

CHAPTER FIVE

STRATEGIC PLAN FOR SKILLS DEVELOPMENT

5.1 Introduction

The emphasis in the National Skills Development Strategy (NSDS) is multi-pronged with two main aims: to raise skills for economic development across all sectors and create employment to alleviate poverty. With the rapid expansion of Small Medium and Micro Enterprises (SMMEs) in the construction sector a daunting challenge faces the Construction Education and Training Authority (CETA) in the sphere of business-orientated education and training. This section briefly outlines the current challenges facing the SMME sector. In doing so it provides input on the improvements required to facilitate and fast-track opportunities for new entrepreneurs in the sector.

5.2 Objectives and strategies for the period

5.2.1 SMME involvement in training

The acquisition of relevant business and technical skills is generally regarded as one of the critical factors of success in SMMEs. Skills development is essential within the emerging SMME sector for it to develop effectively.

It is acknowledged that the sustainable growth and development of SMMEs has largely been constrained by a lack of resources within the firms themselves. One problem inhibiting successful training is that companies often do not have sufficient capacity when employees leave for training. This results in a conflict of interest between the immediate needs of the company versus the need to train and develop valuable employees. Often the employee is denied access to training because of the SMME's capacity constraints.

Other constraints facing the development and training of SMMEs centre on basic issues such as:

- Lack of access to finance
- Lack of awareness of skills development
- Lack of markets
- Lack of management skills
- Unsupportive institutional arrangements

Another significant factor is the lack of continuity of work tendered, which poses difficulty in undertaking learnership programmes with confidence, as the employer cannot guarantee employment for the duration of the learnership.

5.2.2 Construction Contracting

More than 69% of construction contracting-related companies participating in the skills development levy are SMMEs. This is a firm indicator of the business and employment opportunities created by the construction sector. Government has introduced a strategy to regulate the tendering process by instituting the Register of Contractors, administered by the Construction Industry Development Board (CIDB). It is envisaged that the register will streamline public sector delivery and provide a framework to ensure that black-owned and female SMME contractors participate in the mainstream construction economy. The register helps address the decline of skills and human resources development that is affecting the sustainable growth of SMMEs.

5.2.3 Construction Consulting

Construction consulting has always operated in an entrepreneurial sphere. Currently, about 89% of construction consulting companies participating in the skills development strategy are SMMEs. These extend across all built environment professionals. The main concern facing CETA is the sustainability of this sector. Close interaction among all the construction related professional bodies is paramount to address entrepreneurial skills development among new entrants in the market. Continued professional development and professional registration issues need to be firmly addressed to ensure an adequately trained pool of construction professionals.

5.2.4 Adult Basic Education and Training (ABET)

The construction sector is one of the major employment creation sectors, particularly at low skills levels where people who are physically fit embark on labour-intensive construction projects. A dedicated funding window is opened for facilitating literacy and numeric skills among workers and unemployed. Fundamental to the ABET programmes is integration of skills that will result in employment creation and poverty alleviation among communities. This means that CETA has to work closely with NGOs and CBOs as social partners in the skills development for poverty alleviation.

5.2.5 Conclusion

The close link between skills development for growth and sustainability is the main concern underlying the investment efforts by the state and private industry. The possibility of achieving equilibrium is much higher where there is concerted effort towards achievement of the same goal. In this case skills development is not only a means to economic growth; it is an end in itself. The construction sector largely derives its growth prospects from public spending; therefore the onus rests with private industry to meet the state's effort by mutually embracing the skills development and training policies.

