

#### **CHAPTER 5**

# ANALYSIS OF SELECTED CASES IN THE SOUTH AFRICAN PRIVATE SECURITY SUB-SECTOR

#### 5.1 INTRODUCTION

Discourse in the South African labour market has always been centred on the essentiality of skills development to ensure that economic growth is shared. It highlights serious skills disparity levels among South Africans to participate effectively in the socio and economic mainstream of the country. The Accelerated Shared Growth Initiative of South Africa (AsgiSA) addresses this discourse (Address of the Minister of Labour to parliament, August 2006) (Access<a href="http://www.info.gov.za/speeches">http://www.info.gov.za/speeches</a>: Retrieved: 17 August 2006). A notable development in the sphere of training and development is the alignment of the skills development strategy with government's economic and social programmes to a far greater extent than ever before. This alignment takes place against complaints from labour unions regarding the economic upswing in the first economy but with continuing conditions of joblessness and poverty in the second economy. President Thabo Mbeki has pointed out that in order for the first economy to continue to grow successfully and to be able to absorb more people from the second economy skills development has to be a priority (Address of the President of South Africa, Thabo Mbeki; to the first Joint Sitting of the third Democratic Parliament, Cape Town: May 21, 2004).

The labour market challenges that faced South Africa led to the alignment of the country's legislative environment with internationally accepted norms and standards. To this end, the Department of Labour responded by developing three Ministerial programmes of Action. The first Programme of Action ran for the period 1994 – 1999, the second ran from 1999 – 2004 and the third covers 2004 – 2009. All programmes were translated into Strategic Plans and associated work plans by the Department of Labour and each programme translated departmental policies that were developed during the same period into action. The first programme of action (between 1994 and 1999), which was the first cycle for the



South African democracy, was based on the pronouncement by the then President Rolihlahla Mandela when in his first state of the nation address he said:

"Accordingly, the purpose that will drive this government shall be the expansion of the frontiers of freedom. The acid test of the legitimacy of the programmes we elaborate, the government institutions we create, the legislation we adopt, must be whether they serve these objectives".

The call by the then President Mandela came at an opportune time as the Department of Labour was in a process of laying the foundation of an optimally functioning labour market through the process of intensive labour laws reform and the creation of appropriate institutions to support economic growth, job creation, labour market stability and social dialogue. Consequently, the Department of Labour proceeded to establish a new labour policy regime comprising a new Labour Relations Act, 1995 (Act 66 of 1995) Basic Conditions of Employment Act, 1997 (Act 75 of 1997) an Employment Equity Act, 1998 (Act 55 of 1998) and a Skills Development Act, 1998 (Act 97 of 1998) which is complemented by the South African Qualifications Authority Act (Department of Labour, 2004: 8).

The South African Qualifications Authority Act, 1995 (Act 58 of 1995), the Skills Development Act, 1998 (Act 97 of 1998), and the Skills Development Levies Act, 1999 (Act 9 of 1999) set out requirements for skills development for all South African learners. They place a responsibility on the registered employer to ensure that all its employees receive appropriate training, mentoring and appraisal and are enabled to obtain further qualifications appropriate to the work they perform. On one hand, the South African Qualifications Authority Act, 1995 (Act 58 of 1995) set out in detail the requirements that each Sector Education and Training Authority (SETA) as well as the training providers have to meet to satisfy accreditation conditions before they can partake in training activities. On the other hand, the Skills Development Act, 1998 (Act 97 of 1998), and the Skills Development Levies Act, 1999 (Act 9 of 1999) provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce and provide for financing of skills development by a levy-grant scheme and a National Skills Fund. Of particular significance are the requirements stipulated in the Employment Equity Act, 1998 (Act 55 of 1998) of each



SETA and Employer to meet the following training obligation: 85% blacks, 54% females and 4% disabled people.

In order to understand the dynamics through which legislation in the form of Acts and Regulations have shaped workforce development, it is essential to capture the implementation of the legislation by the private security industry employers. Debates on skills development in the South African labour sector take place in a climate of government performance against the challenge of skills shortage. Economists such as Abedian (2003:16) argue that the most powerful factor contributing to the current unemployment quagmire has been technological changes within industries and sectors transforming skills requirements across all occupations over recent decades. There are still severe shortage of skills in some economic sectors coupled with skills mismatch for adequate delivery for economic development. For the most part it is argued that South Africa today possesses a much more skills-intensive economy and its industries are a great deal more globally competitive, while existing jobs are far more sustainable and better paid (Abedian, 2003:16). It is further argued in skills development discourse that the current legislation has not addressed the skills needs of the South African economy. It is also argued that the skills development shortage is not addressed at the pace that is required by the fast growing South African economy.

This chapter, therefore, examines how three selected South African Private Security Subsector organisations, i.e. namely: Private Security Industry Regulatory Authority (PSIRA), Safety and Security Education and Training Authority (SASSETA) and private security businesses have influenced the pace of skills growth. The implementation initiatives (of the statutory framework for skills development) from the three financial years 2005/06 to 2007/08 are scrutinized to determine how the Private Security Sub-sector implemented the skill development legislation and whether the sector has achieved the skills development objectives set out in the skills development legislation by the government. How the skills development regulations have impacted upon the workforce will also be examined. Primarily, this chapter will identify how different organisations and employers have implemented the skills development legislation and how the legislation has impacted on the selected organisations.



# 5.2 AN OVERVIEW OF THE SKILLS DEVELOPMENT LEGISLATION IMPLEMENTATION EFFORTS IN INCREASING PRIVATE ENTERPRISE TRAINING IN SOUTH AFRICA IN THE POST-1994 ERA

Improvement of the economic development of the country as well as socio-economic improvement of conditions of the citizens has been among the South African government's priorities since 1994. In this regard, a number of initiatives were undertaken including developing legislation that seeks to address the skills shortage and unemployment in the country as a whole. In 2003, an overview of skills development over the period 1994 – 2004, which was conducted by the Human Sciences Research Council (HSRC) as commissioned by the Department of Labour as well as data collected by the Department of Labour on the impact of the first NSDS, from 2001 – 2005 confirmed that reasonable progress had been made in launching a new approach to enterprise training by the private sector in South Africa. The survey sought to assess among other issues, the training practises of enterprises, the profile of beneficiaries, as well as the factors that motivate enterprises to train, or inhibit training in the workplace (Department of labour, NSDS Implementation Report: 2003/2004).

### 5.2.1 A Synopsis of Training in Enterprises across Sectors in South Africa

The Skills Development Levies Act, 1999 (Act 9 of 1999) was developed to promote and operationalise the National Skills Development Strategy (NSDS) through the financing of skills development by means of a levy-grant scheme and a National Skills Development Fund. The first National Skills Development Strategy (NSDS) was launched in February 2001 (Ministerial Programme of Action: 2004/09). The strategy seeks to support economic growth for employment creation and poverty eradication, promote productive and equitable citizenship by aligning skills development with national strategies for growth and development and accelerated Broad-based Black Economic Empowerment (BBBEE). The strategy is critical in realising the government's goal of halving unemployment by 2014 by providing skills the economy requires (Strategic Plan, Department of Labour: 2006/09).

The results of the national training of enterprises across all sectors in South Africa as well as all size categories conducted (in small, medium and large private enterprises) during the financial year 2002/03 reflects progress with respect to National Skills Development Strategy in all sectors. The training rate of SETAs by sector, occupational category, race and enterprise size, training expenditure as a percentage of payroll by enterprise size as well as enterprises claiming grants revealed varying results. These results are summarised in Table 5.1 below:

Table 5.1: Private Sector Training Survey results 2002/03 (%)

	Small	Medium	Large	Average
Training rate by enterprise size	22	27	26	25
Training rate in by enterprise size and race	27 *(C)	33 *(W)	32 *(A)	28 *(A)
Training Expenditure as a percentage of payroll by enterprise size	1	1.1	2.8	2.1
Enterprise registered with SETAs by size	56	78	95	63
Enterprises claiming grants from SETAs by size	29	66	85	41
Enterprises having workplace skills plans by size	39	76	94	51

(Source: Adapted from Department of Labour; State of Skills in South Africa, 2005)

Table 5.1 reflects that the average access to training among permanent workers in private enterprises was 25%. This meant that 1 in 4 workers in South African enterprises received training in the 2003/04 financial year. The training rate for medium enterprises was the highest followed by that of large enterprises. According to the report, the training rate of African workers was the highest (28%). The higher training rate for African workers suggests that improved training access is beginning to benefit some former disadvantaged groups.

