in the South African economy of 2%, which was less than half of the 4.9% achieved in 2021.

Several factors drive the growth and positive outlook of the insurance sector:

- Advances in data-based technology are paving the way for these hyper-personalised offerings, enabling insurers to shift from a product-centred approach to one that is data-driven and customer-centric. Consumers prefer personalised insurance covers instead of one-size-fits-all products.
- There is accessibility to insurance for more people based on innovative product offerings. It also means cutting out waste to ensure people pay only for what they need.
- Demystifying products means communicating the benefits that long-term insurance can bring to families and individuals.



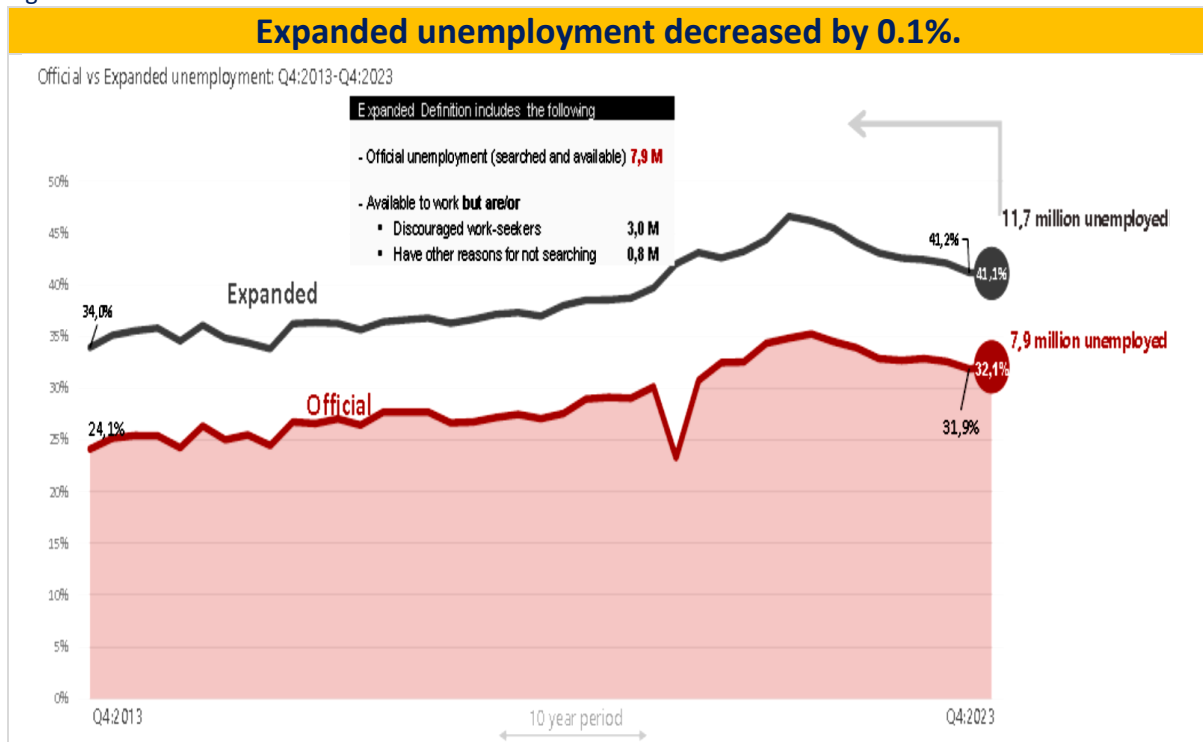
- A huge focus on financial literacy and education increases consumers' financial capability and contributes to the demand for financial products, transparency, and fair market conduct.
- A big focus for the industry will be for insurers to treat customers fairly.
- Insurance leaders make better data-backed decisions and enhance customer interactions.

1.6 LABOUR MARKET PERFORMANCE

1.6.1. South Africa's Labour Market

This section provides an overview of South Africa's labour markets, including insights into unemployment and youth unemployment.

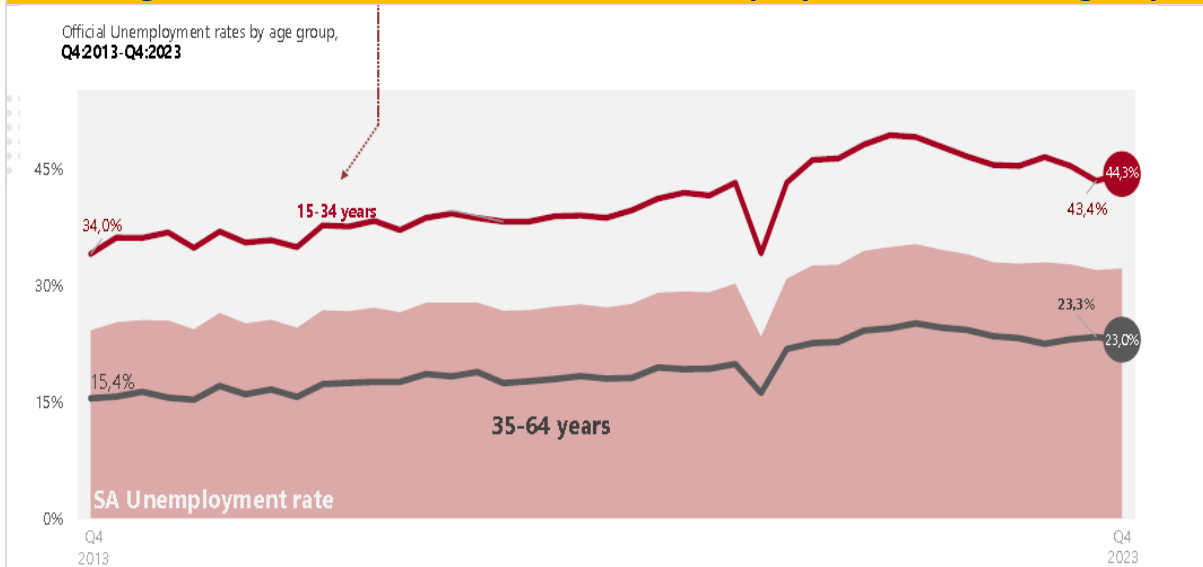
Figure 4: SA labour market



- The expanded unemployment rate is 41.1% and official unemployment is 32.1%. It translated to 10.9 million unemployed. Unemployment has been on the increase since 2013.



Youth aged 15-34 are more vulnerable to unemployment than other groups.



- The 15-34 years unemployment rate is 44.3% while over 35 years is 23%. In both instances unemployment is on the increase.

3.4 million (33%) out of 10.2 million youth aged 15-24 are NEETs.



- SA has a growing NEETS problem with about 10.2 million youth in this category.
- Youth unemployment is the major concern of the government and there is a need for SETAs to do more.



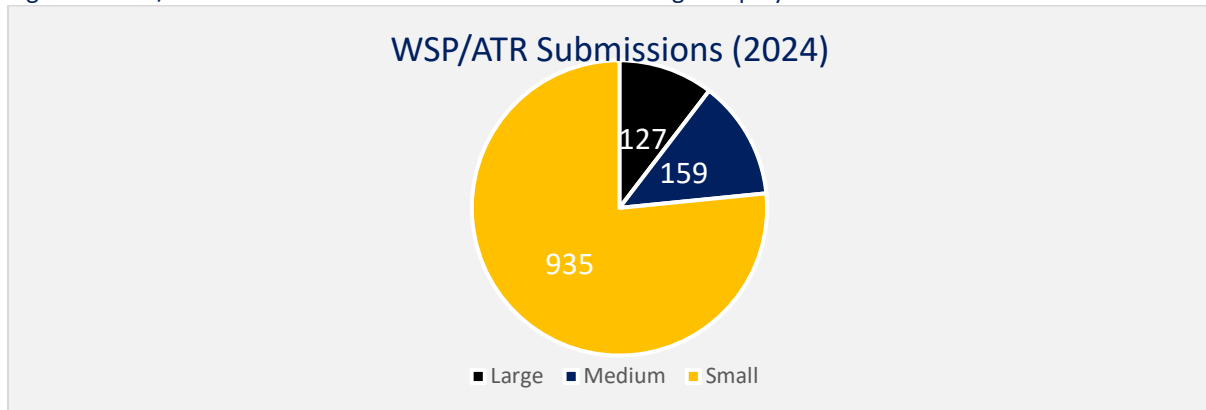
1.7. WORKFORCE PROFILE

This section presents a profile of the insurance sector workforce based on the WSP/ATR 2024 submissions:

1.7.1 WSP/ATR Submissions

WSP/ATR data submitted in 2024 was used to determine the insurance sector workforce profile.

Figure 5: WSP/ATR submissions for small and medium and large employers



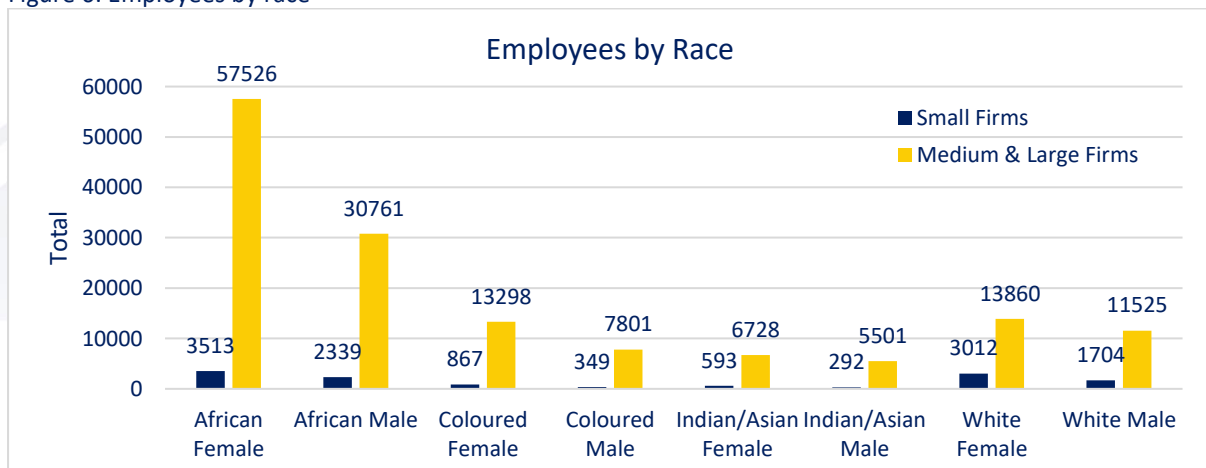
Source: WSP/ATR 2024

- A total of one 1 221 employers submitted WSP/ATRs.
- Nine hundred and thirty-five (77%) small employers submitted WSP/ATRs in the current year, compared to 724 the previous year.
- One hundred and fifty-nine (13%) medium and one hundred and twenty-seven (10%) large employers submitted WSP/ATRs in the current year, compared to a total of 199 medium/large in the previous year.

1.7.2 Employees by Race

The racial breakdown of the workforce is given.

Figure 6: Employees by race



Source: WSP/ATR Data 2024

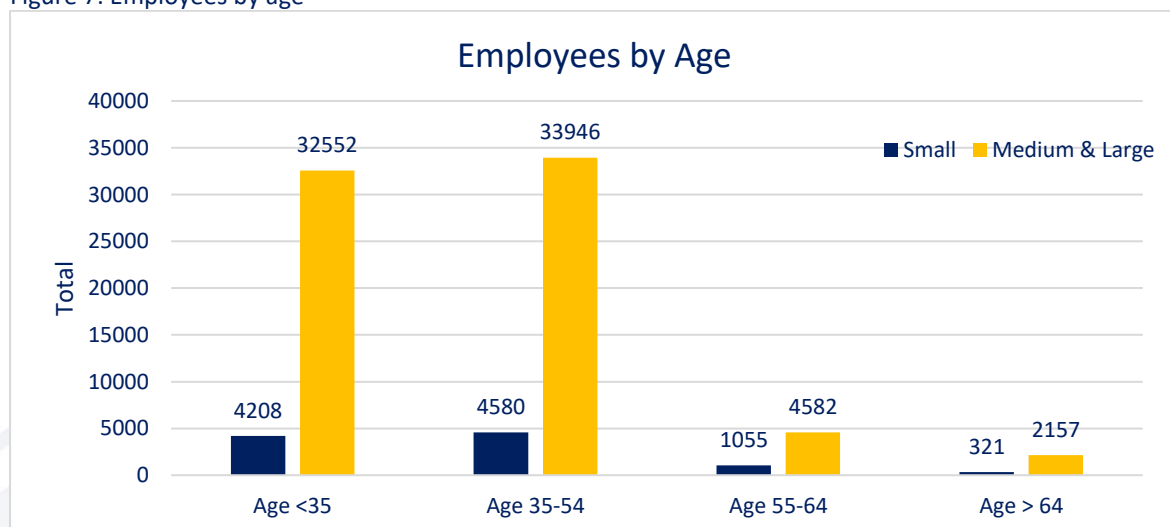


- There are 12 770 employees in small firms, and 148 550 in medium & large firms.
- There are 56 418 males employed in medium and large firms, and 4 738 in small firms. There are a total of 92 132 females employed in medium and large firms, and 8 032 in small firms.
- Black female employees comprise 27.7% (3 513) in small firms, and 39.1% (57 526 employees) in medium and large firms.
- White female employees constitute 23.8% (3 012 employees) in small firms with Coloured totaling 6.8% and Indians 4.7%.
- African male employees make up 18.5% (2 339) in small firms, and 20.9% (30 761) in medium and large firms.
- The predominance of female employees in the workforce implies that there should be gender sensitivity around talent recruitment, training, management development, succession planning and promotion. There should also be a focus on assisting females with child rearing benefits.

1.7.3. Employees by Age

The age breakdown of the workforce is given.

Figure 7: Employees by age



Source: WSP/ATR Data 2024

- The largest group of employees is concentrated in the 35-54 years category for both small firms (45.1%) and medium and large firms (46.4%).
- It is followed by the age group of employees below 35 years for both small firms (41.4%) and medium and large firms (44.4%).



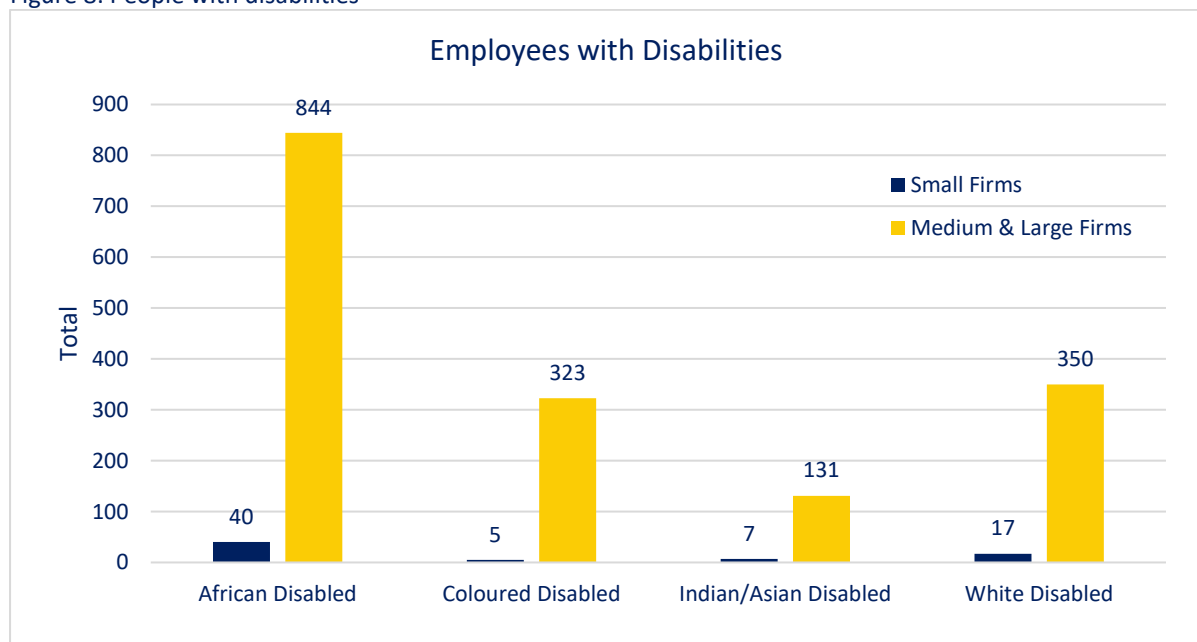
- Few employees are aged 55-64 years for small firms (10.4%) and medium and large firms (6.3%), while even fewer are aged above 64 years old (3.2% for small firms and 2.9% for medium and large firms) due to retirement of older employees.
- The predominance of female employees in the workforce implies that there should be gender sensitivity around talent recruitment, training, management development, succession planning and promotion. There should also be a focus on assisting females with child rearing benefits.

There is a high percentage of youth below 35 years in small and medium and large firms means that there should be programmes for youth development in terms of talent, coaching and mentoring, succession planning and management training.

1.7.4. Employees with Disabilities

The people with disabilities breakdown of the workforce is given.

Figure 8: People with disabilities



Source: WSP/ATR Data 2024

- Africans constitute the largest group of people with disabilities (PWD) in both medium and large, and small firms (51.2% and 58.0% respectively).
- Indian PWD are the smallest group in medium and large firms, and Coloured in small firms (7.9% and 7.2%, respectively).
- Firms and INSETA must do more to increase the number of PWD. Research should be conducted on tenure, occupations, occupational levels, gender, age, training and promotion of PWD in the sector.