<sup>\*(</sup>C) - Coloureds; \*(W) - Whites; \*(A) - Africans



### 5.2.2 A Synopsis of National Training by SETAs in South Africa

In South Africa, expenditure on training within the influence of the levy-grant scheme is an important indicator of the extent to which enterprises have bought into the prescription of Skills Development Levies Act, 1999 (Act 9 of 1999). Expressed as a proportion of payroll for employers, expenditure on training is the key indicator of willingness to invest in developing the skills of their workers. The average expenditure on training as a percentage of payroll was 2.1% with large enterprises spending 2.8% which is a higher proportion than medium and small enterprises. This pattern of higher levels of spending on training in large enterprises compares favourably with international examples, where expenditure on training usually increases with enterprise size (NSDS Implementation Report: 2003/04). Investment in training was reported as differing among SETAs with the mining sector showing the highest average expenditure on training, followed by tourism and hospitality, and the transport sectors respectively.

Enterprises are required by legislation to register with SETAs that are in their areas of focus. One of the indicators of effectiveness of SETAs is the participation rate of firms in the levy – grant system as prescribed in the <u>Skills Development Act</u>, 1999 (Act 9 of 1999). The compliance rate of large enterprises with the registration requirement was very high at 95% followed by medium enterprises with 78%. This gives a clear indication that the SETAs are very effective in their implementation and promotion of government initiatives in skill development (NSDS Implementation Report: 2003/04). A core element for skills development by the government is the levy-grant scheme that incentivises enterprises to train their employees. For enterprises to qualify for claiming grants they have to train their employees as indicated in their Workplace Skills Plans (WSP)s and Annual Training Reports (ATR)s. Once again, the percentage of large enterprises that claim grants was the highest (85%) followed by medium enterprises at 66%. The trend was the same with the submission of WSPs to SETAs. Most large enterprises submitted WSPs (94%) followed by medium enterprises (76%). This is an indication that these enterprises include the planning of training in their planning processes (NSDS Implementation Report: 2003/04). It is evident that the overall participation of large enterprises in skills development training



initiatives of the government is the greatest, though the medium and small enterprises are also participating reasonably.

The support and close monitoring of training in the workplace proved to be successful in that South African employers are becoming more involved in the training and capacity building of their workforce. The most benefits are gained by large enterprises who invest more on training expenditure as well as compliance to skills development legislation. Although the high training rate of large firms could be seen as great benefit to the large numbers of employees trained, the R2,2 billion (92%) that was claimed by large and medium firms in 2005/06 financial year from the R2,3 billion mandatory funds that were received by SETAs poses a threat to the Small, Medium and Micro Enterprises (SMMEs) that are in need of skills and employment creating mechanisms (Keynote address of the Minister of Safety and Security, Membathisi Mdladlana, Skills Graduation Ceremony, Johannesburg, August 2006).

Compounding the above mentioned challenge, is the exemption as from August 2005 of companies with an annual payroll that is less than R500 000 from paying skills levies. This has resulted in a loss of 294 236 SMME companies from an original of 368 254 that were eligible for levy, a fact that reduced the number down to only 73 764 medium and large companies. The 80% reduction meant that levy funds available to support SMMEs has been dramatically depleted with the end result being SMMEs who need the skills most and very important in creating employment are going to become the biggest losers form the skills development initiatives unless a alternative source of funding is found (Keynote address of the Minister of Safety and Security, Membathisi Mdladlana, Skills Graduation Ceremony, Johannesburg, August 2006).

The level of skills development over the years has been less than desirable, especially for the previously disadvantaged black South Africans. In the rural areas which make up quite a big percentage of South African population (HSRC Pretoria, 2000), the situation is even worse with very few job opportunities due to lack of industrialisation and marginalisation of the former Homelands. One of the factors attributed to poor skills development is that not enough money was being spent on training in the past. The Skills Development Act, 1998



(Act 97 of 1998) now lays down regulations which prescribe how the skills development strategy should be funded. The <u>Skills Development Levies Act</u>, 1999 (Act 9 of 1999) serves to introduce a levy payment system to fund skills development. The act provides for the administration, imposition and recovery of the levy. It also deals with collection of the levy by SETAs and outlines how enforcement and compliance matters should be handled.

Contrary to the challenges of the past where less money was allocated and spent on training, the current challenge is failure to spend all funds collected through the levy system for training. This concern is captured by the Minister of Labour Membathisi Mdladlana who notes in a paper presented at the National Skill Development conference in October 2003 when R2,8 billion from unspent levies by the SETAS collectively;

"It is unacceptable that SETAs have such huge sums of unspent money when we have a critical shortage of skill in the country..... The recorded 2.8 billion rands (R2,8 billion) surplus from SETAs will have to be used for skill development immediately. I am told that SETAs nationally are sitting on a surplus....We must act now and develop the skills of our people before it's too late. The performance of the SETAs is not the same and some of them need a push".

The <u>Skills Development Act</u>, 2003 (Act 31 of 2003) as amended, gave the Minister power to act against poorly performing SETAs. The amendments are also aimed at ensuring that SETAs operate within a system of checks and balances while the central reason was to give the Minister the right to remedy the problems that had arisen within the SETAs. In the amendment, a new obligation for all SETAs was added to enter into Service Level Agreements with the Department of Labour that clearly set out performance outcomes. The amendments also allow the Minister to take steps if any SETA failed to meet its obligations in terms of these agreements. It gave the Minister the powers to instruct a SETA to remedy a problem, and if it fails to do so, then that will constitute grounds for the takeover of its administration. The <u>Skills Development Act</u>, 1998 (Act 97 of 1998) made changes to traditional training by creating new structures for training through funding incentives to encourage more training forms of learning programmes and proposed ways of assisting all people get skills and jobs. The responsibility for investing in training lies with individuals, business and the government.



The low growth in the economy, together with structural and technological shifts in the economy over the years contributed significantly to increased numbers of unemployed within the labour market (Ministerial Programme of Action; 2004 - 2009). The inability of these individuals to find employment made the country's unemployment problem structural in nature. Coupled with this unemployment, an unequal share of Black workers are reported to be under or unskilled and these jobless individuals lack the required skills to take up the primarily high skill jobs on offer. Contributing to employment creation and to the enhancement of skills development is an important part of the South African government's commitment to the reduction of poverty and to the increase of social and economic development of individual lives.

The first NSDS was followed by the second phase NSDS 2005 - 2010 which was launched in 2005. This strategy is very critical in realising the government's goal of halving unemployment and poverty and reducing inequality by 2014 by providing skills that the economy requires (Department of Labour; NSDS Implementation Report 2005-2006). During the launch of the first National Skills Development Strategy in 2001 the Minister of Labour committed himself to reporting annually on the progress in achieving the objectives of the strategy and has honoured that commitment.

#### 5.3 Skills Development Stakeholder Analysis

To present a balanced perspective of the implementation of the Skills Development Legislation in the Private Security Sub-sector of South Africa, it is important to examine stakeholders, agents and bodies that are involved in the implementation of skills development legislation. Since the launch of the NSDS1 in 2001 and the adjusted NSDS 2 in 2005, the majority of training providers that participated in the process and continue to benefit mostly from engagement with particular SETAs have been private training provides. Where public FET and HET institutions were involved these tended to be side projects that were happening in some obscure place between individuals or specific faculties and SETAs (Address of the Minister of Labour, Membathisi Mdladlana, NBFET



National Workshop, House of Parliament, Cape Town, August 2006). With that concern, the Minister urged these institutions to be part of the mainstream programmes in order to multiply the effort and increase the numbers of skilled artisans that the economy need.

The South African government has now adopted a strategy of collaborating in partnerships and alliances to improve skills development. The practical implementations espoused by the government involve interaction with stakeholders in and outside government. With collaboration, synergy and a common understanding on what it is that the government is trying to achieve across all institutions and bodies in education and skill development it is critical to compliment each other's initiative and multiply efforts in developing skills in the country (Address of the Minister of Labour, Membathisi Mdladlana, NBFET National Workshop, House of Parliament, Cape Town, August 2006). Training private providers are institutionalised through registration and accreditation by SETAs to offer approved courses that are registered on the National Qualifications Framework (NQF). The government is also empowering workers to become involved in their own training development. For example, workers are trained to form part of training committees and Employment Equity Committees at the workplace and to fully participate in the identification of training needs of employees (SASSETA WSP: 2005/06). A stakeholder analysis is depicted in table 5.2 below.

Table 5.2: Skills Development Stakeholder Analysis

Stakeholder	Role	Interest	Contribution
1.Department of Labour	<ul> <li>Development of legislation</li> <li>Development of National Skills Development Strategy</li> <li>Monitors</li> <li>Implement</li> </ul>	<ul> <li>Skills Development in the country</li> <li>Competent workforce</li> </ul>	<ul><li>Resources</li><li>Research</li><li>Guidelines for implementation</li></ul>
2. South African Qualifications Authority (SAQA)	<ul> <li>Develops legislation</li> <li>Develops the NQF</li> <li>Develops qualifications</li> <li>Accredits SETAs</li> <li>NLRD</li> </ul>	<ul> <li>Quality Assurance of all education and training</li> <li>Improving Quality of Standards and Qualifications</li> <li>Electronic Management Information System (EMIS) of the NQF</li> <li>To be the Source of key</li> </ul>	<ul> <li>Research</li> <li>Guidelines for implementation</li> <li>Compliance and Performance Audits of SETAs</li> </ul>



		data for the National HRDS  Recognition of Prior learning	
3. PSIRA	<ul> <li>Develops legislation</li> <li>Regulates training activities</li> <li>Regulates and exercises effective control over the practices of the occupation</li> <li>Determine the state of the implementation of skills development legislation in the sector</li> </ul>	<ul> <li>Regulated and compliant sector</li> <li>Competent and high performing sector</li> <li>Professionally developed workforce</li> <li>Improved service delivery</li> </ul>	<ul> <li>Research</li> <li>Guidelines for implementation</li> <li>Monitoring and Compliance Inspections</li> </ul>
4. SASSETA	<ul> <li>Accredit Training         Providers</li> <li>Quality Assurance of         training</li> <li>Develops Sector Skills         Plan</li> <li>Disburse Grants</li> <li>Registration and         Implementation of         learnerships</li> </ul>	<ul> <li>Skills Development of the Sector</li> <li>Institutional Development</li> <li>Competent and high performing sector</li> <li>Improved service delivery</li> </ul>	<ul> <li>Resources and support</li> <li>Research</li> <li>Guidelines for implementation</li> <li>Compliance and Performance Audits of Training Providers</li> </ul>
5.Employers	<ul> <li>afford employees opportunities to learn</li> <li>determine training and development needs</li> <li>plan, manage learning and career development</li> <li>participate in learnerships and skill programmes</li> <li>development of WSPs</li> <li>payment of training levies</li> <li>Establish training committees</li> <li>Employment of Skill Development Facilitators</li> </ul>	Employees' willingness to grow     Competent and high performing sector     Improved service delivery     Training grants	<ul> <li>WSPs</li> <li>Provide support and create a learning environment and opportunities</li> <li>Training levies</li> </ul>
6. Training Providers	<ul> <li>Provide quality training for development</li> <li>Assessment</li> <li>Ensure competent workforce</li> <li>Facilitate skills development</li> </ul>	<ul> <li>Contributions towards skills development</li> <li>Trained workforce</li> <li>Training for development</li> </ul>	<ul><li>Training and support</li><li>Skills and knowledge</li></ul>

(Source: Adapted from Human Resource Development Strategy for the Public Service; Skill Development for Transformation and Service Delivery: 2002/06)



#### 5.4 NATURE OF THE SELECTED SOUTH AFRICAN CASE STUDIES

The South African cases that have been selected for this study are public and private organisations. The public institutions fall under the Department of Safety and Security and report to the Minister of Safety and Security through the Director General. The private organisations have to register with the South African Revenue Services (SARS), with the Private Security Industry Regulatory Authority (PSIRA) who in turn report to Parliament through the Minister of Safety and Security. All the cases presented have their core business directly related to private security and their interactions are specifically focused on the Private Security Sub-sector. Their business interest and focus is legislated and they operate according to the prescriptions of relevant legislation.

It is worthwhile to examine the implementation of current legislative and regulatory framework for skills development by these organisations to determine best practices for reviewing and formulating effective, reasonable and realistic frameworks and to improve flawed legislation where it does exist. Further, regulatory frameworks are futile without adequate enforcement mechanism (Messner, 2008: 146). The need for good legislative and regulatory frameworks cannot be over emphasized. It is important for the industry to feel the need to be regulated because of its close to being policing or military in nature. In that case it will realise the incentives and benefits thereof as well as to understand them so as to be able to justify the basis of legislation and regulation. The discussions are based on activities from the following South African Safety and Security Industry organisations which are under the Department of Safety and Security:

- 5.4.1 Case Study One: Private Security Industry Regulatory Authority (PSIRA)
- 5.4.2 Case Study Two: Safety and Security Education and Training Authority (SASSETA)
- 5.4.3 Case Study Three: Selected Large, Medium and Small Companies in the Private Security Sub-sector.



### 5.4.1 Case Study One: Private Security Industry Regulatory Authority (PSIRA)

The Safety and Security Ministry has attempted, with some degree of success to regulate the training activities of the Private Security Sub-sector industry. This has ensured that the sector has capacity and skills while also acting within the law. Table 5.3 is a comparison of PSIRA regulatory objectives, initiatives taken and outcomes thereof:

Table 5.3: Comparison of PSIRA regulatory objectives, initiatives taken and outcomes thereof.

Objective	Initiatives	Outcomes
To regulate practises in the Private Security Industry	Provision for the governance of the Authority by a Council of persons who are independent of the private security industry  Promulgated an enforceable code of conduct for security service providers which prescribes the procedures for its enforcement	Promotion of a legitimate private security industry by exercising control over the security service providers.  Reduction in the number of scrupulous training business
To take such steps necessary to maintain standards of practise	Enforcing punitive measures on transgression of the code of conduct including differential penalties in respect of security service providers  Establishment of SAPS Monitoring and Auditing Unit	The protection of the rights of employee security officers.  The promotion and protection of the status of the occupation of security service providers.  Investigation of criminal cases related to PSIRA, successful arrests made.
To gather information relevant to one's occupation as a security officer in connection with persons who are security officers or applying for registration as such	The registration of applicant security service providers and applicant security officers  Development of a	Existence of a computerised data base /register of all security service businesses and security officers  The collection of accurate



	computerised data base consisting of all registered security officers and security businesses.  As part of this process the screening of all persons wanting to enter into the private security industry both as employers and employees.	information on the occupation of security service providers and the private security industry in general.  Screened and vetted applicants
*Promulgation of the Training Regulations (1992) made under the Security Officer's Act, 1987 (Act 92 of 1987)  To determine standards of training, and the promotion of the maintenance of those standards	Predetermined minimum criteria and guidelines for accreditation of security officer training establishments  Monitoring and evaluation of security officer training establishments in place  Quality assurance of all education and training in the industry by SAQA accredited ETQA (SASSETA)	Prohibition of rendering of security services by non-trained security officers  Prohibition on offering non-prescribed training courses  Prohibition of training by non-accredited training institutions and training instructors

(Source: Adapted from the <u>Security Officers' Act</u>, 1987 (Act 92 of 1987) and the Training Regulations,1992 made under the <u>Security Officer's Act</u>, 1987(Act 92 of 1987)

## 5.4.1.1 Regulation of Training in the Private Security Sub-sector by PSIRA

In 1987, The Minister of Law and Order, after consultation with the Security Officer's Board, under section 32(1) of the <u>Security Officer's Act</u>, 1987(Act 92 of 1987), made training regulations for the training of Security Officers. Since 1987, the Safety and Security Department, through the Private Security Industry Regulatory Authority (PSIRA) defined the primary objectives of the Authority. The primary objectives of the Authority are



to regulate the private security industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest and in the interest of the private security industry itself.