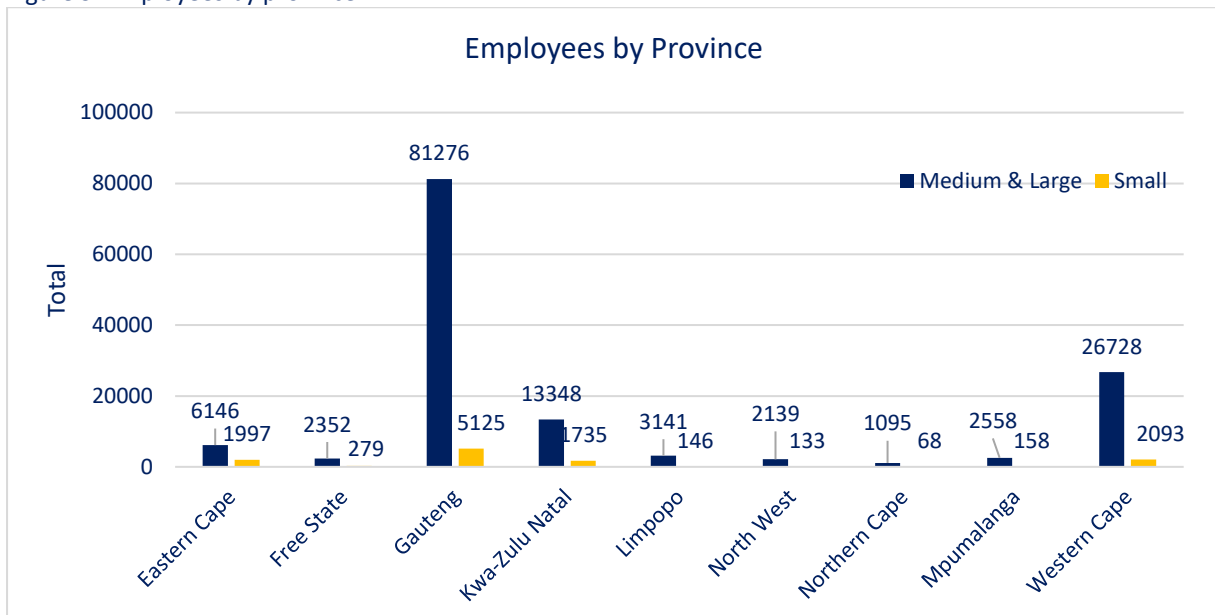


- It is insufficient to merely employ PWD. They must be given equality of opportunity.
- PWD are 1.1% of the medium and large firms, and 0.5% for small firms. The low level of representation of PWD means that INSETA and employers must be proactive in this area.

1.7.5. Employees by Province

The provincial breakdown of the workforce is given.

Figure 9: Employees by province



Source: WSP/ATR Data 2024

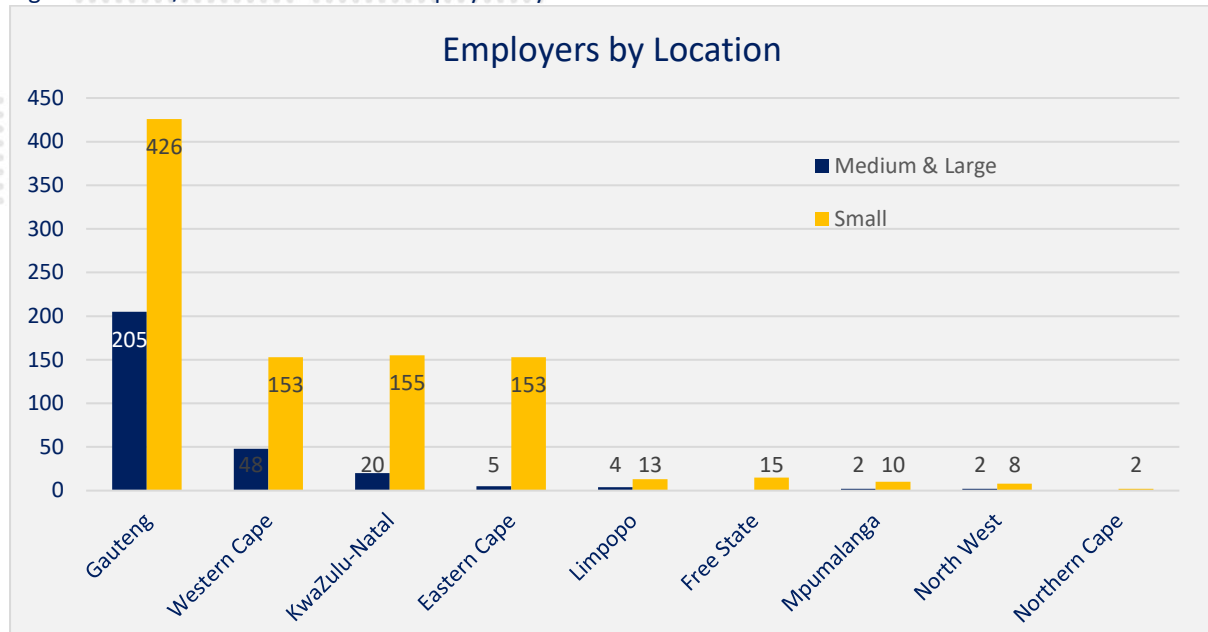
- The largest number of employees is in Gauteng province for medium and large firms (58.6%) and small firms (43.7%).
- Western Cape has the second largest employee base with 19.3% for medium and large firms and 17.8% for small firms, followed by Kwa-Zulu Natal with 9.6% for medium and large firms and 14.8% for small firms.
- Northern Cape employs the fewest people in the sector in medium and large firms (0.8%) and small firms (0.6%).

1.7.6. Employers by Province

The number of employers by location and firm size is given.



Figure 10: WSP/ATR Submissions of employers by location



Source: WSP/ATR 2024

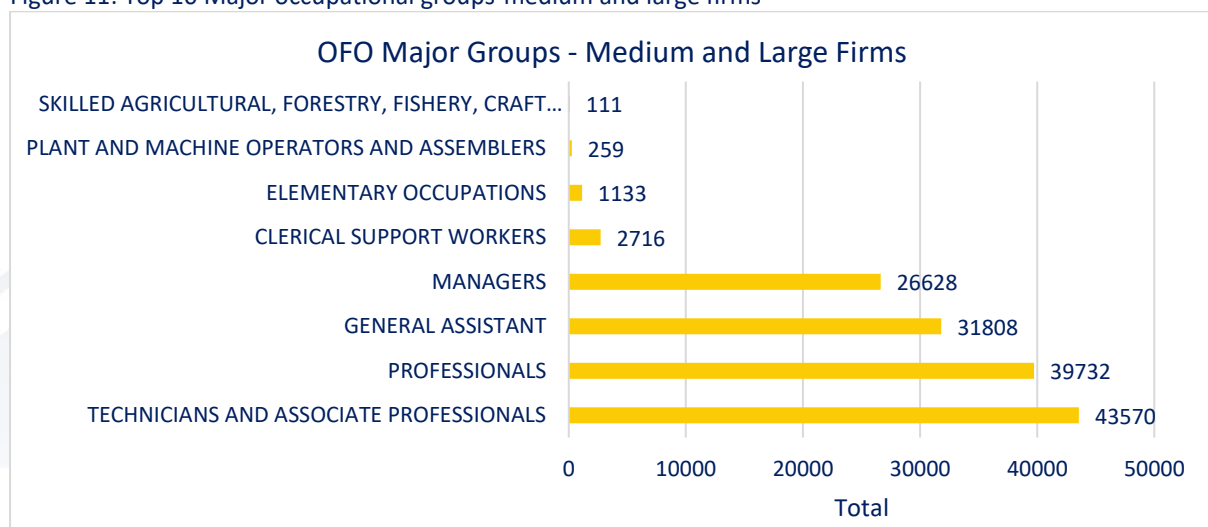
52% of employers are in Gauteng, 13% in the Eastern Cape, 16% in the Western Cape and 14% in KZN.

There is a total of 19 197 insurance sector firms on record, 8 055 (42.0%) of which are levy-paying. Small firms constitute 91.5%, medium firms constitute 5.5%, and large firms form the minority (2.9%). The remaining 58.0% of firms (19 197) do not pay levies.

1.7.7. OFO Major Group

The major occupational group levels are given.

Figure 11: Top 10 Major occupational groups-medium and large firms

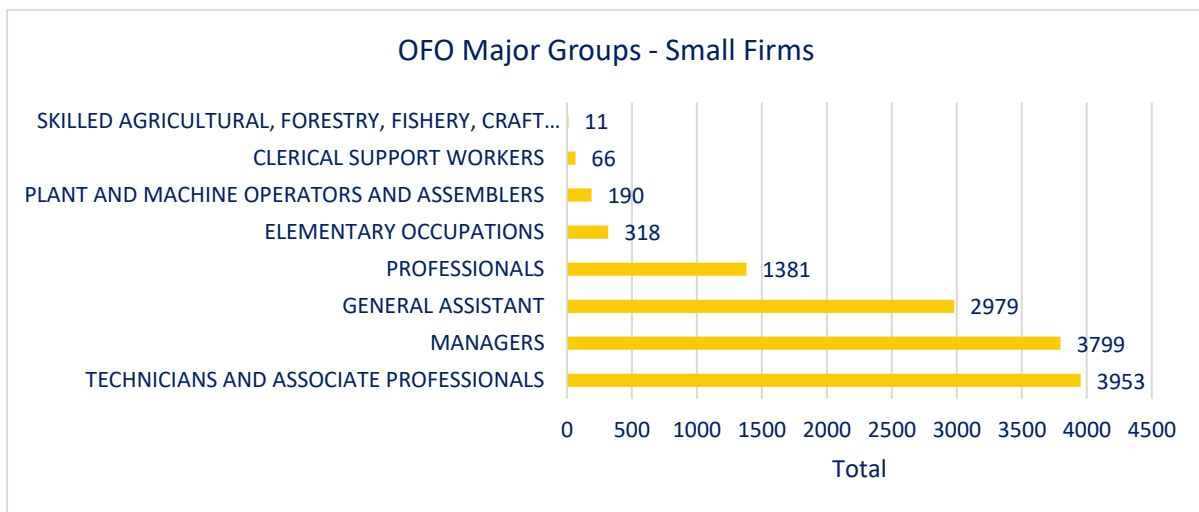


Source: WSP/ATR Data 2024/25



- Technicians and Associate Professionals constitute the largest major group for medium and large firms (43 570 employees), followed by Professionals (39 732), and General Assistants (31 808).
- There were only 111 Skilled Agricultural, Forestry, Fishery, Craft and Related Trades employees registered, indicating that this group is not in demand by medium and large firms in the insurance sector.
- Likewise, Plant and Machine Operators and Assemblers are not in demand in medium and large firms in this sector (259 employees).

Figure 12: Top 10 Major occupational groups-small firms



Source: WSP/ATR Data 2024/25

- There are 3 953 Technicians and Associate Professionals registered in small firms in the sector, forming the largest major group.
- This is followed by Managers (3 799 employees).
- Remarkably, the demand for Clerical Support Workers (66 employees) is lower than for Plant and Machine Operators and Assemblers (190 employees) in small firms.

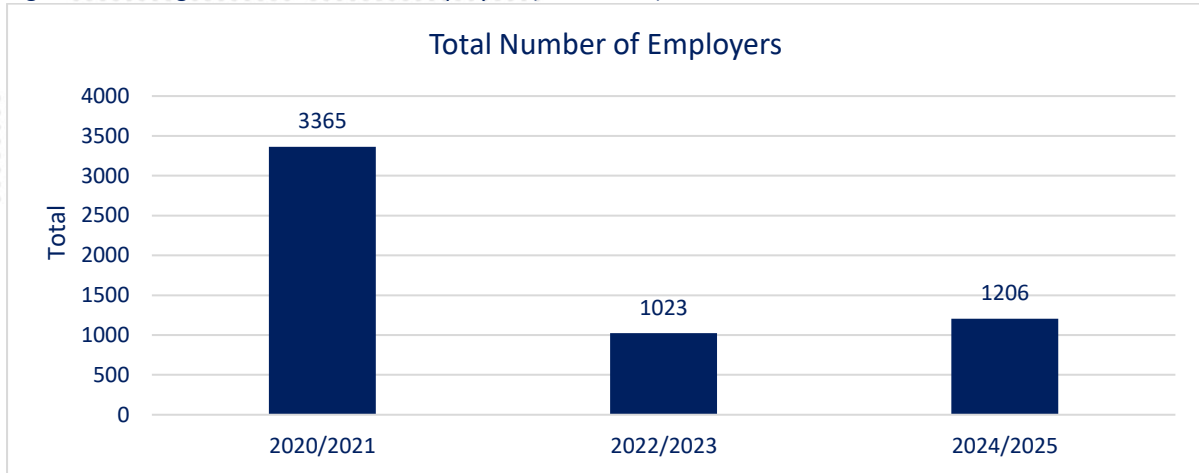
1.8. LABOUR MARKET TREND ANALYSIS

A labour market trend analysis from 2020 to 2025 is presented. The data is extracted from WSP/ATR submissions during the period 2020-2025.

The change in employers numbers from 2020/21 to 2024/25 is given.



Figure 13: Change in total number of employers (2020-2025)

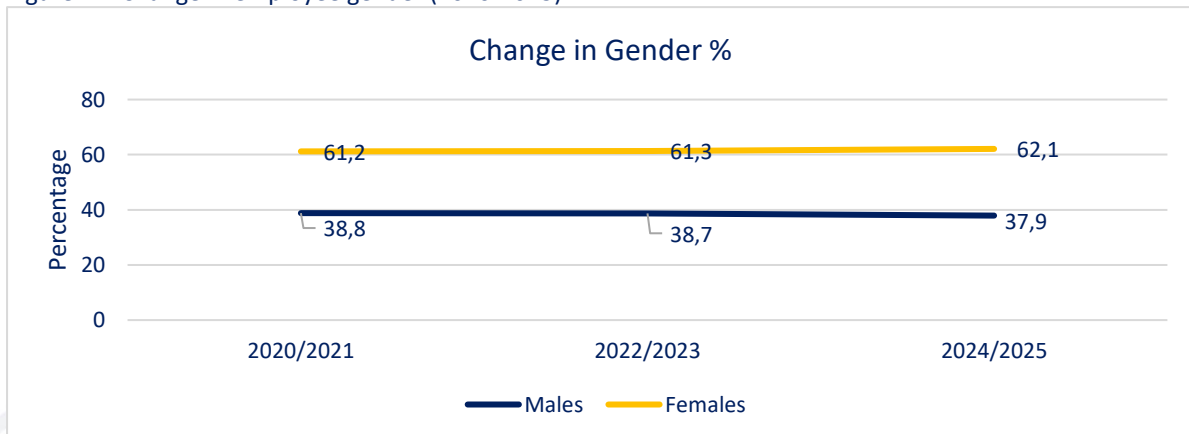


Source: WSP/ATR Data 2020/21 - 2024/25

- There is a significant decrease in employer WSP/ATR submissions from 2020/2021 (3 365) to 2024/2025 (1 206).
- The possible reasons for the decrease include closures of small service providers due to the COVID-19 pandemic and a slowdown in the economy over the last few years.
- Small service providers are also reluctant to submit WSP/ATR due to the reduced skills development rebate.

The change in the gender ratios in the insurance sector from 2020/21 to 2024/25 is given.

Figure 14: Change in employee gender (2020-2025)



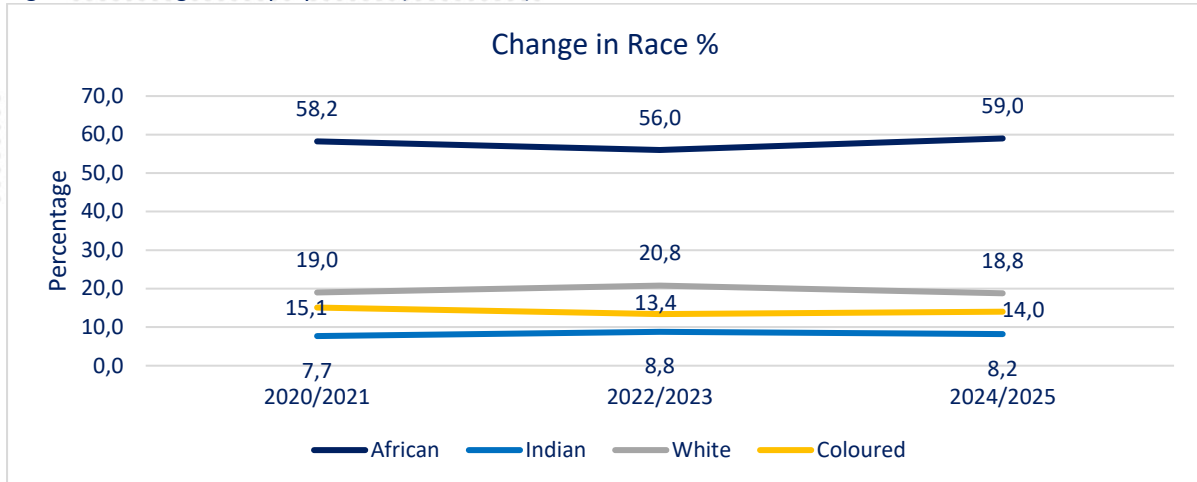
Source: WSP/ATR Data 2020/21 - 2024/25

- There is little change in the gender ratios of employees between 2020 and 2025 with females in the majority.
- The number of females increased from 61.2% in 2020/2021 to 62.1% in 2024/2025, while the number of males employed decreased marginally by 0.9% during the same period.

The change in the proportion of race groups in the sector from 2020/21 to 2024/25 is given.



Figure 15: Change in employee race (2020-2025)

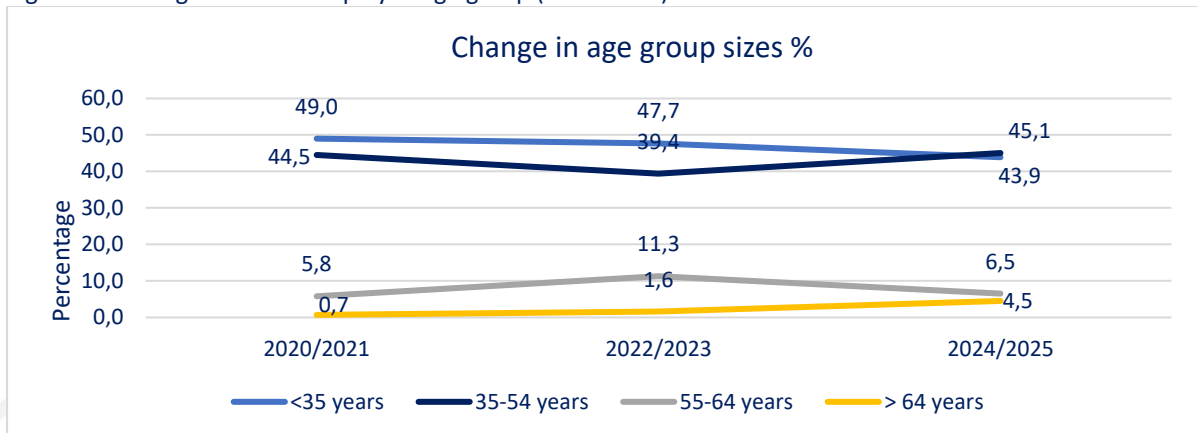


Source: WSP/ATR Data 2020/21 - 2024/25

- Africans are in the majority, comprising 58.2% in 2020/2021, 56.0% in 2022/2023 and 59.0% in 2024/2025. This is in line with transformation imperatives.
- Indians are a minority increasing marginally from 7.7% in 2020/2021 to 8.2% in 2024/2025.
- Generally, changes are minimal over the period, indicating that the workforce racial breakdown has stabilised.

The change in the size of age groups of employees in the sector from 2020/21 to 2024/25 is given.

Figure 16: Change in size of employee age group (2020-2025)



Source: WSP/ATR Data 2020/21 - 2024/25

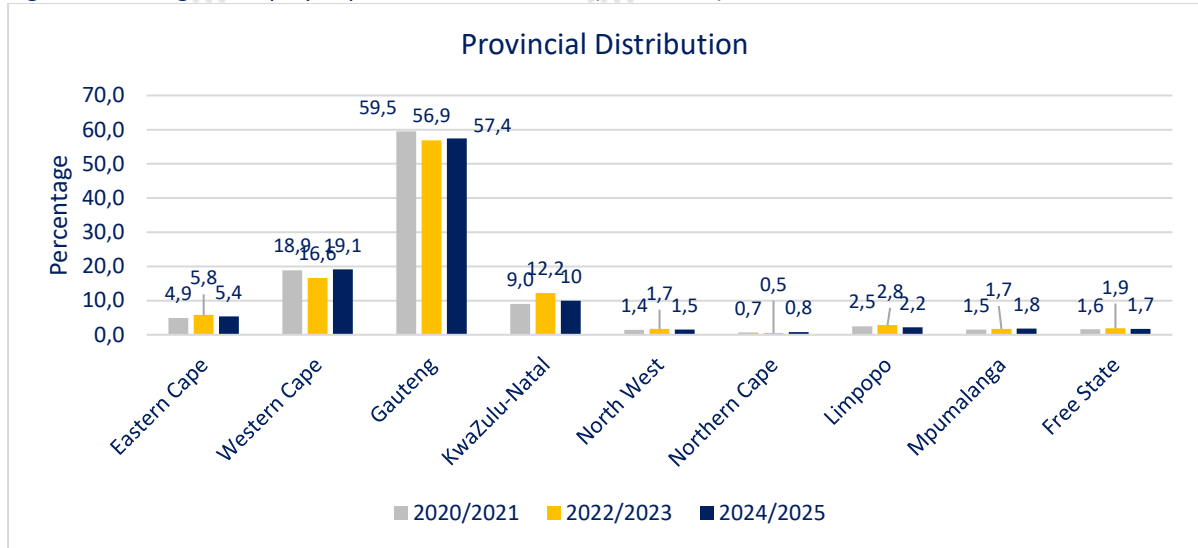
- The data indicates that between 2020/2021 and 2024/2025, the size of the age group below 35 years decreased from 49.0% to 45.1%. This may be the result of employing fewer new recruits from this age category over the years. It also points to the slowdown in the economy and a reluctance for new hires.
- There is increase in the 64 years, possibly due to more senior employees remaining in the workforce instead of retiring.



- There is an increase in 55- to 64-year-olds during 2022/2023 (11.3% of employees). This could point to ageing existing staff or new recruitments of more experienced employees.

The change in the provincial distribution of employees from 2020/21 to 2024/25 is given.

Figure 17: Change in employee provincial distribution (2020-2025)



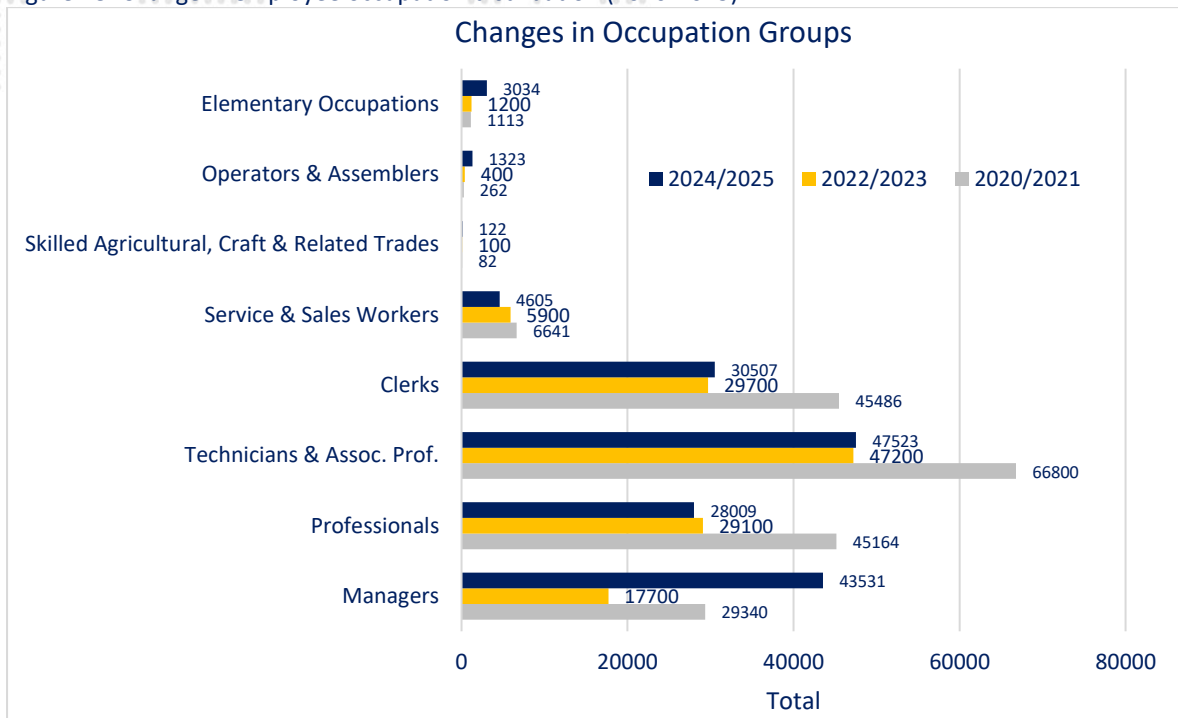
Source: WSP/ATR Data 2020/21 - 2024/25

- Most employees are in Gauteng province (59.5% in 2020/2021, decreasing to 56.9% in 2022/2023, and increasing again to 57.4% in 2024/2025).
- The North West province, Northern Cape and Free State employ the fewest persons in the sector. North West province reached its high of 1.7% in 2022/2023, Northern Cape reached 0.8% in 2024/2025, and Free State reached 1.9% in 2022/2023.



The change in the number of employees in major occupation groups from 2020/21 to 2024/25 is given.

Figure 18: Change in employee occupation distribution (2020-2025)



Source: WSP/ATR Data 2020/21 - 2024/25

- It is evident that the workforce is subjected to skills-biased technological change as high-skilled occupations such as managers, professionals and technicians and associated professionals are growing, while lower skilled occupation are decreasing.
- During 2020/2021 and 2022/2023, the sector was dominated by technicians and associate professionals (66 800 and 47 200 employees, respectively).
- In 2024/2025, while the dominating major occupation group was still by technicians and associate professionals (47 523 employees), this was followed closely by managers (43 531). The sector experienced a surge in the number of managers in this interval.
- Skilled agricultural, craft & related trades employees consistently form the smallest portion of employees in the sector, indicating that this occupation group is in least demand in the insurance sector.

1.9. CONCLUSION

The key skills issues to emerge from this chapter are the following:

Youth Unemployment and Skills - South Africa has a youth unemployment problem.



NEETs: Over 44,3% of youth between 15-25 years are unemployed, compared to 23% over 35 years. About 3.4 million between 15-24 years are NOT IN EMPLOYMENT, EDUCATION AND TRAINING (NEET).

Education Levels: There is a strong correlation between education level and unemployment. The unemployment rate for graduates is 9.6%. For those with Matric it is 33.7% and 38.6% with less than Matric. Therefore, better skills translate to lower unemployment.

Youth Employment: As a national priority, employers in insurance should prioritise youth employment and open workplaces through internships, learnerships and bursaries. Employers should do much more to increase the proportion of youth in their workforce, especially African youth who are most disadvantaged in the labour market.

Disruptive Technologies and Skills: Technologies with positive and negative impacts significantly impact the insurance value chain

New and Emerging Skills: Employees should be allowed to identify their career trajectories and refine their skills to remain relevant and up-to-date on technology trends. Educators should design future-ready curricula that encourage critical thinking, creativity and emotional intelligence and accelerate acquiring digital and science, technology, education and mathematics (STEM) skills to build a pipeline of future skills.

Digital Skills: While technology disrupts many occupations, it also creates new jobs in fields such as STEM, data analysis, computer science and engineering. Strong demand will be for professionals blending digital and STEM skills with traditional subject expertise.

Create new roles/occupations: Create new roles within a broader contextual shift as AI enables people to take on higher-value work. Operational jobs will become more insight-driven and strategic, while mono-skilled roles will become multi-skilled. Already, 30% of insurance employees have identified an increase in machine-worker collaboration as one of the top three trends they see in the workplace.



CHAPTER TWO: KEY SKILLS CHANGE DRIVERS

2.1 INTRODUCTION

Chapter Two discusses key skills drivers reshaping the insurance sector in South Africa and its implications for skills development in terms of the following:

- Outline data sources and methods for identifying change drivers.
- Analyse the major change drivers impacting on the sector and their impact on skills demand and supply.
- Discuss the implications of these change drivers for skills planning in the sector.
- Identify and describe major national strategies and plans affecting skills demand and supply and their implications for skills planning in the sector.

2.2 DATA SOURCES AND METHODOLOGY

A focus group discussion was held with the INSETA Research and Development Committee, comprising leading human resource development experts from insurance companies, to identify change drivers and their implications for skills development in the sector. PESTEL analysis was used during the focus group. A literature review corroborated the outcomes.

2.3 CHANGE DRIVERS AND SKILLS IMPLICATIONS

Major change drivers are reshaping the insurance landscape. These drivers affect the sector's skills supply and demand equilibrium and skills planning. Through an iterative process, the following are the key change drivers in the sector:

Description	Issues	Implication for skills planning	
		Demand-related	Supply-related
Regulatory Compliance			
It means that insurance policies are fair, transparent and provide the coverage promised. Also, management of personal data responsibly, in compliance with data	Regulatory compliance is vital for the survival of insurance companies since regulators make ongoing changes. It is imperative that employees keep abreast of regulatory changes. Financial regulations in South Africa change constantly in response to the frequent changes in	<ul style="list-style-type: none"> ▪ There will be a significant demand for financial literacy education for clients and service providers. ▪ There will be a demand for training in risk management, international 	<ul style="list-style-type: none"> ▪ Review insurance qualifications to include ongoing regulatory changes. ▪ Train insurance workforce on regulatory changes.



<p>protection regulations.</p>	<p>international insurance markets. These regulatory changes seek to improve insurers' sustainability, transparency, and conduct to protect consumers. Cyber insurance premiums have sky-rocketed.</p>	<p>accounting standards, ethics, and legislative compliance.</p> <ul style="list-style-type: none"> There will be a greater demand for actuaries, risk managers, cyber security specialists, lawyers and company secretaries. 	<ul style="list-style-type: none"> Develop data protection systems. Increase short courses in risk, ethics, data protection, regulatory changes and compliance
Technolog			
<p>Employing technologies like AI, blockchain, IoT, and NLP is shaking up traditional insurance processes and goes beyond basic digitalisation to transforming legacy-driven insurance processes.</p>	<p>Technology is a major disruptor in insurance. It is an enabler of personalisation and customisation. Consumers are much more aware and demanding, preferring personalised insurance covers instead of the one-size-fits-all products. Artificial intelligence /machine learning and predictive analytics support better underwriting and more efficient claims handling. Insurers are digitising customer journeys, and significant opportunities exist to accelerate into unserved markets.</p>	<p>The key skills in demand are:</p> <ul style="list-style-type: none"> Cross sector tech skills – using drone technology and photography for assessment and claims; data analytics to manage risks; sensors to monitor driving behaviour; and cameras for security. ICT Skills - core technology skills, e.g. software developers, cloud computing, blockchain, cybersecurity, AI/ML, digital marketing, UX experience, networking and infrastructure and a combination of these technical 	<p>The focus of insurance training should shift to short courses, including micro-credentialing in technological skills e.g. software development, cloud computing, blockchain, cybersecurity, AI/ML, digital marketing, UX experience, networking and infrastructure. Skills development providers (SDPs) should ensure that all courses include technological skills development in the form of modules and assessments. Critical operations such as underwriting, fraud protection, and claims processing should be taught using the latest technology.</p>



		skills with business skills. Data Science and Analytics – Predictive analysis, business intelligence, big data, IoT.	
Climate Change			
Climate change refers to long-term shifts in temperatures and weather patterns. Global warming is a significant contributor - the Earth's atmosphere is getting warmer as it is holding onto more heat from the sun. Such shifts can be natural, due to changes in the sun's activity or large volcanic eruptions, as well as increased manufacturing involving greenhouse gas emissions and resource consumption.	Climate change is one of the most significant challenges facing the insurance sector. Global natural disasters in 2022 resulted in losses totaling \$313 billion. New extreme weather records were broken, and many regions saw prolonged droughts and scorching heatwaves. The impact of climate change for the sector are the following: <ul style="list-style-type: none"> ○ Increased uncertainty for investors/loss of market confidence. ○ Asset fire sales are causing falls in asset prices. ○ Reduction in insurance and lending to unaffected areas. ○ Fall in collateral values. ○ A weakening of household and corporate balance sheets. ○ Limited financing available for reconstruction from physical damage. 	Need for re-skilling staff to meet industry demands, such as changes in claims assessment and premiums due to climate change. The Economic Reconstruction and Recovery Plan ² (ERRP) encourages the sector to participate in skills development initiatives to: <ul style="list-style-type: none"> ● Biodiversity economy infrastructure roll out protected areas. ● Support for SMMEs and cooperatives to participate in the green economy. ● Waste management projects. 	Reskilling is required for liability, underwriting, marketing, risk management, regulations, investment, strategic, operational, reputational, pricing, and asset risks. Insurers should invest in staff awareness and training programmes to decrease unhealthy CO2 emissions in their business operations and reduce the CO2 emissions caused by upstream and downstream activities. The provisioning of <i>short skills programmes</i> (both accredited and nonaccredited) that respond directly to the industry skills gaps.

² The Presidency (2022) The South Africa Economic Reconstruction and Recovery Plan. SA Government: Pretoria.



	o Fall in output in affected areas ³ .		
National Health Insurance			
NHI is South Africa's strategy to achieve universal health coverage. The NHI is a centralised, national insurance fund from which the government will buy healthcare services from healthcare providers in both public and private sectors.	All eligible South African residents, as defined in the NHI Act, will be able to visit these providers whenever they need healthcare, without any payment. The NHI will make healthcare more affordable, by reducing the cost of healthcare due to the economies of scale that can be achieved by purchasing healthcare for the entire population. Like home or car insurance, everyone will contribute to this fund routinely, whether they need healthcare or not, and then make a withdrawal from these pooled funds when they need healthcare. It will impact heavily on private medical aid providers who must work within the ambit of the NHI Act.	Increased health-seeking behaviour anticipated under NHI implies increased need for all healthcare workers, particularly specialists and general practitioners (GPs), who are underrepresented in the public sector.	The creation of the NHI Fund also provides the opportunity for much-needed HRH planning on a more systematic and regular basis. National Health Insurance (NHI) amplifies the need for coordinated, comprehensive health workforce planning in South Africa. The main components on the supply side of a model should include data on the current workforce stock, controls for international migration, and data on the number of health workers in training. Inclusive approach that combines key stakeholders and experts is needed. It necessitates the inclusion of higher training institutions to ensure greater coherence between the training and the service-delivery platforms.



2.4. POLICY FRAMEWORKS AFFECTING SKILLS DEMAND AND SUPPLY

The major national strategies and plans affecting skills demand and supply are the following:

SKILLS STRATEGIC SUPPORT FOR THE ECONOMIC RECONSTRUCTION AND RECOVERY PLAN

The ERRP was announced in October 2020 in response to the global health pandemic. The following priority interventions will be made: aggressive infrastructure investment, employment-orientated strategic localisation, reindustrialisation and export promotion, energy security, support for tourism recovery and growth, gender equality and economic inclusion of women and youth, green economy interventions, and mass public employment interventions.

Demand-side skills implications	Supply-side skills implications
There will be a greater demand for skills to address the ERRP.	More apprenticeships, bursaries, learnerships, internships are needed.

NATIONAL DEVELOPMENT PLAN 2030 (NDP)

It identified nine key areas for development:

- Creating jobs and livelihoods (supported through learnerships, internships, and bursaries).
- Expanding infrastructure (establishing regional offices in areas deemed crucial).
- Transitioning to a low-carbon economy.
- Transforming urban and rural spaces (through dedicated and deliberate projects).
- Improving education and training (support through mandatory/discretionary grants).
- Providing quality healthcare (supported through mandatory/discretionary grants).
- Building a capable state.
- Fighting corruption and enhancing accountability (complying with the PFMA).
- Transforming society and uniting the nation (contributing to the National Skills Fund).

Demand-side skills implications	Supply-side skills implications
There will be a greater demand for skills to address the nine key areas for development	More apprenticeships, bursaries, learnerships, internships are needed

HUMAN RESOURCE DEVELOPMENT STRATEGY FOR SOUTH AFRICA (HRDS-SA) 2024-2033

The reconceptualised HRDS-SA improvement consists of four strategic goals:

Goal 1: Improving early learning and schooling outcomes.

Goal 2: Improving the Employability of Youth Not in Employment, Education and Training.

Goal 3: Improving the responsiveness of the PSET system to skills demand.

Goal 4: Improving governance, leadership and management in the public sector.

Demand-side skills implications	Supply-side skills implications
There will be a greater demand for skills to address the four goals.	More apprenticeships, bursaries, learnerships, internships are needed. There should be an expansion of PSET institutions to accommodate more students.

**NATIONAL SKILLS DEVELOPMENT PLAN (NSDP), 2030**

The NSDP derives from the broader government plan, namely the NDP, which aims to put in place the framework whereby we 'build the capabilities for our citizens to make our future work'. The NDP notes that "several challenges require attention, including a critical shortage of skills, a complex intergovernmental system, high levels of corruption, weak lines of accountability, [and] inadequate legislative oversight".

Demand-side skills implications

There will be a greater demand for skills for the economy.

Supply-side skills implications

More apprenticeships, bursaries, learnerships, internships are needed

NATIONAL PLAN FOR POST-SCHOOL EDUCATION & TRAINING (NPPSET) (2021-2030)

The priorities are developing an integrated, coordinated and articulated PSET system and expanding the PSET system. Improving the responsiveness of the PSET system, improving relations between education and training institutions and the world of work, improving the quality of PSET provision, and improving the efficiency and success of the PSET system.

Demand-side skills implications

There will be a greater demand for skills to address the ERRP.