The training regulations for the training of Security Officers came into operation in 1992 (Regulations made under Section 32(1) of the Security Officer's Act, 1987(Act 92 of 1987). The training regulations set out to control and promote the training of security officers. In addition, it guided the PSIRA on determining different training levels for different categories or grades of security officers, and should for that purpose take into consideration such different categories or grades of security officers as may have been determined under the Wage Act, 1957 (Act 5 of 1957). The regulations suggested how the PSIRA should determine the contents of training courses which the Board regards as the most suitable for the training of security officers. They also give guidance on determination of different training levels for different categories or grades of security officers. In addition to the above, the regulations give instructional objectives to be achieved with regard to any training modules offered, determine the most suitable minimum time periods for the practical and theoretical training, respectively, determine the best methods and procedures for the testing and evaluation of trainee security officers, from time to time compile, amend or substitute, an Instructors' Training Manual (Training Modules) with respect to security officers of the relevant grades or categories.

As contained in the <u>Private Security Industry Regulatory Act</u>, 2001 (Act 56 of 2001), the PSIRA Board receives and evaluates applications from persons, boards, institutions or other bodies for accreditation by the Board as training establishments for the training of security officers. The Board may issue to any successful applicant for accreditation as a training establishment for security officers, an accreditation certificate in the form determined from time to time by the Board. It may also receive an application from any person for accreditation by the Board as a training instructor at any accredited training establishment for the training of security officers while able to issue to any successful applicant for accreditation as a training instructor at any accredited training establishment for security officers, an accreditation certificate in the form determined from time to time by the Board (Regulations made under section 32(1) of the <u>Security Officer's Act</u>, 1987(Act 92



of 1987). The regulations prohibit offering of non-prescribed training courses and allow no accredited training institution or accredited training instructor to offer any training course of which the contents do not substantially comply with the minimum criteria contemplated in regulations. Furthermore, the regulations prohibit the rendering of security services by non-trained employees (Annual Review, PSIRA: 2006/07)

At the end of every financial year the Private Security Industry Regulatory Authority (PSIRA) reports to the Parliament of the Republic of South Africa on its mandate of regulating. It accounts on how it has exercised effective control over the practice of the occupation of security service provision. The initiatives that are currently being undertaken and reported in the Annual Reports submitted for the financial years 2005/6; 2006/7 and 2007/8 are therefore analysed to determine the actual implementation of skills development legislation in the Private Security Sub-sector.

During 2005/06-2007/08, PSIRA conducted a number of inspections on existing security service providers as means of ensuring effectiveness and enforcement of legislation. Also, the additional purpose of these inspections was to check if compliance with regulations, registration and accreditation conditions was still being adhered to. These inspections led to a number dockets for contraventions of provisions of the statutory Code of Conduct for Security Service Providers. The charges mainly related to illegal underpayment of employees and general non-compliance with labour legislation, the deployment of untrained and unregistered security officers, as well as administrative irregularities (PSIRA Annual Reviews: 2005/06-2007/08). The nature and findings of inspections conducted will be discussed below.

To guide the Council in the implementation of training legislation as well as its business, PSIRA responded to a Strategic Plan that it had adopted. The strategic plan prioritised strategic objectives of promoting high standards in the training of security officers and prospective security service providers as well as compliance with legislation. (PSIRA Annual Review: 2006/07)



The State has significant interest in regulating training in the Private Security Sub-sector for a number of reasons. With an annual turnover of approximately R50 billion per year, the South African private security industry has made a significant mark on our country's economy. However, in such a big industry the importance of continuously improving its standards is paramount (Kempen: 2008). This growth of the industry poses major challenges, such as, the need to tighten the regulatory framework and to increase PSIRA's enforcement capacity so as to regulate the industry more effectively (PSIRA Annual review: 2006/07). Over and above this, the sector being in the safety and security sector has a potential for violence in its operations (even if in self-defense) and by its nature has to work within legal frameworks. The services provided by companies within the industry have the potential to affect the power projection capabilities of potential rivals within the industry, and the state finds it within its interest to regulate such power projection (Avant, 2005:65). Also, there is potential that the behavior of private companies in this industry could affect the reputation of the state. For these reasons, and more, it is reasonable that the state would seek to regulate the private security industry to ensure that it is equipped with critical skills and compliance to legislation.

### 5.4.1.2 Training Regulatory Law Enforcement by PSIRA

The PSIRA is responding to the need to regulate the private security industry by ensuring compliance to skills development regulations and legislation. It investigates challenges and non-compliances in the sector by conducting monitoring, inspections and audits of Security Businesses in all South African Provinces. These compliance audits expose businesses that contravene the provisions of the statutory Code of Conduct for security service providers (PSIRA Annual Review: 2006/07). These include offences such as operating businesses without registration, employing untrained and unregistered security officers, illegal underpayment of security officers, compliance with labour legislation and criminal offences. With each non compliance reports are produced and dockets are opened and follow ups are made according the punitive action that needs to be taken.



Table 5.4: Audits conducted and improper conduct investigation dockets opened within the period of 2005/06 – 2007/08

	Audits conducted	Dockets opened	% non compliance
2005/06	6527	1738	26.6
2006/07	6377	1480	23
2007/08	6874	1433	20.9
AVERAGE:	6592	1550	23.5

(Source: Adapted from PSIRA Annual Reviews: 2005/06 - 2007/08)

Table 5.4 reflects that the percentage of non-compliances improved from 26.6% to 20.9% over a period of three years. The reduction in non-compliances is an indication of growth in awareness and compliance to legislation by the sector.

The <u>Security Officer's Act</u>, 1987 (Act 92 of 1987) through a Government Gazette Notice 2399 with effect from the 1 April 1991, prohibited any person from rendering security service unless that company or close corporation is registered with the Board as a security company. Over and above this requirement, no employee of a person rendering a security service shall allow that he or she be used in the course of his/her employment for rendering a security service unless he/she is registered with the Board as a security officer. This section of the Act clearly indicates the controls and monitoring responsibilities that are placed on the Board to ensure compliance to legislation. It is for that reason that inspection and monitoring of service providers centers on different types of inspections.

As an important step in ensuring the capacity at PSIRA, the Council initiated a human resource audit of the Authority. The audit entailed a structural assessment of the organisation, including staffing requirements and the appropriate grading /remuneration levels. The Audit was also intended to inform the Council on whether the organisation in its various staffing positions, has the requisite skills to best discharge its mandate. With the enormous task of having to regulate such a huge and fast growing industry, it was also important for the human resources audit to inform the Council on any possible misalignment between skills and positions for immediate rectification (PSIRA Annual review; 2005/6). As a result of this audit, the Law Enforcement Division has been given



priority attention by giving it additional resources. Additional inspectors were employed and the vacant positions for branch managers at provincial branches were addressed. Support staff was also increased for administration work.

Routine inspections were conducted at centers run by accredited training providers as well as at other centers following changes of address, which led to the approval of some centers concerned. Results of the 2005/06 to 2007/08 inspections are summarised in Table 5.5 below.

Table 5.5: A breakdown of the type of inspection conducted from 1 April 2005 to 31 March 2008

	2005/06	2006/07	2007/08
Total number of routine/regulatory/training/ infrastructure/accreditation/ Inspections conducted	6527	6377	6874
First-time inspections	1334	1242	1503
Triggered inspections	1862	1643	1630
Infrastructure inspections	977	765	1404
Total	10700	10027	11411

(Source: PSIRA Annual Reviews: 2005/06 - 2007/08)

The first-time inspections referred to above relate to the inspection of businesses that have not been subjected to an inspection since their date of registration. These businesses are newly registered businesses. Triggered inspections relate to inspection of businesses that that have been reported through complaints made via the help desk and telephonic, written or personal complaints, the Internet, newspaper articles and debtor clerks at PSIRA (PSIRA Annual Reviews 2005/06-2007/08).

Over the period under study, the number of inspections conducted has increased. The highest number of inspections conducted was on triggered inspections. There was an increase in the number of complaints received from the industry players themselves about non-compliant practices in their own ranks. This indicates an increase in self-regulation within the industry as well as a positive result of more effective regulation and greater



compliance (PSIRA Annual review: 2006/07). Furthermore, this increase in complaints received reflects greater accountability to the marketplace. This also indicates growing levels of awareness among consumers of private security services about the rights and obligations of consumers vis-à-vis those of the service providers. Marketplace accountability is a means of holding the private security industry liable for its conduct. The PSIRA Law Enforcement Division ensures that its operational policy prioritise following up on complaints and infrastructure inspections, after which attention can be given to other complaints. Routine inspections were conducted, depending on the particular area visited, on the basis of when last an inspection of a particular security service provider was conducted.

At the core of the implementation of skills development legislation is a need for a strong commitment by all service providers to ensure that they continue to strengthen the most important vehicle available to the state to achieve its goals for changing the Private Security Sub-sector skills development. Service providers have to ensure that skills within the sector are increased to improve productivity and the competitiveness of the industry. For the private security service providers to deliver on their mandate of provision of high quality service they must be guided by the ethos of excellent service delivery and the quest to empower the individual employees as well. It is in that regard that to ensure excellent service delivery, inspections conducted focused on different aspects of compliance requirements such as routine, regulatory, training, infrastructure, and accreditation inspections.

In a Budget Votes 22 and 20 speeches of the Department of Safety and Security, presented by the Minister of Safety and Security and Independent Complaints Directorate, Charles Nqakula, MP, at the National Assembly, Cape Town, 4 June 2008, a concern was raised that the last few years have seen the mushrooming of private security companies. According to the Minister (4 June 2008), some of these companies are guilty of non-compliance with the laws of the country, including labour legislation resulting in mal-practices such as the exploitation of workers. To deal with this problem, a commitment to strengthening the legislative and regulatory framework within which the private security companies operate was made. In his speech, the Minister of Safety and



Security and Independent Complaints Directorate, further committed that the powers of the secretariat for the Department of Safety and Security will be extended to allow the monitoring the activities of the private security companies in conjunction with the Private Security Industry Regulatory Authority (PSIRA).

An outline of the categories of private security businesses that are registered and inspected by PSIRA is depicted in Table 5.6 below:

Table 5.6: Category or Class of Security Service Provider that are registered and inspected by PSIRA

1.	Commercial/Industrial/Residential/Guarding or Patrolling
2.	Assets in transit
3.	Close protection Services
4.	Reaction and response services and monitoring signals from security
	equipment (control room)
5.	Ensuring safety and order on premises (special events)
6.	Car watch or related activities
7.	Providing advice on the protection of persons/property (consultants/advisors)
8.	Installing, servicing or repairing security equipment
9.	Private investigators
10.	Providing security training or instruction as well as accreditation
11.	Providing the services of a locksmith
12.	Making persons or their activities available for the rendering of security service
	(labour brokers)
13.	In-house
14.	Manufacturing, importing, distributing or advertising of monitoring devices

(Source: PSIRA Annual Review 2005/06)

Given the reality of the problem of non-compliance, it is reasonable that PSIRA would seek to clearly define and categorise security service providers that need to be regulated and monitored. In that regard, the Training Regulations clearly listed the Security Service Providers that needed to register and prescribed how they should be evaluated. The PSIRA then prioritised the monitoring of all the listed categories of private security business to ensure compliance to legislation.



During the period under study, PSIRA inspected a number of different categories of security service providers nationally. The numbers of businesses inspected for routine purposes of compliance to training regulations, availability and suitability of infrastructure and for purposes of accreditation are listed below in table 5.7:

Table 5.7: Statistical information on the different categories of security service providers inspected by PSIRA nationally during the financial years 2005/06-2007/08

	2005/06	2006/07 2	007/08
Provinces	Total Numb /Training/Infras conducted per	structure/Accredita	itine /Regulatory ition/ Inspections
Gauteng	2523	2314	2185
Mpumalanga	431	438	644
Limpopo	485	493	486
North West	418	409	333
Free State/ Northern cape	447	389	382
Western Cape	1060	1017	957
Eastern Cape	382	485	365
KwaZulu Natal	781	832	1522
Total	6527	6377	6874

(Source: PSIRA Annual Reviews 2005/06-2007/08)

The trend that has emerged from these compliance audits indicates that there has been considerable improvement with respect to registration of security service providers, registration of security officers and course reports from the financial years 2005/06, 2006/07 and 2007/08. Analyses of the registration records from the audits reflect steady progress with respect to growth of the industry as well as compliance to legislation (PSIRA Annual Reviews: 2005/06-2007/08). The results are summarized in Table 5.8 to 5.12 respectively:



Table 5.8: Growth of the industry in size from 2005/06 to 2007/08

	2005	2006	2007	2008	% growth
Active registered security/guarding/Cash	9 648	10 543	10 961	13 086	73
in Transit/armed response businesses					
Active registered security officers	288, 686	296, 901	307,343	339,108	85
Registered security officers (active &	918,533	982,396	1,083,659	1,197,593	77
inactive)					

(Source: PSIRA Annual Reviews -2005 /06; 2006/07 and 2007/08)

Table 5.8 reflects the actual number of Active registered security/guarding/Cash in Transit/armed response businesses, active security officers and registered security officers (active & inactive). A statistical comparison of financial years 2005, 2006, 2007 and 2008 reveals that there is a steady and consistent increase of companies that are compliant to legislation. In particular, the categories of security companies and security officers that are listed above show compliance with registration requirements.

Nine thousand six hundred and forty eight (9648) security service providers were recorded on the PSIRA's register as at 1 April 2005 as compared to 13086 active registered security businesses as at 1 April 2008. This represents an increase of 73% of security service providers in a period of three years. With respect to active registered security officers, 288,686 were recorded in the register of security service providers as at 1 April 2005 as compared to 339,108 active registered security officers as at 1 April 2008 with an increase of 85% in three years. With respect to registered security officers (active and inactive), a further 918,533 were recorded as at 1 April 2005 as compared to one million, 1,197,593 recorded in the PSIRA register as at 1 April 2008 indicating an increase of 77% in three years.

While it is clear that a lot of work has been done in terms of developing a legislative framework for skills development for the Private Security Sub-sector, the test is always in the successful implementation and effective translation of legislation into strategic plans and implantation thereof. In light of the above claim from Tables 5.7 and 5.8, it can be argued that effective implementation and enforcement of legislation has yielded better results in terms of achieving PSIRA strategic objectives. Strong and timeous monitoring



and adequate intervention through regular audits of business practices enabled the PSIRA to meet the desired goals and continuous improvement. Clearly, it is evident that some progress is being made in this regard, but the fact that there are dockets opened after each audit session indicates some transgressions that need to be looked at closer for the purposes of credible business practice and for the protection of sector reputation. This means that not only is the sector enforcing the registration requirements and prescriptions, but comprehensive monitoring is also being effected through regular audits and inspections. This indicates vigilance on the part of the implementers of legislation.