Supply-side skills implications

There should be an expansion of PSET institutions to accommodate more students.
More apprenticeships, bursaries, learnerships, internships are needed.

MEDIUM-TERM STRATEGIC FRAMEWORK (MTSF) 2019-2024

The MTSF is the implementation plan to manifest the NDP Vision 2030. The three pillars (unemployment, inequality and poverty) underpin the seven priorities of this strategic framework:

Priority 1: A capable, ethical and developmental state

Priority 2: Economic transformation and job creation

Priority 3: Education, skills and health

Priority 4: Consolidating the social wage through reliable and quality basic services

Priority 5: Spatial integration, human settlements and local government

Priority 6: Social cohesion and safe communities

Priority 7: A better Africa and world

Demand-side skills implications

There will be a greater demand for skills to address the 7 priority areas.

Supply-side skills implications

More apprenticeships, bursaries, learnerships, internships are needed.
There should be an expansion of PSET institutions to accommodate more students.



2.5 CONCLUSION

The following key skills issues emerge from this chapter:

Technology

- There is a high demand for IT specialists in software, design, multi-media, UX experience, cyber security, networking, IT support, business intelligence and data analytics.
- Technical skills in cybersecurity, blockchain, cloud computing, artificial intelligence, predictive analysis, social media, digital marketing, open-source, and machine learning are in demand.

NHI

- The implementation of National Health Insurance (NHI) amplifies the urgent need for coordinated, comprehensive health workforce planning in South Africa. Planning for and estimating the cost of adequate human resources for health (HRH) is of paramount importance to a well-functioning health system. Planning is also a central requirement for a strategic purchaser of health services tasked with matching healthcare needs with the supply of services.

Climate Change

- Climate change impacts the insurance sector by affecting underwriters' capacity to quantify, forecast, and allocate risk. Insurers face increased financial risks from payouts and claims for incidents related to extreme weather, such as floods and fires. One of the worst floods to ever hit Kwa Zulu Natal occurred in 2022, killing over 400 people and destroying infrastructure.
- Insurers require people who can use better predictive risk models, manage risk information systems, automate to reduce risks and improve claims management solutions, geospatial analytics, and data analytics.

Regulation

- Training courses are required on the following topics, including, but not limited to, the Twin Peaks regulatory model CoFI Bill., insurance regulations / Market conduct / Solvency reporting, financial reporting and IFRS 17 / ESG regulations and reporting, and taxation changes / Risk assessment.



CHAPTER THREE: SECTORAL SKILLS DEMAND AND SUPPLY ANALYSIS

3.1. INTRODUCTION

Chapter Three identifies occupational shortages and skills gaps in the insurance sector. There are several economy-wide studies on skills mismatches through the DHET's multi-year labour market intelligence programme (LMIP) in partnership with the Development Policy Research Unit (DPRU) of the University of Cape Town. These include the List of Occupations in High Demand (2023), Skills Supply and Demand in South Africa (2022), Skills Imbalances in the South African Labour Market (2022), and the Critical Skills List (2022).

In addition, this chapter analyses the Workplace Skills Plan/Annual Training Report 2024-2025 submissions of insurance companies.

- Identify Hard-To-Fill vacancies in terms of volume and reasons.
- List the major skills gaps in the sector.
- Identify emerging or new occupations in the sector.
- Discuss the state of supply-side education and training provision in the sector.
- Methods to determine the Sectoral Priority Occupations and Interventions List.
- Production of the Sectoral Priority Occupations and Interventions List.

3.2. SKILLS IMBALANCES

The OECD produced a *Skills Imbalances Study in the South African Labour Market Report (2022)* using data from the OECD Skills for Jobs database.³ Skills imbalances emerge when the demand for skills and the supply of skills are not aligned. Imbalances generally take three forms:

Shortages: When the demand for a certain skill exceeds supply, employers will have difficulties hiring workers with the right skills.

Surpluses: When the supply of a certain skill is higher than the demand for it, individuals with that skill might have difficulties finding a job where they can use it.

Mismatch: When employees are employed in a job that does not match their skill profile, they are mismatched to their job.

Skills imbalances are driven by supply and demand. Regarding supply-related factors, imbalances can result from low labour availability or a lack of skills. Skills demand will be driven by the change drivers discussed in Chapter 2 and the state of the economy.

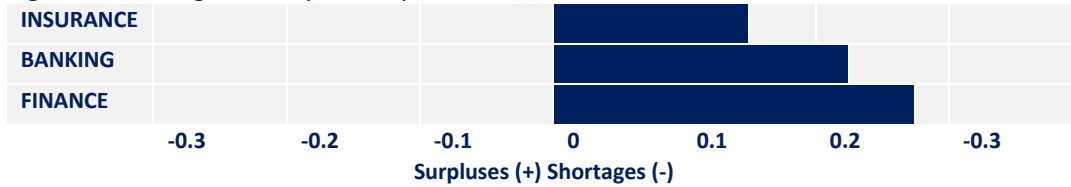
³ Vandeweyer, M. and Verhagen, A. (2022). *Skills Imbalances in the South African Labour Market: Detailed results from the OECD Skills for Jobs database*. Produced for the Department of Higher Education and Training as part of the Labour Market Intelligence research programme.



3.3. SKILLS MISMATCHES

The table below shows the extent of skills shortages in the insurance industry and compares it to the banking and finance industries on an index. Although the three industries are faced with skills shortages, shortages are greater in banking and finance.

Figure 19: Shortage index by industry



Source: OECD Skills for Jobs database using the LMDS (2008–2018)

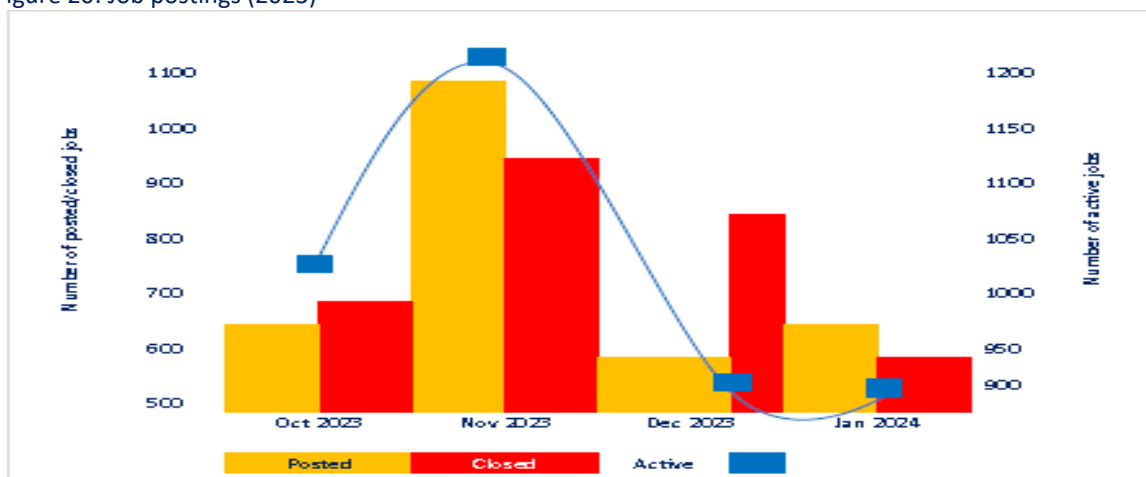
The insurance industry scores 0.15 on the shortage index. Banking scores 0.275 and financial and accounting 0.22 shortage on the index. These three industries are broadly defined as financial services with common skill sets. The graph illustrates that the financial services sector is experiencing skills shortages.

The insurance industry's field of study mismatch is 30% (people who studied in other fields besides insurance), under qualification 35% (people who lack requisite qualifications), and overqualification 25% (people with higher qualifications than those needed for their job).

3.4. JOB TRENDS IN THE INSURANCE SECTOR

The number of active job postings indicate the level of labour demand in the insurance sector. High job postings mean that recruitment is active. The number of job postings increased in October 2023 but decreased sharply in December and in January 2024. The decline is likely due to the year-end, since companies prefer to recruit early in the new year.

Figure 20: Job postings (2023)



Source: Global Data (2023)



Six hundred sixty-two new jobs were posted in January 2024, witnessing an increase of 30.57% compared to the previous month. On the other hand, 634 jobs were closed in the same month, implying that companies took out 19.24% fewer jobs than the month earlier. From October 2023 to January 2024, the number of new jobs posted increased by 13.55%, and the number of closed jobs increased by 4.28%.⁴

3.5. HARD-TO-FILL VACANCIES

A hard-to-fill vacancy (HTFV) arises when an insurance company takes longer than six months to find a suitably qualified and experienced candidate to fill a position. The HTFV data is drawn from the WSP/ATR 2023-2024 and is the latest information from 837 small and 241 medium and large companies. The highlighted occupations made the Top 10 HTFVs in 2023 and 2024.

Table 4: Hard-to-fill vacancies

Occupation	Frequency	Reasons
2021-332102 - Insurance Broker	108	1-6
2021-332101 - Insurance Agent	102	1-6
2021-212101 - Actuary	81	1-2-6
2021-241301 - Financial Investment Advisor	49	1-2-4-6
2021-431204 - Insurance Claims Administrator	42	4-5
2021-431201 - Insurance Administrator	41	4-5
2021-121101 - Finance Manager	36	1
2021-334102 - Office Administrator	33	1-4-5
2021-134911 - Insurance Policy Admin Manager	28	1-2-6
2021-522301 - Sales Assistant (General)	25	1-4-5
2021-122101 - Sales and Marketing Manager	23	1-2-4-6
2021-242207 - Compliance Officer	21	1-2-3-4-6
2021-122102 - Sales Manager	21	1-4-6
2021-121201 - Human Resource Manager	20	1-4-5
2021-441601 - Human Resources Clerk	19	1-4
2021-251201 - Software Developer	17	4-5
2021-331503 - Insurance Loss Adjuster	16	1-2-3-4-6
2021-251203 - Developer Programmer	15	1-2-3-6
2021-242101 - Management Consultant	15	1-2
2021-241107 - Financial Accountant	15	1-3-5

Key: (1) Lack of relevant experience, (2) Lack of relevant qualification, (3) Equity considerations, (4) Poor remuneration, (5) Unsuitable job location, (6) Lack of relevant skills

Source: WSP/ATR 2024/25

⁴ Global Data (2024) Job trends in the insurance sector. <https://www.globaldata.com/data-insights/financial-services/south-africa-job-trends-in-the-insurance-sector-2095267/>



3.6. SKILLS GAPS BY MAJOR CATEGORY

The skills gaps for clerical workers, professionals, managers and technicians in the sector:

Clerical workers

- Office Administration
- Technical (job specific)
- Basic Computer (IT)
- Problem-solving
- Customer service skills
- Communication (oral and written)
- Planning and Organising
- Advanced IT and Software
- Legal, governance and risk
- Management and Leadership
- Interpersonal
- First-aid
- Team working
- Supervisory
- Project Management
- Marketing and sales

Professionals

- Management and Leadership
- Supervisory
- Technical (job specific)
- Project Management
- Office Administration
- Planning and Organising
- Advanced IT and Software
- Legal, governance and risk
- Problem-solving
- Marketing and sales
- Customer service skills
- First-aid
- Communication (oral and written)
- Interpersonal
- Basic Computer (IT)
- Team working
- Foreign language

Managers

- Management and Leadership
- Advanced IT and Software
- Project Management
- Technical (job specific)
- Supervisory
- Legal, governance and risk
- Basic Computer (IT)
- Planning and Organising
- Office Administration
- Marketing and sales
- Problem-solving
- Customer service skills
- Communication (oral and written)
- First-aid
- Team working

Technicians

- Technical (job specific)
- Advanced IT and Software
- Problem-solving
- Project Management
- Office Administration
- Management and Leadership
- Planning and Organising
- Supervisory
- Customer service skills
- Legal, governance and risk
- Communication (oral and written)
- Basic Computer (IT)
- Marketing and sales
- First-aid
- Team working



3.7. NEW AND EMERGING OCCUPATIONS

The INSETA conducted a survey to find out from insurance companies what occupations are new and emerging in the insurance sector to enable INSETA to support skills development for these occupations. One hundred and thirty-eight companies responded to the survey.

A **new and emerging insurance occupation** refers to occupations that have small employment numbers in the insurance sector but are growing due to technology, new work processes, innovation, customer preferences and other factors. These occupations may exist in other sectors but due to work-related changes they are growing in the insurance sector. It also refers to new occupational titles that are emerging in insurance.

The occupations were ranked by respondents with scores indicating the frequency that an occupation was labelled new and emerging.

New and Emerging Occupations	Frequency
AI Engineer (Develop and manage AI applications and systems)	96
Cybersecurity Specialist (Monitor and protect against cyber threats)	88
Data Scientist (Interpret and leverage data for strategic decision-making)	71
Digital Marketing Specialist (Leverage online platforms for marketing)	71
Business Intelligence Analyst (Analyse revenue, sales market metrics)	70
Cloud Architect (Responsible for cloud computing system)	67
Insurtech Developer (Develop technology-driven insurance businesses)	64
Insurance Compliance Officer (Ensure regulatory compliance)	62
Customer Experience Manager (Enhancing customer experiences)	61
Drone Pilot (Controls a drone to perform required actions)	61
Risk Analyst (Reduce business risks)	60
Sustainability Manager (Integrate sustainability into products and services)	58
Software developer (Create and maintain digital tools and platforms)	53
Digital Process Engineer (Analyse, assemble and optimise workflows)	52
Blockchain architect (Design blockchain-based products and services)	49

The INSETA will use this information to revise and develop new curricula for formal qualifications and short courses.

3.8. SUPPLY OF SKILLS

The WSP/ATR 2023-2024 data indicates that the sector is skills-intensive and educational attainment is high. About 95% of workers are employed in managers, technicians, associate professionals, and clerk's occupational categories and possess an NQF Level 4 qualification.

3.8.1. Technical and Vocational Education and Training

Public TVET colleges offer the National Certificate Vocational (levels 2-4) and the NATED (N1–N6). TVET colleges offer NC(V) in accounting, economics, and finance and NATED programmes



at NQF levels 4-6 in financial and business management. Regarding TVET supply, the Statistics for Post-School Education & Training Reports show graduate rates for the N6 programmes.

The latest statistics on TVET enrolments and completions of programmes related to the insurance sector are presented.

Table 5: TVET enrolments and completions (2023)

	Number registered	Number wrote	Number completed	Completion rate (%)
NC(V) Level 4				
Finance Economics and Accounting	1646	1439	603	41.9
Information Technology and Computer Science	1125	958	351	36.6
Management	1199	972	634	65.2
Marketing	1174	959	409	42.6
Office Administration	6788	5643	3434	60.9
Total	11932	9971	5431	54.5
Report 191 N6 Programmes				
Business Management	5578	5038	3085	61.2
Financial Management	5818	5321	4018	75.5
Marketing Management	2175	1890	1160	61.4
Total	13571	12249	8263	67.5

- Office Administration is the most popular NC(V) Level 4 TVET programme, having highest registration rates (6 788 students) and completion rates (3 434 students).
- Of 11 932 students enrolled in NC(V) Level 4 TVET programmes, only 9 971 wrote their examinations and 54.5% of those who wrote were successful. Approximately only half the number of students who write examinations manage to complete these courses, signalling the need to improve student support for TVET programmes.
- Financial Management has the highest completion rate of 75.5% (4 018 students) among Report 191 N6 programmes at TVET colleges.
- The overall completion rate for Report 191 N6 programmes of 67.5% (8 263 students) is greater than the rate of completion for NC(V) Level 4 programmes, indicating that Report 191 N6 programmes are easier to complete.

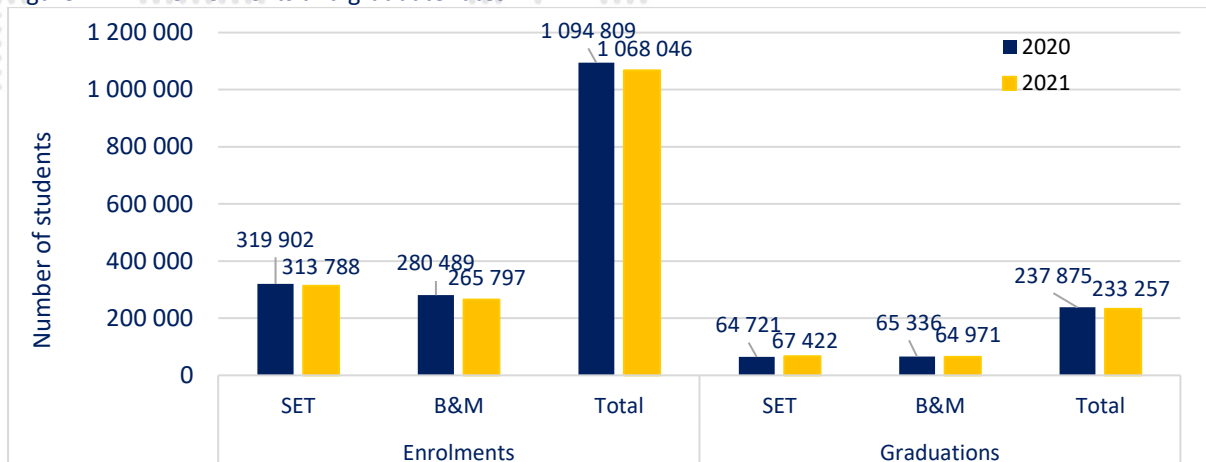
3.8.2. Higher Education

The skills supplied by higher education institutions (HEIs) are critical for the insurance sector. HE enrolments and graduates by study fields are presented. Science, Engineering and Technology (SET) qualifications decreased from 319 902 in 2020 to 313 788 in 2021. Graduates increased by 2 701 in 2021 from 64 721 in 2020. While enrolments decreased, there was an increase in graduates – more new labour market entrants were supplied. The insurance sector commonly recruits graduates in engineering due to their analytical and mathematical skills. For Business and Management (B&M) qualifications, enrolment was



280 489 in 2020, decreasing to 265 797 in 2021. The number of graduates produced in this field decreased by 365 in 2021, from 65 to 336 in 2020.

Figure 21: HET enrolments and graduate rates



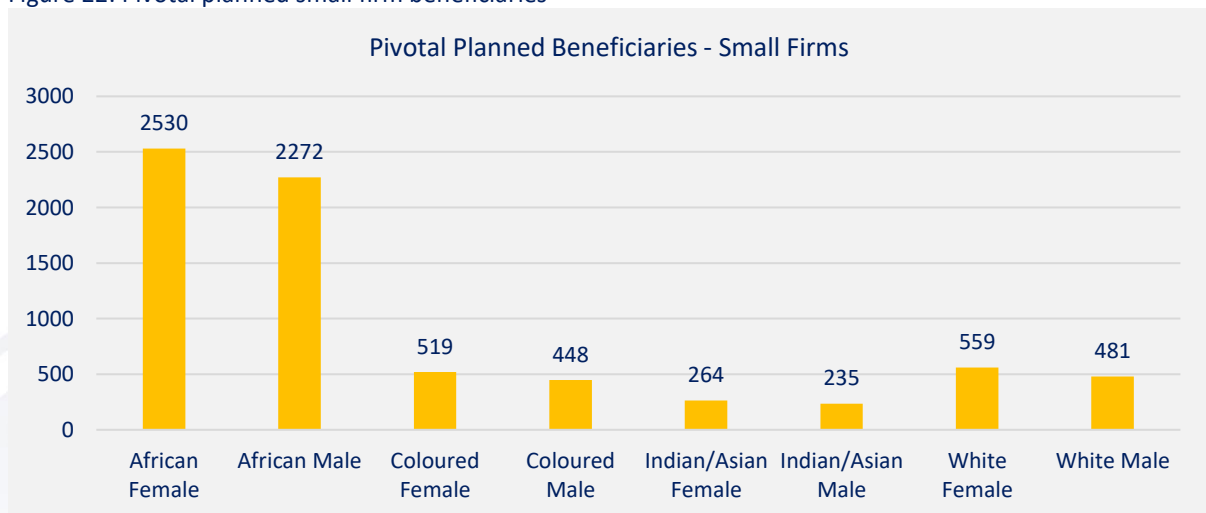
Source: DHET (2023)

There has historically been a steady flow of graduates from higher education institutions. Although this implies a steady source of new graduates for the insurance sector, it should be noted that higher education graduates represent only a small proportion of new labour market entrants each year. Raising the number of graduates is a key challenge for the broader South African education system, requiring interventions across the full education system from early childhood development to higher education.

3.8.3. Pivotal Planned Small Firm Beneficiaries

The number of pivotal planned small firm beneficiaries is given.

Figure 22: Pivotal planned small firm beneficiaries



Source: WSP/ATR 2024

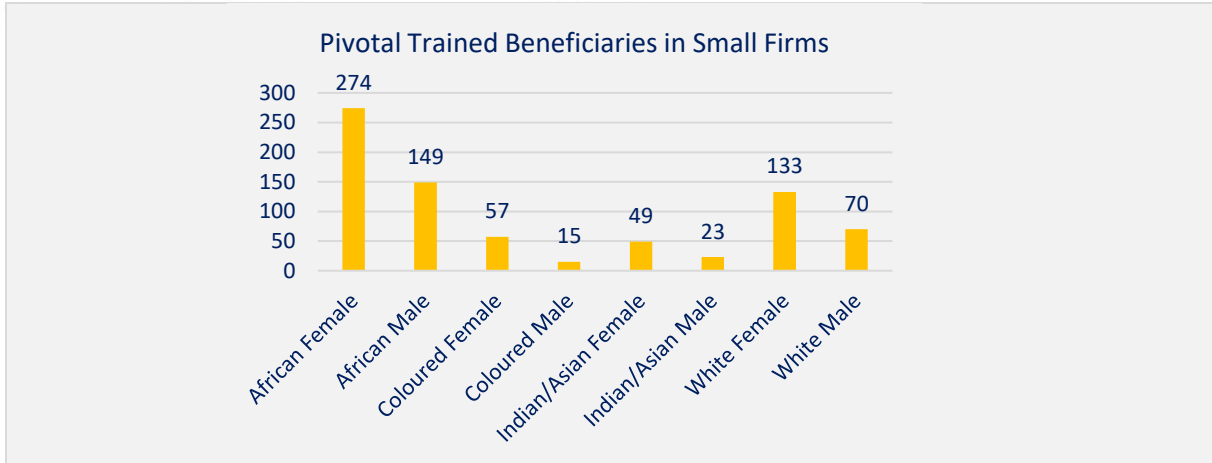
The high planned training frequency for Africans reflects the workforce demographics and is in keeping with transformation imperatives.



3.8.4 Pivotal Trained Small Firm Beneficiaries

The number of pivotal trained small firm beneficiaries is given.

Figure 23: Pivotal trained small firm beneficiaries



Source: WSP/ATR 2024

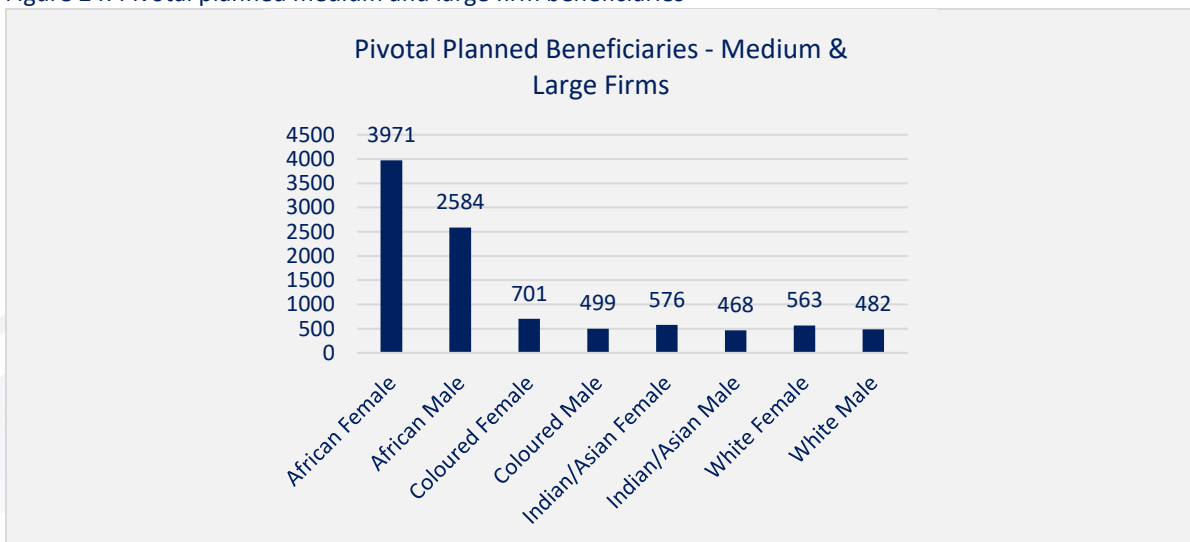
The training frequency from the ATR report indicates a lower training rate.

The training rate is expected to increase with the extended WSP/ATR deadline.

3.8.5. Pivotal Planned Medium and Large Firm Beneficiaries

The number of pivotal planned medium and large firm beneficiaries is given.

Figure 24: Pivotal planned medium and large firm beneficiaries



Source: WSP/ATR 2024

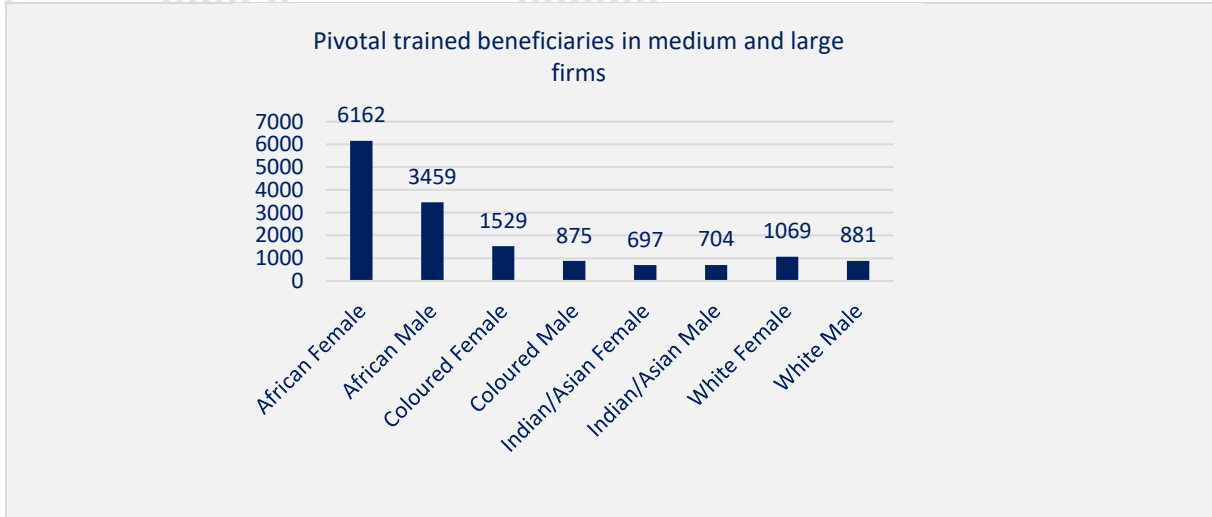
The high planned training frequency for Africans reflects the workforce demographics and is in keeping with transformation imperatives.



3.8.6. Pivotal Trained Medium and Large Firm Beneficiaries

The number of pivotal trained medium and large firm beneficiaries is given.

Figure 25: Pivotal trained medium and large firm beneficiaries

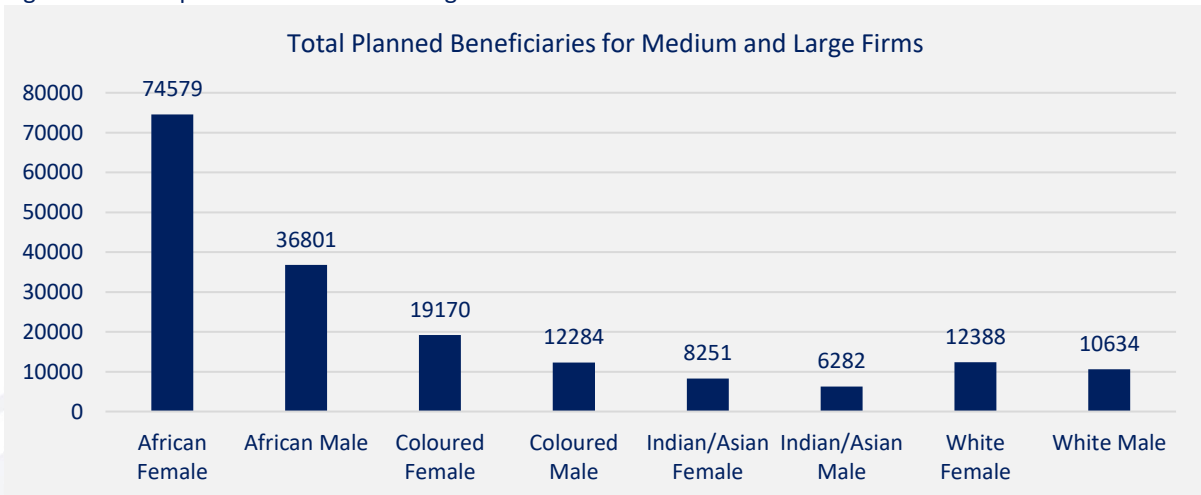


Source: WSP/ATR 2024

3.8.7. Total Planned Medium and Large Firm Beneficiaries

The figure below includes pivotal and non-pivotal beneficiaries.

Figure 26: Total planned medium and large firm beneficiaries



Source: WSP/ATR 2024

The total number of employees expected to receive in the current year is 180 389, which indicates a high training rate.

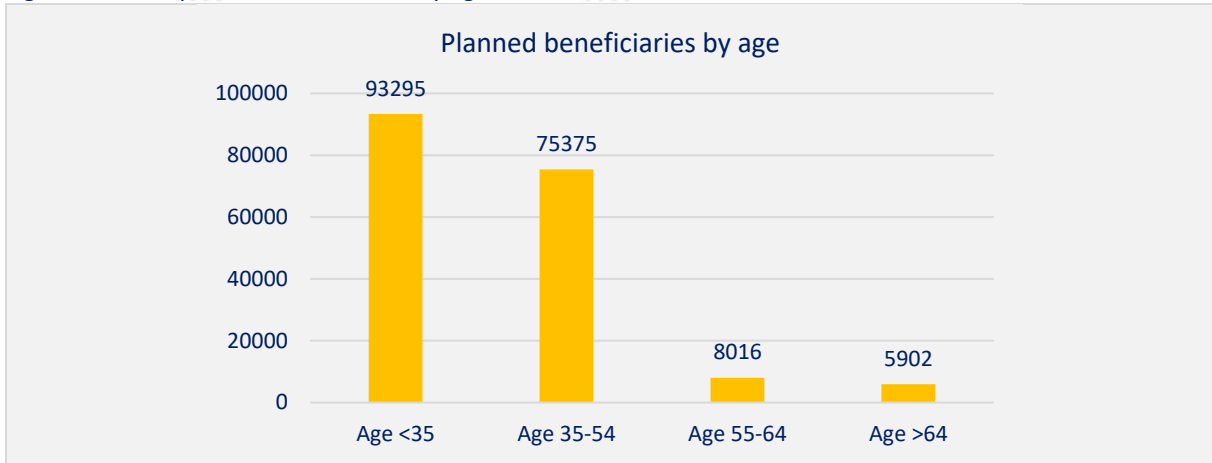


75% of the beneficiaries are African with half being females.

3.8.8. Planned Beneficiaries by Age

The planned beneficiaries by age is given.

Figure 27: Total planned beneficiaries by age



Source: WSP/ATR 2024

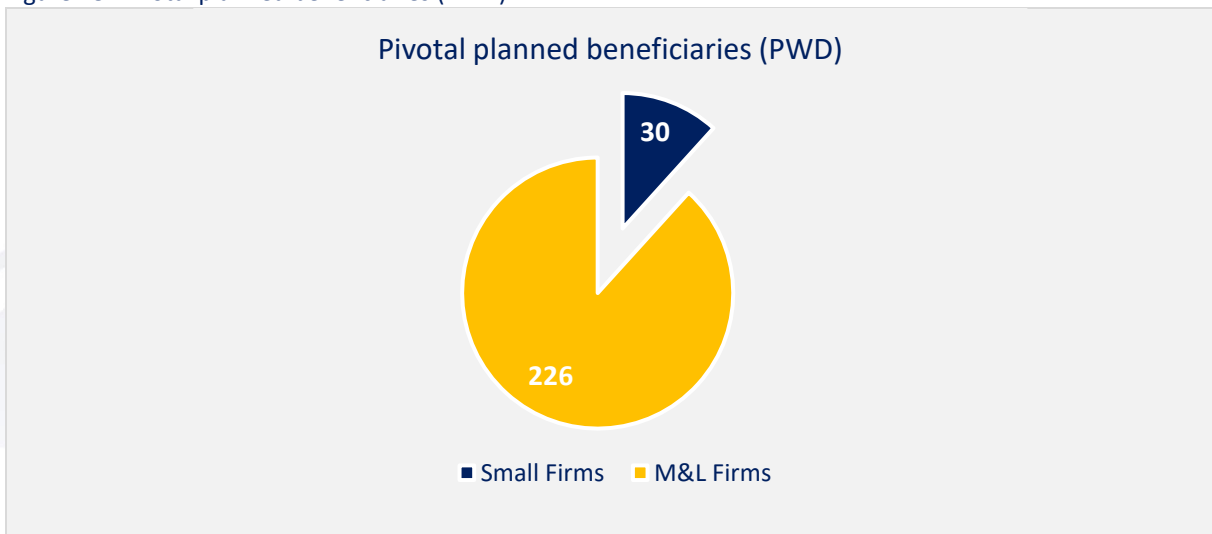
The training frequency from the ATR report indicates a relatively high training rate compared to the planned beneficiaries for the current year.

51% of beneficiaries are under 35 years old.

3.8.9. Pivotal Planned Beneficiaries (PWD)

Pivotal planned beneficiaries (People with Disabilities) is given.

Figure 28: Pivotal planned beneficiaries (PWD)



Source: WSP/ATR 2024

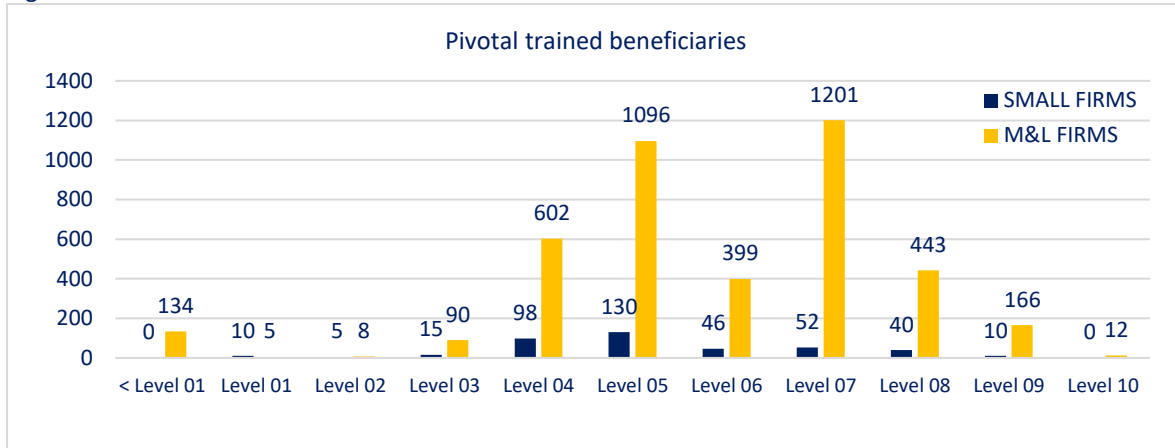


The number of people with disabilities receiving training is low. Therefore, much should be done by employers to prioritise inclusion.

3.8.10. Pivotal Trained Beneficiaries by NQF Level

The number of pivotal trained beneficiaries by NQF level for 2023/24 is given.