With response to the PSIRA strategic objective of promoting high standards of training of security providers and prospective security service providers, accredited security training centers were monitored through different types of audits. These audits included classroom capacity, adherence to the occupational Health and Safety Act, accreditation, and course content. Another area of concern that was highlighted in the Ministry of Safety and Security and Independent Complaints Directorate is that the conditions of service of workers in the industry that leave much to be desired (Budget Vote 22 and 20, speech by Charles Ngakula, MP, Minister for Safety and Security, National Assembly, Cape Town; June 2008). The Minister complained about recruitment practices in the industry that are said to be erratic, thus exposing the industry to possible infiltration by criminals. Flowing from challenges posed by weaknesses in the recruitment process, the private security industry discussed with the Ministry for Safety and Security and the police, the necessity to subject the industry to security vetting, in terms of the recruitment processes as well as the vetting of the service providers. The issue of vetting of service providers as well as lack of continuous evaluation and vetting beyond the initial process were also raised as a concern.

It is reported that the Private Security Sub-sector has also borne witness to a number of incidents of training by illegitimate, non-registered and non-accredited training providers (PSIRA Annual Review: 2005/06). In view of this past practice, it is important that role players in the sector guard against illegal practitioners while genuine service providers continue with their positive work unrestricted. The audits conducted covered the period from 1 April 2005 to 31 March 2008 as set out below. The security businesses audited



were categorized according to large, medium and small businesses. For the purpose of this statistical information, a small business is regarded as employing fewer than 20 security officers, a medium one, 21 to 50 security officers and large one, 51 and more security officers:

Table 5.9: Statistics on inspections conducted at large, medium, and small private security companies from 2005/06 to 2007/08

	2005/06	2006/07	2007/08
Small Businesses	3302	3314	4152
Medium Businesses	1142	1168	804
Large Businesses	1106	830	514
Infrastructure & capacity	977	1065	1404

(Source: PSIRA Annual Reviews: 2005/06 to 2007/08

Efforts to promote ethical practices constitute an important aspect of the skills development legislation implementation process. According to the PSIRA Annual Reports (2005/06 – 2007/8), the inspected businesses mentioned above in table 5.6 were obliged to comply with a Code of Conduct prescribed under Section 28 of the <u>Private Security Industry Regulation Act</u>, 2001 (Act 56 of 2001) by the Minister of Safety and Security. The code of conduct is legally binding on all security service providers, irrespective of whether they are registered with the Private Security Industry Regulatory Authority or not. For instance, all security service providers must comply with all obligations imposed by law on them aimed at the training and skills development of their employees. They are required to, before employing any person as a security officer, take all reasonable steps to verify the registration status as security service provider, level of training, qualifications and all other relevant facts concerning such a person.

Improper conduct by a security service provider includes contravention of a provision of the Act, committing of an offence contemplated in the Schedule to the Act, failure to comply with a provision of the Skills Development Levies Act, 1999 (Act 9 of 1999), failure to comply with a provision of the Code of Conduct (2003), and being guilty of improper conduct and on conviction liable to various penalties prescribed in the Code of Conduct

(regulation 25: 2003). These penalties include a warning or a reprimand; suspension of registration as security service provider for a period not exceeding 6 months; withdrawal of registration as security service provider; a fine not exceeding R10 000, which is payable to the Authority; publication of appropriate details of the conviction of improper conduct and any penalty imposed; or any combination of the above.

According to Chapter 3 section 11 (7) of the Code of Conduct, a security service provider must, at his or her own cost and as often as it is reasonable and necessary, but at least once a year, provide training or cause such training to be provided, to all the security officers in his or her employ to enable them to have a sufficient understanding of the essence of the applicable legal provisions regarding the regulation of the private security industry and the principles.

The Code of Conduct (2003) prescribes a number of obligations to Security Service Providers providing security training including provision of security training which is of a high quality, employing training methods and materials which are the most suitable in the circumstances in order to promote and achieve the officially approved outcomes. The training provider may only provide security training in terms of his or her own qualifications and official accreditation or authorisation, and must comply with every condition attached to such accreditation or authorization and must provide security training in accordance with all legal provisions applicable to such training. The enforcement of the Code of Conduct (2003) through inspections revealed the number of transgressions listed below. Improper Conduct Enquiries Regulations are incorporated into this Code.

Table 5.10: Improper conduct (breaching of Code of Conduct) investigations conducted by PSIRA

	2005/06	2006/07	2007/08	Total
Small Businesses	960	871	893	2724
Medium Businesses	350	259	252	861
Large Businesses	428	350	288	1066
	1738	1480	1433	

(Source: Adapted from PSIRA Annual Reviews (2005/05, 2006/07 and 2007/08))



With reference to the statistics in table 5.10 above, it is quite evident that measures are in place to apprehend transgressors for punitive action by the Council. The statistics show gradual decrease in the number of transgressions committed over the period under study from 1738 to 1433 with the majority of culprits being from small businesses.

The PSIRA Board compiled guidelines for the evaluation and monitoring of security officer training establishments (Training Regulations, made under the <u>Security Officers Act</u>, 1987 (Act 92 of 1987)). PSIRA published a document: with minimum criteria and guidelines for the evaluation of training establishments. These criteria and guidelines describe accreditation and registration requirements within the structures and processes required for implementing accreditation policies and mechanisms by training establishments. The accreditation of training establishments is therefore firmly based within the functions of PSIRA, which is tasked to ensure quality of learning provision and learning achievement.

While it is clear that a lot has been done in putting the skills development legislative framework together, the critical aspect is on the successful and effective implementation thereof. The seguel of this effective implementation is to leverage the opportunity presented by job creation, stimulating the economy, combating crime and promoting social cohesion. In an effort to ensure delivery and effective implementation, the government encourages collaboration among stakeholders in the Private Security Sub-sector. The ETQA Regulations (RSA, 1998) prescribed a principle of one provider one accreditation. To avoid duplication, this principle prevents training providers from dual accreditations by the Private Security Industry Regulatory Authority (PSIRA) and the Safety and Security Sector Education and Training Authority (SASSETA), since they were both involved in skills development in the Private Security Sub-sector. In that regard, an initiative was taken by these two organisations through a Memorandum of Understanding (MoU) signed between them, SASSETA and PSIRA. In terms of the MoU, SASSETA assumed the accreditation and quality assurance responsibility of all training conducted within the private security industry whilst the Private Security Industry Regulation Act (Act 56 of 2001) stipulates the requirement that all those who fall within the definition of "security service provider" (which includes persons providing training in the security field) must



comply with the registration provisions and be registered with PSIRA before becoming active in the industry.

The MoU also addressed the alignment of the PSIRA grades (the old training standards which the NQF is moving away from) to the SASSETA skills programmes that are made up of various SAQA registered unit standards. The communiqué also informed training providers who are registered with PSIRA and offering the grades and other specialised training as well as SASSETA-accredited training providers of the new proposed statutory training standards for the private security industry, and to advise the industry on accreditation procedures with SASSETA. Illustrated below in Table 5.8 is the alignment of PSIRA Grades with SASSETA NQF aligned Unit Standards:

Table 5.11: Alignment of Grades and other PSIRA programmes to NQF-registered Unit Standards that are accredited by SASSETA

1. Grades "E" to "C"	The qualification, General Security Practices, has been sub-divided into three skills programmes with a minimum skills entry-level requirement for each skills programme. The three skills programmes address (incorporate) the traditional PSIRA Grades "E - C" courses. This provides learner compliance with the PSIRA Act, 56 of 2001 and the opportunity of entering the workplace for a career in the private security industry.
2. Grades "B" to "A"	Unit standards on NQF level 3, 4 and 5 have been identified and clustered in two skills programmes. These skills programmes incorporate the traditional PSIRA grades "B – A" courses.
3. Specialists and other Security Services	Unit standards on NQF level 4 have been identified. In most cases, the minimum grades or equivalent skills programmes must be completed successfully prior to a learner entering the specialised field, i.e.  • Assets in Transit – Grade "C" or Skills Programme 3  • Reaction Officer – Grade "C" or Skills Programme 3  • Special Events – Relevant Skills Programme depending on the security service rendered  • Aviation Security – Relevant Skills Programme depending on the security service rendered
4. Electronic Security Industry	Unit standards within the following qualifications have been identified:  Electronic Security Practices (NQF level 4)  • Security Management and  • Electronic Security (NQF level 5) Electronic security equipment includes, inter alia, the following:  • Detection Devices;  • Audible and Visual Warning Devices;

5.Private Investigators	<ul> <li>Cameras;</li> <li>Monitors and Control Equipment;</li> <li>Control Panels;</li> <li>Electric and Mechanical Fire Safety and Fire Locking Systems and</li> <li>Security Doors and Door Controls.</li> <li>Unit standards on NQF level 5 have been identified and clustered in a skills programme for Private Investigators.</li> </ul>
6. Dog Handlers	Unit standards were grouped in clusters to develop skills programmes, in order to compare it with the current PSIRA "DH 1" to "DH 5" courses.