Figure 29: Pivotal trained beneficiaries



Source: WSP/ATR 2024

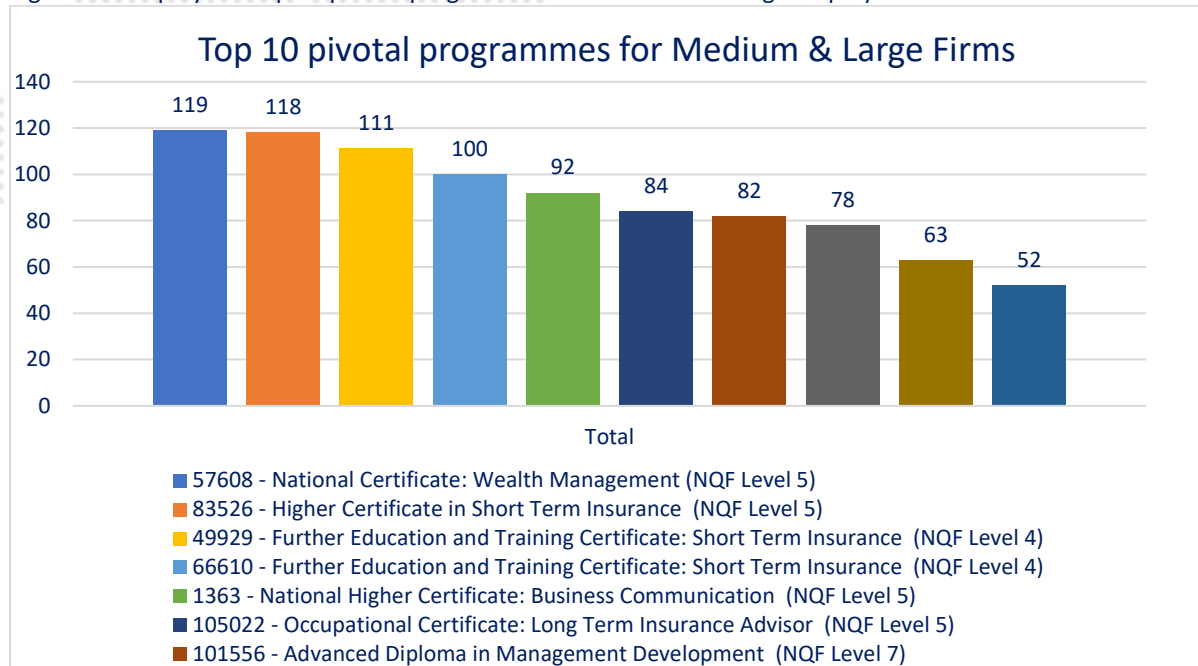
Most training in medium and large firms was between NQF Levels 4 and 9. The trend is the same for small firms. It reflects the tertiary education nature of the industry where there is a bias towards higher education.

3.8.11. Most Popular Pivotal Programmes

The Top 10 pivotal programmes for medium and large employers are Wealth management and short-term insurance.



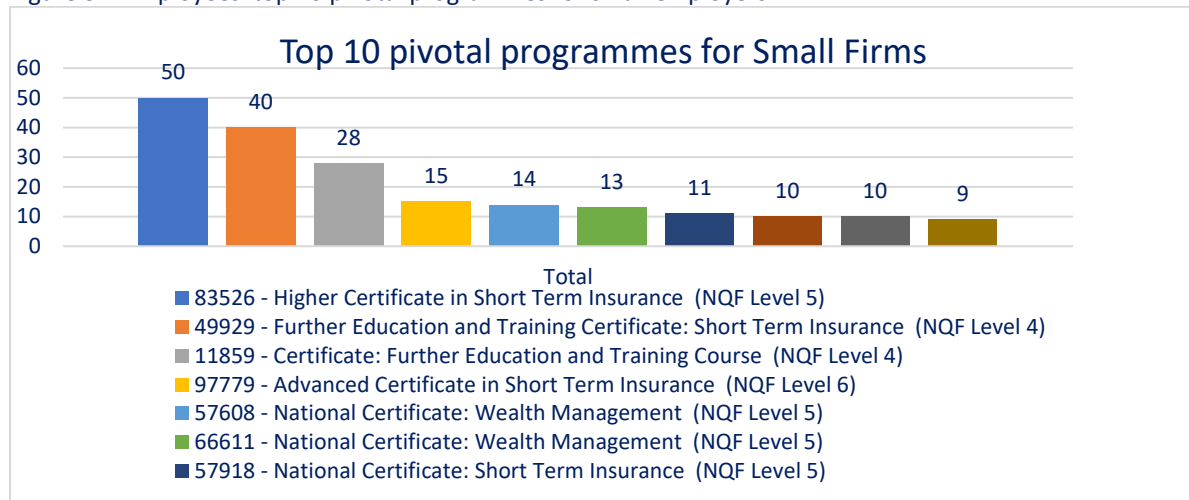
Figure 30: Employees' top 10 pivotal programmes for medium and large employers



Source: WSP/ATR 2024

The Top 10 pivotal programme for small employers in short-term insurance.

Figure 31: Employees' top 10 pivotal programmes for small employers



Source: WSP/ATR 2024

3.8.12. Workplace Learning

The table is about work-based learning for students completing programmes in the insurance sector. Four hundred students were absorbed into employment/self-employment in 2022-2023, while 870 completed internships, 750 completed learnerships, and 710 completed skills programmes. There is an opportunity to considerably increase the number of internships



through a partnership with the YES programme, which currently has only 9 participating insurance companies.⁵

Table 6: Support youth to achieve qualifications/obtain employment

Output Indicator	Estimated Performance 2022/23	Medium-term targets	
		2023/24	2024/25
TVET students in WIL programmes to complete qualifications	1000	700	750
TVET students completed their WIL programmes	700	450	480
Unemployed learners enrolled for internships	1240	850	900
Unemployed learners who completed internships	870	250	280
Unemployed learners enrolled for learnership	1500	630	650
Unemployed learners certificated for learnerships	1050	750	1050
Unemployed learners enrolled on skills programmes	1020	630	650
Unemployed learners completed skills programmes	710	450	530
Learners are absorbed into employment/self-employed	400	400	430

Source: INSETA Annual Performance Plan (2023/24)

The number of completions for bursaries, skills programmes and AET are given. The small number of AET programme completions is indicative that the insurance workforce is firmly concentrated in the post-school sector from NQF Level 4 upwards.

Table 7: Support for workers

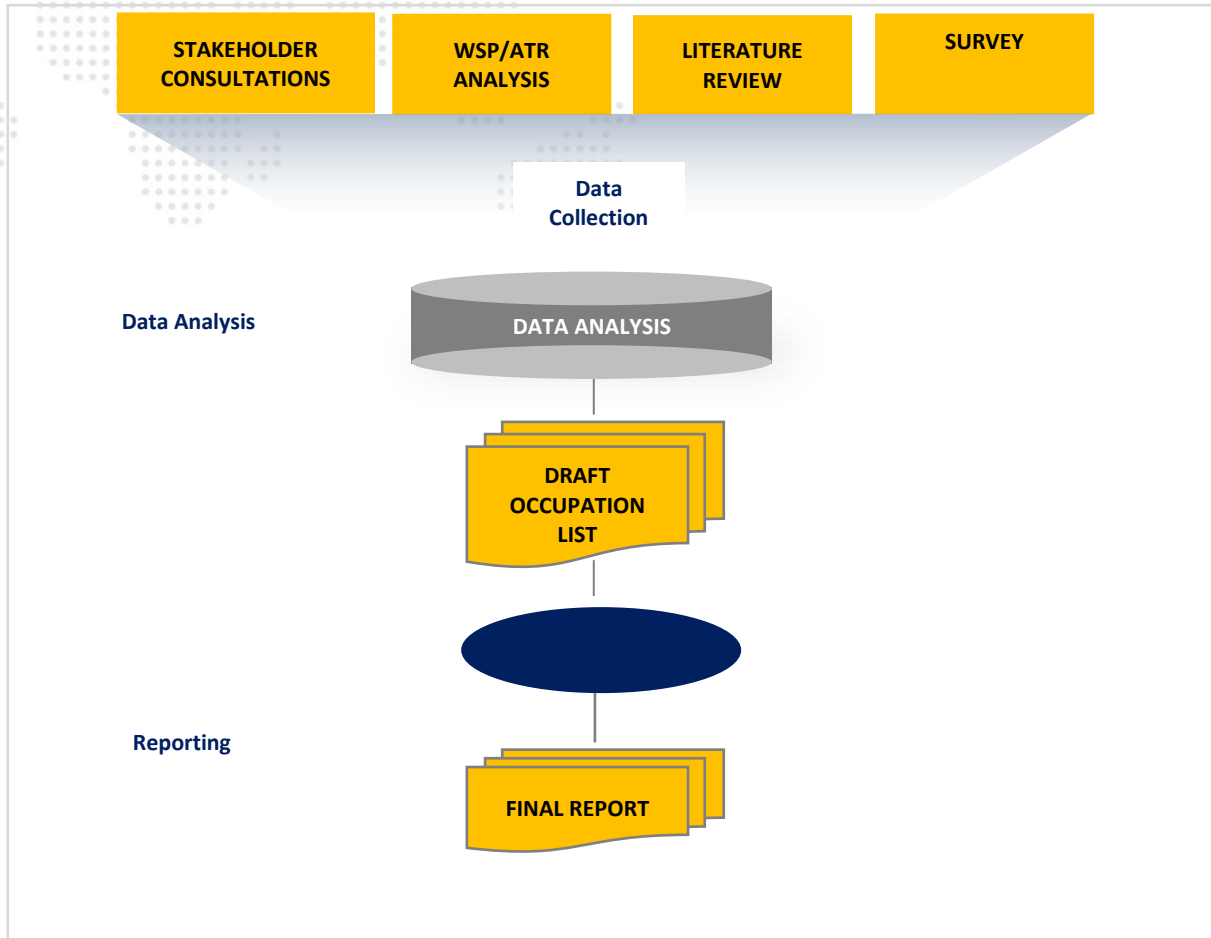
Output Indicator	Estimated performance 2022/23	Medium-term targets	
		2023/24	2024/25
Number of workers granted bursaries completed their studies	600	600	650
Number of workers who completed skills programmes	2058	950	980
Number of workers certificated for learnership programmes	500	600	630
Number of workers who completed AET programmes	20	30	33
Number of workers who completed RPL	135	130	133

Source: INSETA Annual Performance Plan (2023/24)

3.9. METHOD FOR DETERMINING SECTORAL PRIORITY OCCUPATION LIST

A mixed method approach determined the insurance sectoral priority occupation list. Qualitative and quantitative data were gathered using various methods and techniques.

⁵ Sanlam, Hollard, OUTsurance Life, OUTsurance Shared Services, Viva Life Insurance, Lionel Isaacs Insurance, Pinnafrica Insurance underwriters, King Price, SA Fire Insurance



The data collection process involved the following:

Stakeholder Consultations: Consultations were conducted with the Research and Learning Committee which comprises HRD personnel from insurance companies and professional bodies. In addition, relevant SETA managers were consulted about specific SSP chapters. The SETA Exco and Board were apprised of the SSP as part of the approval process.

WSP/ATR: The WSP/ATR 2024-25 were the main sources for identifying HTFVs, Top 10 sectoral occupations and skills gaps.

Literature review: The List of Occupations in High Demand (2023), Skills Supply and Demand in South Africa (2022), Skills Imbalances in the South African Labour Market (2022), and the Critical Skills List (2022) were reviewed to identify sectoral priority occupations and skills gaps that respond to the insurance industry.

Survey: A survey will be administered to employers before submitting the final SSP.

The data analysis and reporting involved the following:



Analysing primary and secondary data of a quantitative and qualitative nature to determine the sectoral priority occupations. The use of different methods enabled the evidence to be corroborated. A draft list was compiled. A workshop was convened to discuss the draft list, and a final list was produced.

3.10. SECTORAL PRIORITY OCCUPATIONS LIST

3.10.1. INSETA's Sectoral Priority Occupations List (2024-2025) and Skills Gaps

- Workplace skills plans and annual training reports (2023-2024)
- Insurance industry publications
- DHET's *Occupations in High Demand List* (2020)
- Interviews with industry experts in the insurance sector (2023)
- Consultation with the INSETA Research and Learning Programmes Steering Committee

The top 10 sectoral priority occupations are the following:

1	Insurance Broker	Communication, time management
2	Insurance Agent	Customer care, interpersonal relations
3	Actuary	Communication, cyber security
4	Financial Investment Advisor Insurance Loss Adjuster	Financial skills, communication, time management, understanding regulations
5	Insurance Claims Administrator	IT skills, communication
6	Insurance Administrator	IT skills, communication
7	Finance Manager	Communication, time management, interpersonal skills
8	Insurance Policy Administration Manager	Understanding regulations
9	Insurance Loss Adjuster	IT skills, communication
10	Sales and Marketing Manager	Sales and marketing, presentation

The Insurance Student Support Fund (ISSF) was established by INSETA to support youth and employers as part of our transformation strategy. The fund supports students in financial need through bursaries. The ISSF receives funding from business entities in the private and public sectors who are committed to skill, upskill, reskill, and multi-skill students, graduates and workers across economic sectors.



Table 8: Top 10 sectoral priority occupations for (2025-2026)

PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	QUANTITY SUPPORTED BY THE SETA
2025-2026	2021-332102	Insurance Broker	Short-term insurance consultant	Offer training courses for managing a brokerage.	4	Y	150	150
2025-2026	2021-332101	Insurance Agent	Insurance Underwriter Insurance Representative	Advanced training in new aspects of the three major categories of insurance, viz. short and long-term, and collective investments. Training in new facets of insurance and risk coverage and premium calculation.	5	Y	250	150
2025-2026	2021-212101	Actuary	Actuary Manager Average Adjuster	Training of actuaries to undertake Moses testing, VBA & C++ programming, and risk calculations. Training of qualified actuaries to obtain long-term business experience.	7	Y	100	50
2025-2026	2021-241301	Financial Investment Advisor	Financial Advisor Financial Planner	Advanced training in new aspects of the three major categories of insurance, viz. short and long-term, and collective investments. Training in new facets of insurance and risk coverage and premium calculation.	6	Y	50	50
2025-2026	2021-431204	Insurance Claims Administrator	Claims Clerk Claims Analyst	Advanced training programmes on liability and audit insurance settlements. Acquiring further knowledge in statistical or actuarial data, bonds, and shares.	4	Y	100	100



PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	QUANTITY SUPPORTED BY THE SETA
2025-2026	2021-431201	Insurance Administrator	Brokering Clerk Underwriting Clerk	Mandatory grant funding for training.	4	Y	100	100
2025-2026	2021-121101	Finance Manager	Chief Accountant Chief Financial Officer	Managing the financial department in small insurance businesses.	8	Y	200	50
2025-2026	2021-134911	Insurance Policy Administration Manager	Insurance Claims Manager	Mandatory grant funding for training.	4	Y	30	30
2025-2026	2021-331503	Insurance Loss Adjuster	Claims Assessor Loss Controller	Training candidates in credit management, analytical, and administrative skills.	4	Y	75	50
2025-2026	2021-1221	Sales and Marketing Manager	Key Accounts Manager Sales Manager	Training on planning and organising special sales and marketing programmes. Training on leading and managing the activities of sales and marketing staff. Training on determining price lists, sales promotion budgets and sales methods.	6	Y	30	30

Chief Executive Officer: Gugu Mkhize

Date: 01 August 2024

Chairman of the Board: Lizelle van der Merwe

Date: 01 August 2024

As delegated by the Board on 31 July 2024



3.11. SECTORAL PRIORITY OCCUPATION TRENDS

We have analysed a five-year sectoral priority occupation trend analysis:

OCCUPATIONS	2020-21	2021-22	2022-23	2023-24	2024-25	TOTAL
Insurance Loss Adjuster	X	X	X	X	X	5
Sales & Marketing Manager	X	X	X	X	X	5
Insurance Broker	X	X	X	X	X	5
Insurance Claims Administrator	X	X	X	X	X	5
Actuary	X	X	X	X	X	5
Insurance Agent	X	X	X	X	X	5
Compliance Officer	X	X	X	X		4
Software Developer	X	X	X	X		4
Financial Investment Advisor	X	X		X	X	4
Developer Programmer	X		X			2
COMMERCIAL SALES REPRESENTATIVE			X	X		2
ICT Systems Analyst		X				1
Insurance Administrator					X	1
Finance Manager					X	1
Insurance Policy Administration Manager					X	1

There were 15 sectoral priority occupations selected by employers over 5 years. The following occupations were consistently selected over the 5-year cycle: insurance loss adjuster, sales & marketing manager, insurance broker, insurance claims administrator, actuary and insurance agent. The financial investment advisor and compliance officer were selected for 4 years. There is also a demand for insurance administrator occupations. These are the core occupations in the industry. Due to technological advancements, there is a demand for ICT occupations such as software developer (selected for 4 years), developer programmer and ICT systems analyst.

3.12. CONCLUSION

Based on the findings, INSETA top five training intervention priorities are the following:

- Investing in bursaries and learnerships for the Top 10 sectoral priority occupations.
- Supporting short courses on regulatory compliance to keep employees abreast of changes.
- Supporting long and short courses on future training needs of the industry in data analytics, business intelligence, artificial intelligence, cloud computing and cyber security.
- Expanding the ISSF to support needy students and support transformation.
- Support training on skills gaps identified in the WSP/ATR.



A major development area for the insurance sector is data analytics. Companies have accumulated vast quantities of consumer data over time; the ability to identify trends and develop innovative solutions by analysing such data is increasingly becoming a vital competitive advantage. Mastery of IT knowledge domains is necessary for companies to stay competitive in the face of fintech companies. Technology staff need to gain expertise. There has been an increase in the demand for top-up skills in ICT, using online platforms, working remotely, and complying with health and safety protocols.

More financial regulations have led to a severe shortage of specialist expertise in regulation and compliance. The required expertise needed is the ability to apply legislation and make recommendations. The biggest challenge is to attract the next generation of insurance talent. Moreover, millennials already comprise more than 50% of the global workforce. Companies should start to look at talent differently.

The INSETA and companies should consider micro-credentialling to address skills gaps in the sector. It is a well-suited learning modality for the sector.

Other skills issues emerge from the chapter:

- INSETA should prioritise the Top 10 sectoral occupations and skills gaps based on the current WSP/ATR data.
- Career guidance and pathing interventions should incorporate the new skills lists.
- An awareness programme should apprise employers of emerging occupations and skills needed.
- Develop an alumni portal to track graduates in the sector.
- Make career guidance accessible in rural areas to promote careers in insurance.
- Partner with high schools to recruit mathematics and science Matriculants.