(Source: http://www.psira.co.za : Retrieved 20 October 2008)

On the part of this particular case study, cooperation between the two organisations PSIRA and SASSETA as well as a firm commitment to working together is shown through the joint MoU and Communiqués. The joint regular communiqués show well planned and communicated efforts and the sharing of a common goal, which stands a chance of being achieved. When inclusive and sound planning principles are not followed and, as more often than not, policies are fraught with discrepancies, they inevitably fail to achieve the desired results (Ile 2007:149). In this case study the critical mix for project efficiency indicates planning from both organisations with commitment to building the necessary partnership which has been managed through effective communication, which led to improved capacity and resource availability, thus helping delivery across the sector.

One of the most important issues in the PSIRA/SASSETA interaction was the alignment of and comparison between the accredited courses in terms of the Training of Security Officers Regulations, 1992 and the NQF Registered Unit Standard of the National Certificate in General Security Practices. This alignment is not only crucial to the recognition of prior learning, but also will determine the basis for the new statutory training qualifications for all security officers in the industry. The Authority alluded to the fact that it will, in due course, have to repeal the Training of Security Officers Regulation, 1992 and replace the minimum training requirements for security service providers with an outcomes-based system built on the unit standards and qualifications registered on the National Qualifications Framework (NQF) and quality assured by SASSETA. As stated



earlier, the alignment process will set the basis for new training regulations in the security industry (PSIRA Annual Report: 2006/07).

Other initiatives that have been undertaken by PSIRA include collaboration with SAQA and SASSETA to discuss the security qualification for an event especially in view of the 2010 Soccer World Cup, and the application of information technology for training providers presenting NQF-registered skills programmes (PSIRA Annual Report: 2005/06).

# 5.4.2 Case Study Two: Safety and Security Sector Education and Training Authority (SASSETA)

As the custodian of skills development in the Safety and Security Sector, the Safety and Security Sector Education and Training Authority (SASSETA) has an obligation to submit to the Department of Labour a Business Plan. This business plan is the basis on which the SETA sets annual targets, operational goals and performance standards, allocates its staff, and determines its budget. With the amendments to the Skills Development Act, 1998 (Act 97 of 1998), the powers of the Minister to regulate the SETAs performance were increased. The Service Level Agreements that are signed between the Department of Labour and the SETA are made mandatory and legally binding. The professional monitoring and review of SASSETA performance is now even more crucial.

The Ministerial Programme of Action (2004 - 2009) commits the Department of Labour to a Programme of Action that is focused on accelerating the effective and efficient implementation of government policies in the labour market. Accompanied by ongoing institutional transformation, the programme also entrusts the department with enhancement of service delivery as well as with the implementation, monitoring and evaluation of the impact of the government policies. These policies include skills development policies. In accordance with the <a href="Skills Development Act">Skills Development Act</a>, 1998 (Act 97 of 1998), the Minister of Labour established the Safety and Security Sector Education and Training Authority (SASSETA) as the institution that shall have the responsibility of implementing the Skills Development Legislation for the Private Security Sub-sector. Its approach to the implementation of its mandate is through the development and implementation of a Sector Skills Plan (SSP), promoting learnerships and registering



learnership agreements, accrediting training providers and collecting and disbursing skills development levies in the safety and security sector. In addition, SASSETA is required to liaise with the National Skills Authority (NSA) on the national skills development policy, National Skills Development Strategy (NSDS) and its Sector Skills Plan (SSP).

#### 5.4.2.1 Training rate of SETAs in comparison to International Trends

One of the indicators of effectiveness of skills development legislation is the measure of the distribution of access to training among workers. The training rate is a measure of the proportion of workers who received some form of training in a specified time period, and is expressed as a percentage. To enable a broader perspective of training, it is imperative that we first look at the training rate of the economic sectors as a collective so that a comparative analysis can be conducted. This exercise will give us an indication of how the training rate in the Private Security Sub-sector compares with the rest of the South African economic sectors.

Results obtained from a study conducted by the Department of Labour (2005: 32) revealed that the training rate among permanent workers in private enterprises was 25% (Table 5.12). This means that 1 in 4 workers in South African enterprises received training in the 2002/03 financial year. The training rate for medium sized enterprises was slightly higher than for large enterprises while that of small companies was the lowest. This finding pertains to training in enterprises through out South Africa. A comparative analysis of the training rate of South African enterprises, of SASSETA and that of the Private Security Sub-sector could reveal trends, common practises as well as contributing factors to the findings. This comparative analysis could also reveal best practise among the various sizes of enterprises in the Private Security sub-sector.

The above training results compare favourably with international trends in similar training. The above illustrated training rate compares with comparative data for the Organisation for Economic Co-operation and Development (OECD) countries. The South African private enterprise training rate measure is similar to that achieved by South Europe and countries such as Spain and Italy, but is lower than the Nordic countries, France and the United Kingdom.



Table 5.12: Participation rate of adult workers in training in selected OECD countries

Country	Measure				
	IALS	ECHP	CVTS	ESWC	National
	1994-1998	1998	1999	2000	sources
Australia	41,4	-	-	-	47,0
Germany	-	32,1	32,0	30,1	42,0
Ireland	26,2	21,2	41,0	30,4	-
Italy	28,4	12,2	10,0	20	-
Portugal	15,7	7,0	17,0	12,1	-
Spain	-	22,6	25,0	17,8	-
Sweden	59,2	67,1	61,0	26	45,0
United Kingdom	53,7	44,4	49,0	47,6	-
Unweighted	40,8	28,3	34,3	31,3	none
average:					

(Source: Department of Labour; State of Skills in South Africa: 2005)

The above comparison of South African training can be regarded as tentative as benchmarking the performance of South Africa against other counties in a meaningful way is difficult (Department of Labour; State of Skills in South Africa: 2005). The difficulty is attributed to the fact that measures of training are influenced by methodological, contextual, and cultural factors. It is these contextual factors that make comparisons cautious. At the same time, the training rate for the Private Security Sub-sector in South Africa falls within the very wide range of statistics on training in the OECD, and suggests that the South African training rate is roughly comparable to those achieved in some economies in Southern Europe and that South Africa is not such a bad performer in skills matters as is generally assumed (Department of Labour: State of Skills in South Africa, 2005: 33). The 2005/06 NSDS Implementation Report reports that the re-establishment of the SETAs most of the first quarter of 2005/06 was used to set up implementation systems and it is only on the second quarter that progress was realised.



# 5.4.2.2 Selective overview of skills development by the Safety and Security Education and Training Authority (SASSETA)

According to the Ministerial Programme of Action (2004 – 2009; 12), since 2001 about 3, 9 million workers have participated in structured training by all the twenty three SETAs. Of the 3,9 million, 2,2 million learners successfully completed their training. These learners benefited from new NQF aligned learning programmes, new approaches to implementing workplace-based learning and financial incentives. Of these learners, 7895 successfully completed learning programmes (learnerships and apprenticeships) during the period between 2005 and 2008 under SASSETA assisted initiatives (SASSETA Annual Reports; 2005/06 – 2007/08). Since the figure 2,2 million is the total output of the 23 SETAs, an average of 95,652 learners are supposed to have graduated from each SETA including SASSETA. Instead, only 7895 learners graduated from SASSETA during the same period which is far less than the average number (87,757 less).