CHAPTER FOUR: SETA PARTNERSHIPS

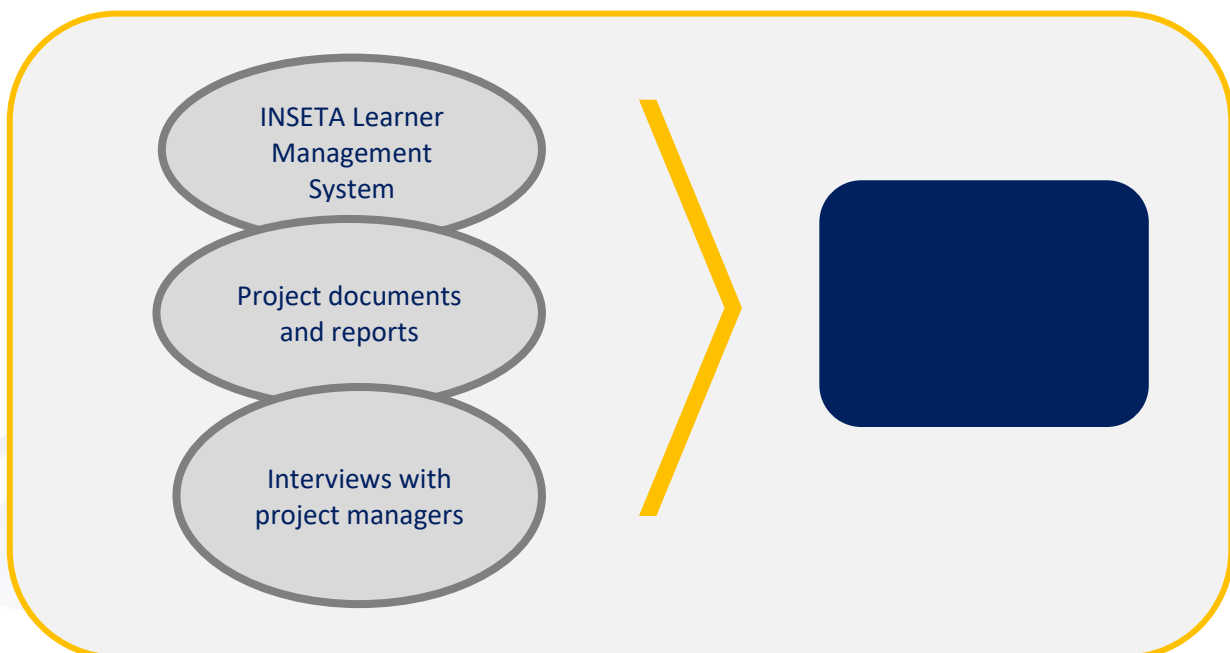
4.1. INTRODUCTION

Chapter Four provides information on existing and proposed INSETA partnerships in terms of the following:

- INSETA's approach to partnerships.
- Strategic and special project partnerships.
- Education and training partnerships.
- Professional bodies' partnerships.
- Most successful partnerships.
- Most challenging partnerships and mitigating measures

4.2. DATA SOURCES

The data sources for this chapter are drawn exclusively from the following:





4.3. ANALYSIS OF EXISTING AND PLANNED PARTNERSHIPS

An analysis of the existing partnerships is given.

Institution/ partner organisation	Nature of partnership (start & end dates) <i>(Duration/ term of partnership)</i>	Objectives of partnership <i>(What the partnership is meant to achieve?)</i>	Value-add of partnership <i>(What value is this partnership adding to the SETA? Or what gaps is it addressing?)</i>
University of Pretoria – Gordon Institute Business Sciences	Management and Leadership Programme Duration: 2 years Term: 01 April 2022 – 31 March 2024.	<ul style="list-style-type: none"> ▪ Train middle and senior managers in management and leadership. ▪ Grow pool of Black managers, especially females. ▪ Equitable representation in management positions. 	<ul style="list-style-type: none"> ▪ 60 beneficiaries Advanced Diploma in General Management (NQF 7) ▪ 60 beneficiaries Postgraduate Diploma in Administration Business (NQF 8)
South African Insurance Association (SAIA)	Mentorship programme Duration: 2 years Term: 01 April 2022 – 31 March 2024.	<ul style="list-style-type: none"> ▪ Knowledge and skills transfer to young employees. ▪ Support for young professionals, especially those from previously disadvantaged communities, to become eligible for management positions. 	<ul style="list-style-type: none"> ▪ Develop a talent pipeline. ▪ Succession planning. ▪ Equitable management workforce. ▪ Support for disadvantaged groups to enter management.
Trade Union: SASBO	Digital Literacy Skills Programme Duration: 2 years Term: 01 April 2022 – 31 March 2024.	<ul style="list-style-type: none"> ▪ Empower unionised insurance employees with digital skills. 	<ul style="list-style-type: none"> ▪ Workers are eligible for career progression. ▪ Improved workplace productivity.
University Partnerships: Wits University, DUT and UKZN	Duration: 5 years to date but ongoing and reviewed annually.	<ul style="list-style-type: none"> ▪ Allocate bursaries to students for insurance qualifications. 	<ul style="list-style-type: none"> ▪ Exposure to cutting edge research. ▪ Increase the pool of insurance graduates.



Institution/ partner organisation	Nature of partnership (start & end dates) <i>(Duration/ term of partnership)</i>	Objectives of partnership <i>(What the partnership is meant to achieve?)</i>	Value-add of partnership <i>(What value is this partnership adding to the SETA? Or what gaps is it addressing?)</i>
	Term: 01 April 2021 - 31 March 2026.	<ul style="list-style-type: none"> ▪ Conduct research. ▪ Develop modules (body of knowledge) 	<ul style="list-style-type: none"> ▪ Improve work placements.
Durban University of Technology	Generative Artificial Intelligence (AI) possibilities to grow and improve the Insurance Sector Duration: One year Term: 01 August 2023 – 30 August 2024.	<ul style="list-style-type: none"> ▪ Explore the opportunities to grow the insurance through an early adoption of Generative AI. ▪ Increase efficiency, profitability and compliance in the insurance sector. 	<ul style="list-style-type: none"> ▪ Task automation enables personalised products and services. ▪ Improved customer service through AI powered chatbots. ▪ Better risk assessment accuracy and prediction modelling, contributing to more informed decision-making.
Durban University of Technology	Impact of drone technology on insurance for SMEs Duration: One year Term: 01 October 2023 – 30 August 2024.	<ul style="list-style-type: none"> ▪ Harness the transformative potential of drone technology for SMEs. ▪ Revolutionise insurance operations from risk assessment and underwriting to claims processing. 	<ul style="list-style-type: none"> ▪ Make SMEs more productive and profitable by surveying and assessing risks, collect data on properties and assets, and provide real-time information for underwriting decisions.
University of Kwazulu-Natal	Developing SME Critical and Scarce Skills for the Insurance Sector Duration: 7 months Term: 02 May 2024 – 30 Nov 2024.	<ul style="list-style-type: none"> ▪ Identify, analyse and address critical and scarce skills gaps SMEs. ▪ Develop relevant training programmes. 	<ul style="list-style-type: none"> ▪ Provides a voice to SMEs on critical and scarce skills. ▪ Develop training programmes for SMEs.
University of Kwazulu-Natal	Enhancing skills development for insurance professionals in	<ul style="list-style-type: none"> ▪ Identify specific skills to address climate change in insurance. 	<ul style="list-style-type: none"> ▪ Prepare the insurance industry to address climate change risks in



Institution/ partner organisation	Nature of partnership (start & end dates) <i>(Duration/ term of partnership)</i>	Objectives of partnership <i>(What the partnership is meant to achieve?)</i>	Value-add of partnership <i>(What value is this partnership adding to the SETA? Or what gaps is it addressing?)</i>
	<p>the face of climate change</p> <p>Duration: 7 months Term: 31 March 2024 – Dec 2024.</p>	<ul style="list-style-type: none"> Develop training programs that will equip practitioners with knowledge and skills to navigate climate -related risks. 	<p>price, underwriting and risk management.</p>
University of Witwatersrand	<p>Developing a Body of Knowledge for Insurance</p> <p>Duration: 2 years Term: 01 April 2023 – 31 March 2025.</p>	<ul style="list-style-type: none"> Construct this body of technical knowledge of insurance. 	<ul style="list-style-type: none"> Standardise module content and assessment for insurance qualifications.

Institution/ partner organisation	Nature of partnership (start & end dates) <i>(Duration/ term of partnership)</i>	Objectives of partnership <i>(What the partnership is meant to achieve?)</i>	Value-add of partnership <i>(What value is this partnership adding to the SETA? Or what gaps is it addressing?)</i>
TVET Colleges: uMgungundlovu, Lovedale, Maluti, Buffalo City, Majuba, South West Gauteng and Orbit	<p>INSETA-TVET College Partnership Lovedale TVET College 01/09/2023- 30/09/2024 Maluti TVET College 01/09/2023- 31/08/2024 Buffalo City TVET College 02/10/2023- 30/09/2024 Majuba TVET College 02/10/2023- 30/09/2024</p>	<p>Implement learnerships Improve rural student participation in insurance industry. Build local employer - TVET college partnership. Support unemployed youth with skills training.</p>	<p>Make TVET Colleges a stakeholder in insurance. Entry for rural students into the insurance industry. Addressing high youth unemployment. Train TVET lecturers about careers in insurance Sponsor 160 TVET students.</p>



Institution/ partner organisation	Nature of partnership (start & end dates) (Duration/ term of partnership)	Objectives of partnership (What the partnership is meant to achieve?)	Value-add of partnership (What value is this partnership adding to the SETA? Or what gaps is it addressing?)
	South West Gauteng College 01/08/2023- 30/08/2024		

An analysis of proposed partnerships is given below:

Service Provider to be confirmed	Impact Assessment / Tracer Studies Duration: 2 years to date but ongoing and reviewed annually until 31 March 2030. Term: 01 April 2021 – 30 March 2025.	Determine the impact of learning programmes in terms of graduate destinations.	Identify which learning programmes will improve college-to-work transitions.
DUT	Sector Skills Plans Duration: 4 years Term: 01 April 2025 – 30 March 2030.	Identify sectoral priority occupations and skills gaps, change drivers, partnerships and make recommendations.	Develop a 5-year skills development plan for the insurance sector.

4.4. INSETA CONTRIBUTION TO THE ERRP AND PYEI

Although the insurance sector is not specifically mentioned among the critical sectors at which the ERRP is aimed, insurance is important to all these sectors. In response to the ERRP, INSETA collaborates with other SETAs by entering into MoUs in response to the ERRP. INSETA participates in the ERRP directly or in partnership with other PSET organisations. It has identified sectors that will be included in its strategy to support the Government's Economic Reconstruction and Recovery Plan. INSETA will support identified sectors, with a few sectors supported directly and the remainder supported in collaboration with other SETAs and institutions, in line with the availability of the INSETA budget.

For the financial year 2024/25, INSETA contributes to the ERRP and PYEI through the following programmes:



- Internship programmes for unemployed youth from universities, TVETs and learners who completed learnerships through the INSETA. The internship programme is for 12 months.
- Unemployed learners who have completed N6 NATED programmes through TVET Colleges are supported through work-integrated learning programmes and placed in workplaces to obtain their Diplomas. The WIL programme is 18 months.
- The INSETA learnership programme for unemployed learners targets rural areas, which response to the ERRP priority of rural development. The INSETA has partnered with the following TVET Colleges: uMgungundlovu, Lovedale, Maluti, Buffalo City, Majuba, South West Gauteng and Orbit.
- The youth employability programme also targets youth (PYEI), especially rural youth (ERRP) and includes the following components:
 - Work readiness for TVET WIL programmes that are crafted from insurance-specific qualifications.
 - Digital skills
 - Entrepreneurship skills.
 - INSETA has ring-fenced funds under the strategic projects to support other skills development interventions critical to the ERRP and PYEI.

4.5. INSETA AND THE DISTRICT DEVELOPMENT MODEL

The INSETA offers skills programmes and learnerships to unemployed youth in several municipalities as part of the District Development Model (DDM). The SETA ran skills programmes and learnerships for the unemployed in the Limpopo province in the Capricorn District Municipality Mopani, Sekhukhune, Vhembe and Waterberg district with 415 learners. In the Mpumalanga province, INSETA took through 275 learners through the Skills programmes and learnerships in the Ehlanzeni and Gert Sibande District Municipality. Four hundred learners in the Northern Cape and 60 in the north-west provinces.

4.6. PREVIOUS STRATEGIC PRIORITIES

All strategic priorities from the previous planning cycle were completed. This information is contained in the INSETA Annual Report and quarterly progress reports.

4.7. CONCLUSION

The following key skills issues emerge from this chapter:

Existing Partnerships - The INSETA has many partnerships with SMMEs, large employers, NPOs/NGOs/CBOs, constituent trade unions/union federations, industry professional bodies, skills development providers (SDPs), TVET Colleges, CET Centres and HEIs. It is delivering skills to both employed and unemployed learners. For the former, the aim is to upskill and reskill. The latter aims to create a talent pipeline for the insurance industry and expose unemployed youth to career opportunities.



Proposed Partnerships - The INSETA should be more strategic with proposed partnerships. It should include partnerships to address youth unemployment, poverty and inequality.

The INSETA should prioritise partnerships on:

- Development of new occupational qualifications.
- Additional private sector financial support for disadvantaged students.
- Sharing resources with other SETAs by partnering on District Development Model projects.
- Increasing the INSETA footprint in public TVET and CET Colleges.
- Promote career guidance in schools and TVET Colleges.
- Youth unemployment using the Presidential Youth Employment Initiative (PYEI), the Just Energy Transition (JET) skilling programme, and the YES programme (internships).
- Entrepreneurship, job skills, financial literacy and financial inclusion programmes through the CET Colleges to address poverty.
- Rural development programmes for sustainable livelihoods.



CHAPTER 5: SETA MONITORING AND EVALUATION

5.1. INTRODUCTION

The chapter focuses on monitoring and evaluation (M&E) at INSETA, outlining M&E background, purpose and the legislative and policy framework underpinning M&E. This chapter also looks at strategic priorities that were incorporated into the INSETA Strategic Plan, including looking at the performance of INSETA against the set targets and outlining an action plan for targets not achieved.

- Approach to M&E.
- Use of results from previous year's performance.
- Alignment of strategic priorities with previous Strategic Plan and Annual Performance Plan?
- Implementation of national priorities.
- Implementation of Strategic Skills Priorities from the previous planning cycle
- Production of the Sectoral Priority Occupations and Interventions List.
- Plans to improve skills planning, strengthen internal M&E function.
- Improve implementation.

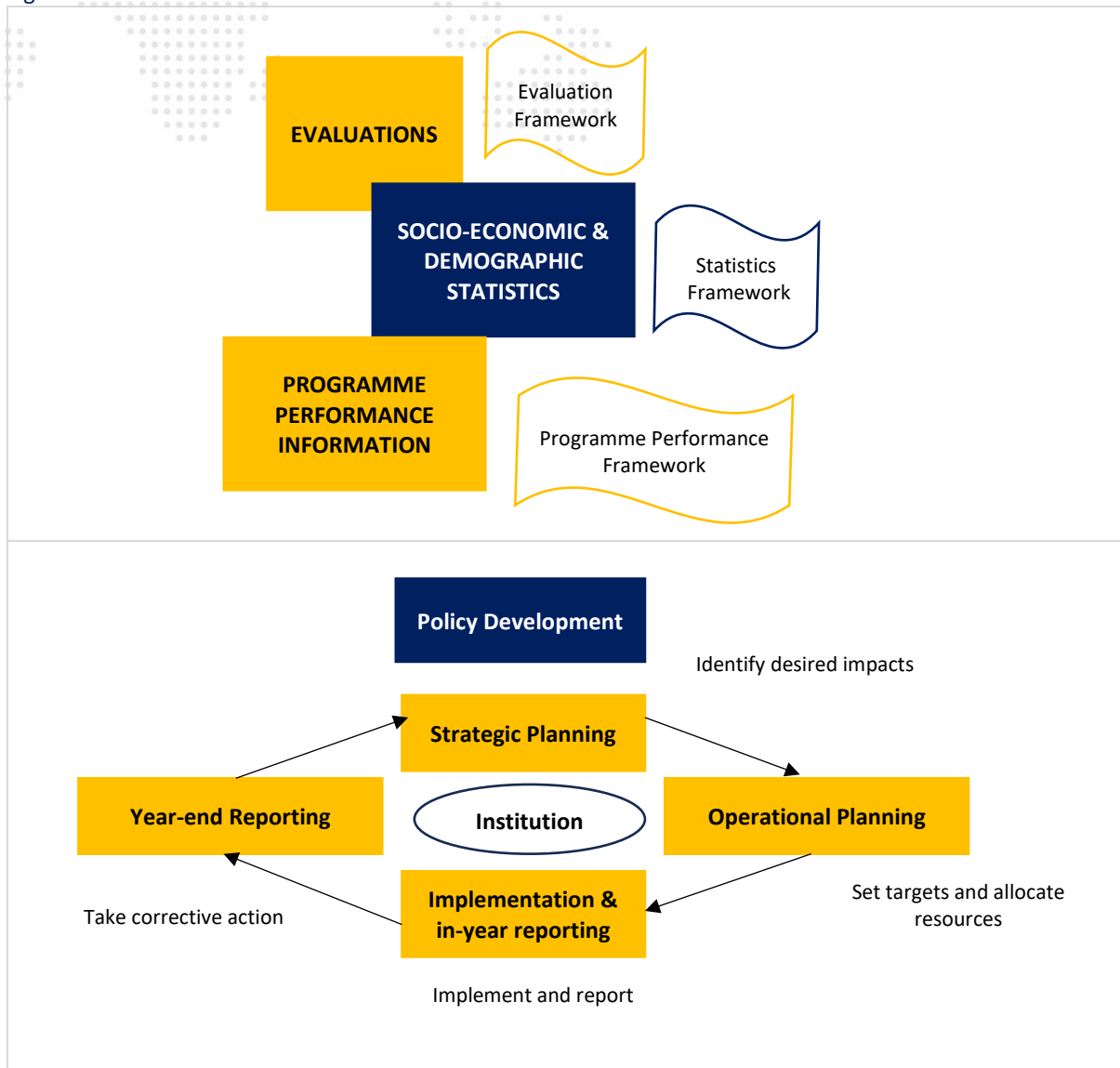
5.2. M&E APPROACH

In 2019, the government published a revised National Policy Framework that sets out the requirements for government entities, including SETAs, to implement effective and reliable monitoring and evaluation processes. The INSETA has established an M&E unit within its projects department for M&E. Through a performance-based budgeting process, the INSETA accounts for its resource allocation and expenditure.



The INSETA approach follows the Government-wide M&E framework:

Figure 32: Government-wide M&E framework



Source: National Treasury

The M&E system has three components:

- Programme performance information
- Social, economic and demographic statistics
- Evaluations

The steps involve establishing baseline information about a policy/programme, engaging in strategic planning, conducting operation planning (set performance targets, budgets and indicators), establishing in-year reporting protocols, and end-year reporting. Performance information is available to managers at each stage of the planning, budgeting and reporting cycle so that they can adopt a results-based approach to managing service delivery. This approach emphasises planning and managing with a focus on desired results and managing inputs and activities to achieve these results.



The Department of Higher Education and Training Monitoring and Evaluation Framework (DHET-M&EF), Version: 07 February 2019, states that in response to growing national and international calls for greater transparency and accountability on the use of public funds to achieve results, the DHET seeks to strengthen both its M&E systems as well as the utilisation of information from M&E to address those factors hindering service delivery and to seize opportunities for further growth and development.

The DHET, National Skills Authority (NSA), and all the 21 Sector Education and Training Authorities (SETAs) took a deliberate decision to focus on the strengthening of monitoring and evaluation (M&E) for SETAs as they are required by several policy frameworks to have an M&E framework and to implement it to meet the mandate of both the departments. M&E is not just a technical activity but provides a strategic direction, which is key for decision-making. M&E is a tool that ensures that the priorities, objectives, and processes with the SETA are aligned with intentions.

The INSETA has a division called Organisational Planning Data and Reporting which looks at the monitoring and evaluation of the Discretionary Grant (DG) process, including the projects that emanate from the application by employers. DG Committees ensure that the DG applications are evaluated and adjudicated before the CEO approves. Upon approval by the CEO, the departmental managers issue the recommendation letters, and a contract is signed between the employers and the INSETA. Furthermore, an implementation process takes place. In cases where the employers are first-time applicants for the INSETA DG, they get approved pending a site visit. The INSETA will then conduct a site visit as a mechanism of M&E. INSETA also conducts an impact assessment for the learners enrolled and completed its programmes.

5.3. USING RESULTS OF PREVIOUS PERFORMANCE

Past and current performance is monitored, evaluated and mitigated by complying with Treasury regulations.

Figure 33: Planning, budgeting and reporting



Source: National Treasury



The INSETA's Strategic Plan (SP) and Annual Performance Plan (APP) are monitored by the Board and the DHET through quarterly performance reports. At the end of the financial year, the Accounting Officer compiles annual financial statements. All information in the Annual Report feeds into an annual review and oversight process involving the Board. Recommendations are made for future performance targets, which feed into the planning and budgeting process for the following year.

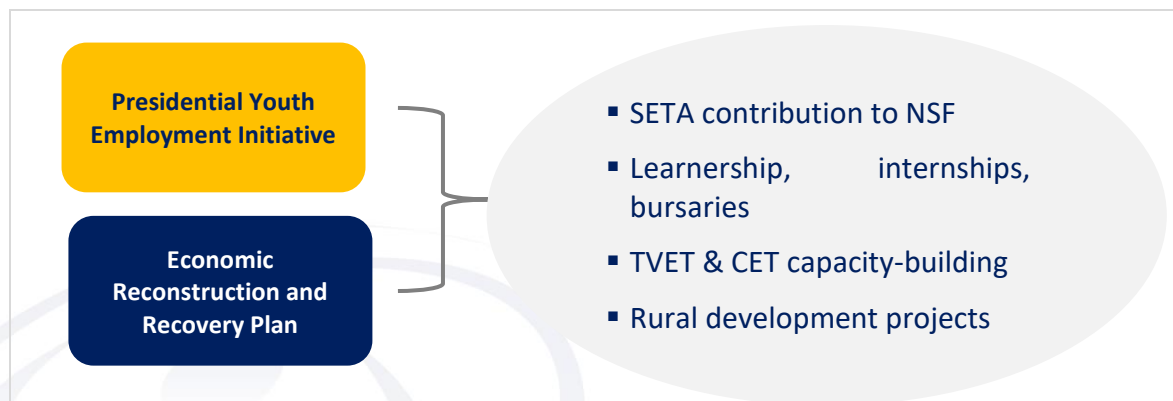
5.4. ALIGNMENT OF STRATEGIC PRIORITIES WITH PREVIOUS SP AND APP

The previous SP and APP identified ten strategic action priorities, which are captured in Chapter Six of the SSP:



5.5. IMPLEMENTING NATIONAL PRIORITIES

Refer to Chapter Four for information on implementing national priorities. The INSETA is supporting national priorities in the following way:



5.6. STRENGTHENING THE INTERNAL M&E FUNCTION

From consultations with INSETA managers, the following suggestions will strengthen the M&E function:

- Addressing unclear institutional arrangements with service providers, beneficiaries and project owners.



- Build internal staff capacity to manage the M&E process department-wide.
- Participation of employers with influence helps with the buy-in and ownership and maximises the likelihood of implementation of the programme.
- There must be oversight and coordination of the M&E system from the Board and senior management.
- The progress against the APP targets must be tabled at all Board meetings.
- Senior management must obtain regular feedback from managers on the progress of programmes/projects.
- Determine the root cause of failure to meet performance indicators in the previous financial year, e.g., insufficient budget, poor learner uptakes, slow DG approval process, or relevance of offered programmes to the needs of stakeholders.
- Develop plans to correct the root cause and set achievement milestones.
- Monthly monitoring of implementation and progress of proposed projects that report into the identified indicators.
- Monitoring reporting of performance against the indicators for completeness and correctness.
- Evaluating measures that were deployed towards meeting the targets.

Timeous planning is one of the key issues INSETA is focusing on to enable proper planning. INSETA has Executive manager planning sessions to unpack the strategic priorities, which are then cascaded down to the NSDS outcomes. After several strategic planning sessions with the managers and specialists, the performance indicators could be cascaded down into the respective division's performance contract, including the excellence model. This assists the INSETA in improving the skills planning and the organisation's culture.

Currently, INSETA has a process to conduct M&E through site visits for the companies that are the first applicants for DG. Furthermore, INSETA is conducting M&E on the existing companies identified by the respective division if the employer does not comply with the signed contract between INSETA and the employer. Given the above, INSETA, in a quest to strengthen its M&E, will include a clause of M&E in the DG contracts between the Employer and INSETA as a quarterly compulsory measure.

INSETA has been advertising its DG process in the second quarter of each financial year whereby the evaluation of the DG was taking place after the WSP/ATR has been submitted. That caused the delay in the issuing of the recommendation letters to the employers, and it was also causing a delay in the contracting process, which then led to the achievement being met in the fourth quarter. INSETA has resolved to advertise the DG process earlier to achieve 25% of the achievement quarterly. This will improve the implementation of the said strategic documents.

5.7. EVOLUTION OF MONITORING AND EVALUATION OVER THE PAST FIVE YEARS

The approach to monitoring and evaluation has evolved throughout the past five years, culminating to a clearer and more defined understanding of project management within INSETA's core divisions (Learning and Special Projects; Education and Training Quality Assurance (ETQA); Organisational Planning, Data and Reporting (OPDR); and Skills and Research). A notable evolution in developing M&E mechanisms at INSETA is the in-housing of



the INSETA Management Information System (MIS). Prior to 2022, the system was outsourced. The system in-housing has significantly increased independency and full control of INSETA data.

The parallel development process of the INSETA Enterprise Resource Planning system (ERP) and its integration with the MIS provided INSETA the ability to monitor mandatory grant (MG) submissions while linking the MIS to levy payment reports from the ERP system. Further MIS developments will be made for the learning and special projects divisions which will allow for a wholistic INSETA enterprise system that can monitor the skills functions regarding MGs; the Learning, Special Projects, and ETQA functions regarding learning programme implementation, completions, and certifications; and OPDR functions regarding performance indicator reporting and evaluation.

The utilization of tracer studies to inform planning has become more prominent and pervasive during the later years of the period 2019-2024. INSETA's plan of action for M&E is now explicit in spelling out the aspects that need to be improved to promote and advance M&E within the organisation. These will be contrasted against strategic priorities herein that would require to be monitored and evaluated as well.

5.8. CONCLUSION

INSETA believes there is a strategic link to M&E in supporting research and skills planning as the outcomes of M&E inform INSETA's decisions regarding where, how, and what to do to improve the process and quality of learning programmes and projects on an ongoing basis, to meet stakeholders' expectations. The INSETA Board and its sub-committees meet regularly to review reports presented by the Executive Management about the organisation's performance to provide oversight and guidance to management for meeting strategic outcomes. This elevates M&E to a strategic level, reinforcing the culture of M&E, and elevates its importance if INSETA is to meet its objectives and deliver on its mandate successfully.



CHAPTER SIX: STRATEGIC SKILLS PRIORITY ACTIONS

6.1. INTRODUCTION

The final chapter outlines the strategic skills priority actions that will feed into the Strategic Plan and Annual Performance Plan.

- Key skill findings from previous chapters
- Planned Strategic Priority Actions
- Measures to support the change drivers
- Recommendations and conclusion

6.2. FINDINGS AND SKILLS INSIGHTS FROM PREVIOUS CHAPTERS

The following findings and skills insights emerged from the preceding chapters.

Chapter One

Findings: SA has a complex, sophisticated, globally competitive insurance sector with deep financial markets. The country has the highest insurance penetration in the world. The sector is amid technological disruption. The sector is expected to grow by over 10% by 2029. These factors require the INSETA to adopt an innovative training agenda to address latent skills demand.

Skills Insights: Insurers are investing in technology to be competitive and productive. The demand for skills is growing in IT occupations, with more IT professionals such as software developers, programmers, network technicians, multi-media experts, and cyber-security professionals hired. The demand is fueled by cloud computing, Big Data, AI and machine learning. Data analytics and understanding regulations are a must for all employees.

Chapter Two

Findings: Technology is the major disruptor reshaping business models, distribution channels, customer interfaces, marketing and sales, payment systems and skills priorities. The political instability, energy crisis, public service deterioration and crime are braking economic and employment growth. Hence, the country is unable to arrest unemployment.

Skills Insights: The INSETA should develop a technology skills strategy that will provide a roadmap to build the technological capability of employees and employers, especially small employers. Unemployed youth graduates can be recruited to build employers' IT capacity through internships since youth tend to be tech-savvy. The Just Energy Transition (JET)



skilling project is a platform for employers to participate. Compliance training is part of the professional designation requirements of advisors and brokers.

Chapter Three

Findings: The sector is experiencing skills-biased technological change (SBTC). Therefore, there is a demand for occupations with higher skill intensities. The occupation clusters in demand fall largely in the STEM categories with the absorption of actuaries, data scientists, data analysts and a range of ICT occupations. The “bread and butter” occupations of brokers, salesmen, assessors, loss adjusters, claims administrators, wealth managers and investment advisors will require upskilling to keep abreast of regulations.

Skills Insights: The occupations required currently, and in the future (refer to Chapter 3), are essentially tertiary qualifications. Therefore, the INSETA must extend its university bursary programme to meet demand. Micro-learning, leading to micro-credentials, is suited for employees. It will increase the training rate at a lower training cost. A feasibility study to assess micro-learning potential should be conducted to increase the training scale.

Chapter Four

Findings: The SETA has partnerships with SMMEs, large employers, CSOs, trade unions, professional bodies, SDPs, TVET Colleges, CET Centres and HEIs. These partnerships cover goals 1-8 of the NSDP. There are also partnerships to address the ERRP, JET, DDM and PYEI focusing on training unemployed youth. The INSETA has partnerships with several universities and TVET Colleges.

Skills Insights: The current partnerships address sectoral, national and local priorities. Partnerships with other SETAs support the DDM. Although insurance is staffed heavily by graduates with tertiary qualifications, the INSETA can play a bigger role in making TVET College students aware of opportunities in insurance. The INSETA should consider supporting financial literacy and inclusion training through TVETs and CETs.

Chapter Five

Findings: The INSETA has an M&E unit within its projects department and accounts for its resource allocation and expenditure via a performance-based budgeting process. The INSETA M&E approach follows the Government-wide M&E framework. The Board and the DHET monitor its SP and APP through quarterly performance reports. The INSETA supports national priorities such as the PYEI and the ERRS, e.g., through learnerships and bursaries.



Skills Insights: The outcomes of M&E inform INSETA's decisions in perpetually improving the process and quality of learning programmes and projects. The Board and its sub-committees meet regularly to review the organisation's performance reports, presented by the Executive Management. This elevates M&E to a strategic level, aiding INSETA to successfully meet its objectives and deliver on its mandate.

6.3. KEY STRATEGIC SKILLS PRIORITY ACTIONS

Based on the previous chapters, we have identified ten skills priority actions for the INSETA

Research and innovation

- The research priorities are the following:
- Extend research partnerships with universities beyond the DUT, WITs and UCT to develop responsive short courses, develop a body of knowledge, and conduct labour market research.
- Conduct a feasibility study to strengthen TVET and CET partnerships in terms of career guidance, learning offering and lecturer development.
- Identify new occupational qualifications.
- Conduct impact studies of INSETA learning programmes.
- Develop priority occupations and skills gap lists for SMEs and CFIs.
- Exploratory study of micro-credentials for insurance sector training.

Transformation and professionalisation of the sector

The following are the transformation and professionalisation priorities:

- Extend research partnerships with universities beyond the DUT, WITs and UCT to develop responsive short courses, develop a body of knowledge, and conduct labour market research.
- Conduct a feasibility study to strengthen TVET and CET partnerships in terms of career guidance, learning offering and lecturer development.
- Identify new occupational qualifications.
- Conduct impact studies of INSETA learning programmes.
- Develop priority occupations and skills gap lists for SMEs and CFIs.
- Support the professional and employer bodies to promote regulatory and compliance training.



Strategic partnerships for impact and responsive skills

The following are the **strategic partnership** priorities:

- Supporting national priorities – PYEI, ERRP and NSDP.
- Development of new occupational qualifications.
- Additional private sector support for disadvantaged students.
- Sharing resources with other SETAs by partnering on District Development Model projects.
- Increasing the INSETA footprint in public TVET and CET Colleges.
- Promote career guidance in schools and TVET Colleges.
- Rural development projects for sustainable livelihoods.

Support the sector with digitalisation

The digitalisation priorities are the following:

- Promote e-learning and micro-learning online platforms to make training widely accessible to employees for upskilling and reskilling.
- Offer short courses in data analytics to employees (using the DUT training course).
- Support the establishment of digital learning centres in rural areas.
- Develop an online learner management system for RPL assessments.
- Increase support for priority IT specialists in software, design, multi-media, UX experience, cyber security, networking, IT support, business intelligence and data analytics.
- Technical skills in cybersecurity, blockchain, cloud computing, artificial intelligence, predictive analysis, social media, digital marketing, open-source, and machine learning are in demand.

Support SMEs and CFIs

The following are the **SME and CFI** priorities:

- Increase WSP/ATR submissions from SMEs.
- Research the skills needs of SMEs and CFIs – occupations in demand and skills gaps.
- Promote entrepreneurship and business start-ups with young professionals.
- Promote compliance training and professionalisation.
- Implement women in management training programme.



Career guidance and career pathing

The following key skills issues emerge from the chapter:

- INSETA should priorities the Top 10 sectoral occupations and skills gaps based on the current WSP/ATR data.
- Career guidance and pathing interventions should incorporate the new skills lists.
- There should be an awareness programme to apprise employers of new and emerging occupations and skills needed in the future.
- Develop an alumni portal to track graduates in the sector.
- Make career guidance accessible in rural areas to promote careers in insurance.
- Partner with high schools to recruit maths and science Matriculants.

Employability and work readiness

The following are the employability and work readiness priorities:

- Increase learnership, internships and bursaries for youth, especially from rural areas.
- Promote career guidance in schools.
- Investigate the possibility of making graduates FAIS-compliant to encourage employment.
- Increase projects in rural areas and work with other SETA to implement the DDM model.

Support for public TVET and CET colleges.

The digitalisation priorities are the following:

- Increase footprint in TVET Colleges by sharing offices with other SETAs.
- Provide career guidance training to lecturers and students.
- Initiate a project for lecturer development and understanding of the insurance sector.
- Support the registration of new insurance occupational qualifications in TVET Colleges.
- Twin subject experts with lecturers for curriculum development.
- Offer management and leadership training to college managers.



Pursuing alternative funding sources

The following are **alternative funding sources** priorities:

- Convene events with insurers to acquire co-funding for learnerships, internships and bursaries for disadvantaged students through the Insurance Sector Student Fund (ISSF).
- Support the “missing middle” through funding sourced from the NSF and UIF.

Monitoring and evaluation

The M&E priorities are the following:

- Comply with the M&E requirements as per the PFMA and Treasury regulations.
- Conduct impact studies.
- Strengthen M&E capacity department-wide.
- Conduct M&E training with staff and service providers.



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01/08/2024										
SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SETAs' Pivotal Skills List/Sectoral Priority Occupations - Inseta	SPECIALISATION/ ALTERNATIVE TITLE	THE INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA
Inseta	2025-2026	2021-332102	1) Insurance Broker		Short-term insurance consultant	Offer training courses for managing a brokerage.	NQF LEVEL 4	y	150	150
Inseta	2025-2026	2021-332101	2) Insurance Agent		Insurance Underwriter Insurance Representative	Advanced training in new aspects of the three major categories of insurance, viz. short and long-term, and collective investments. Training in new facets of insurance and risk coverage and premium calculation.	NQF LEVEL 5	y	250	150
Inseta	2025-2026	2021-212101	3) Actuary		Actuary Manager Average Adjuster	Training of actuaries to undertake Moses testing, VBA & C++ programming, and risk calculations. Training of qualified actuaries to obtain long-term business experience.	NQF LEVEL 7	y	100	50
Inseta	2025-2026	2021-241301	4) Financial Investment Advisor		Financial Advisor Financial Planner	Advanced training in new aspects of the three major categories of insurance, viz. short and long-term, and collective investments. Training in new facets of insurance and risk coverage and premium calculation.	NQF LEVEL 6	y	50	50
Inseta	2025-2026	2021-431204	5) Insurance Claims Administrator		Claims Clerk Claims Analyst	Advanced training programmes on liability and audit insurance settlements. Acquiring further knowledge in statistical or actuarial data, bonds, and shares.	NQF LEVEL 4	y	100	100
Inseta	2025-2026	2021-431201	6) Insurance Administrator		Brokering Clerk Underwriting Clerk	Mandatory grant funding for training.	NQF LEVEL 4	y	100	100
Inseta	2025-2026	2021-121101	7) Finance Manager		Chief Accountant Chief Financial Officer	Managing the financial department in small insurance businesses.	NQF LEVEL 8	y	200	50
Inseta	2025-2026	2021-134911	8) Insurance Policy Administration Manager		Insurance Claims Manager	Mandatory grant funding for training	NQF LEVEL 4	y	30	30
Inseta	2025-2026	2021-331503	9) Insurance Loss Adjuster		Claims Assessor Loss Controller	Training candidates in credit management, analytical, and administrative skills.	NQF LEVEL 4	y	75	50
Inseta	2025-2026	2021-122101	10) Sales and Marketing Manager		Business Support Manager Key Accounts Manager	Training on planning and organising special sales and marketing programmes. Training on leading and managing the activities of sales and marketing staff. Training on determining price lists, sales promotion budgets and sales methods.	NQF LEVEL 6	y	30	30
Ms Lizelle van der Merwe		Ms Gugu Mkhize								
Inseta Board Chairperson		Chief Executive Officer								
Signature:		Signature:								
										
Date:										
01/08/2024										