The main priority of the Safety and Security Sector Education and Training Authority (SASSETA) as embedded in its mandate has been to implement the National Skills Development Strategy (NSDS) in the Private security sub-sector. The first objective of the NSDS is to develop a culture of high quality life-long learning for skills development for productivity and employment growth, for employability and assisting new entrants into the employment market. Through the National Skills Development Strategy, SASSETA has to ensure quality provision of skills development and qualifications in the safety and security environment through effective and efficient partnerships. In order to achieve this ideal, a comprehensive skills development system that enables access to training and development has been developed. SASSETA has developed a tool for enabling its stakeholders and staff to understand the SETA business objectives in all aspects of the organisation through a Business Plan (SASSETA Business Plan: 2005/06). These business objectives are outlined in Table 5.13 below. They are compared to the initiatives actually undertaken in the implementation of the skills development legislation as well as the outcomes thereof.



Table 5.13: Comparison of SASSETA skills development objectives, initiatives taken and outcomes thereof.

SASSETA Objectives	Initiatives by	Outcomes
OAGGETA OBJECTIVES	SASSETA	Outcomes
To develop a Sector Skills Plan (SSP).	A pre-designed tool from the Department of Labour is provided to SASSETA to provide its registered employers with a standard user-friendly tool for completion and submission of Workplace Skills Plans (WSP)s.	Records of training and development and assessment planned in preparation for implementation known for each year;  SASSETA Scarce and Critical Skills (priority skills) list are available to support ASGI-SA;  Employment trends, patterns of occupations, and skills needs of the sector are identified and training in the industry is prioritised accordingly.
To implement its Sector Skills Plan (SSP).	Learnerships are developed according to the skills needs identified in the SSPs. They are registered with the DoL.	Funds are made available annually.  Unemployed individuals and those with low level qualifications are provided with NQF registered Qualifications
To promote learnerships.	Assisting in the conclusion and signing of learnership agreements; Identifying workplaces for practical work experience; Funds are made available for the development of learning materials; Funds are made available for training and learner support.	Employers qualify for claiming tax break;  Employers also receive money for training per learner trained;  Learnership grants are received by learners;  Increase in skills pool for employers.
To collect and disburse the skills development levies in its sector.	Receive, process, approve workplace skills plans; Support of the NSDS objectives	Employers claim back a portion of their training levy through training grants annually;  Allocating discretionary grants in the prescribed manner to employers, education and



		training providers and workers.
To apply to the South African Qualifications Authority for accreditation as an Education and Training Quality Assurance body (ETQA).	Accredit training providers;  Monitoring and improving the facilitation of learning in the sector.	Shift towards quality training and learning.
To liaise with the National Skills Authority on policies, NSDS and SSP	SETA develops a Strategic Plan stating priority action areas over a specific time period;	Clear understanding of the magnitude of tasks and challenges that must be addressed
	SETA signs a Service level Agreement with the DoL;	Ensured delivery on the NSDS objectives.
To report to the Director- General on its income and expenditure, and the implementation of its Sector Skills Plan	Quarterly report is submitted to the DG	Ensured and monitored service delivery.

(Source: Adapted from SASSETA Sector Skills Plan (2006/07/08 Reviews))

# 5.4.2.3 Implementation of the National Skills Development Strategy (NSDS) by SASSETA

Thirteen years after the promulgation of the <u>South African Qualifications Authority Act</u>, 1995 (Act 58 of 1995) a growing number of organisations are recognising skills development as a key element for corporate success. Many employers in the Private Security Sub-sector see skills development as an integral part of the business that must permeate throughout the organisation and be linked to business strategy. Indeed, the submission of WSPs and ATRs to SASSETA by a number of employers indicates that progress has been made in integrating skills development into the management and business strategy of the organisations. The Workplace Skills Plans (WSP)s and Annual Training Reports (ATR)s have enabled the Safety and Security SETA to develop a Sector Skills Plan (SSP) for each year of submission to provide private security stakeholders with information that will guide their skills planning strategy at the workplace (SASSETA Sector Skills Plan, 2006 Review; ii).



The implementation of the Sector Skills Plan (SSP) by SASSETA has led to a number of initiatives to improve and redress skills development in the Private Security Sub-sector of South Africa. It is noted in table 5.13 above that the improvements in skills development are identified. The implementation of the Sector Skills Plan by SASSETA reflected very strongly the interrelatedness as well as the interdependence of its sub-sectors in terms of job functions enabling greater synergy in learnerships, utilisation of infrastructure, and funding of learnerships (SASSETA Skills Plan, 2006 Review; ii). According to the SASSETA Skills Plan (2006 Review) the synergy in learnerships and utilisation of infrastructure for its subsectors strengthens alliances in addressing the common purpose in skills development. The implementation and promotion of learnerships are given highest priority. Learnerships are meant to assume the central role in skills development while skills programmes play a supplementary role (The Tourism Learnership Project, 2002) (Access<a href="https://www.theta.org.za">http://www.theta.org.za</a>: *Retrieved: 01 September 2008*).

The National Skills Development Strategy (NSDS) which was developed to support the implementation of the skills development legislation has begun to have the impact of a strategic intervention towards the reduction in unemployment (Department of Labour, State of Skills: 2005). A serious challenge that SASSETA is grappling with is assisting designated groups, including new entrants to participate in accredited work, integrated learning and work-based programmes to acquire critical skills to enter the labour market, and self employment as demanded by NSDS Objective 4 (Table 5/15).

SASSETA succeeded to increase the number of learners that completed learnership training from 6965 to 9943 during the period under study. However, of the 9932 learners who completed, none were able to find placement in neither Employment nor Self Employment (SE) opportunities. Furthermore, of the 566 learners that were trained and mentored to form sustainable new ventures none operated new ventures or had their ventures still operating 12 months after completion of new programmes (SASSETA Annual reports: 2005/06 – 2007/08). While labour market policies do contribute to the promotion of decent work, they cannot themselves create jobs. A combination of properly harmonised macro-economic, industrial as well as labour market policies is necessary for ensuring that



the economy generates enough employment opportunities to reduce the rate of unemployment (ASGISA, March 2006).

A range of integrated approaches is required for success in job creation and for learners to enter the labour market. It is in that regard that the Expanded Public Works Programme (EPWP) has become one of government's primary initiatives for creating employment opportunities and work experience for the unemployed, so that workers can be gainfully employed. The programme started in April 2004 and six months thereafter about R1,5 billion had been spent on to ensure that EPWP meets its targets in terms of the number of work opportunities created. In its first year, at least 75 000 work opportunities were created in the first six months of the financial year while targeting 130 000 work opportunities by the end of the year (Minister Stella Sigcau, 2005). The EPWP is targeting 1,000,000 unemployed people by the end of 2009 in an initiative that is focused on improving the labour market, but has in many ways left the majority of citizens outside the fold of the job market.

The Department of Labour has an obligation to ensure that jobs are available for all Citizens. Over and above, the ruling party, the ANC committed itself to providing jobs for all citizens during its electioneering campaign. This large scale programme of the EPWP therefore, is structured to use labour intensive methods to upgrade rural and municipal roads, municipal pipelines, storm water drains and paving as well as fencing of roads, community water supply and sanitation, maintenance of government buildings, housing, schools and clinics, rail and port infrastructure, and electrification infrastructure to provide more jobs. The Private Security Sub-sector benefits in all the ventures as the security officer's services are utilised at all times in these initiatives (ASGISA, March 2006).

In examining the operational systems of training support by the SASSETA, the study has revealed that the <u>Skills Development Levies Act</u>, 1999 (Act 9 of 1999) aims to increase the amount of funds spent on education and training in the workplace and ensure that the money is well spent. It also sets up the rules for the collection of training levies. While only some employers have to pay the levy, every employer must register as an employer with SARS whether or not they are exempt from paying levy. This enables SARS to have a



record of every employer in the sector. SASSETA has a mandate of collecting the skills development levies in the Private Security Sub-sector and disbursing training grants that are claimed by employers in its sector. According to the SASSETA Annual Reports 2005/06 - 2007/08, Skills Development Levy income collected is as reflected below:

Table 5.14: Skills Development Levy income collected by SASSETA in 2005/06 - 2007/08

	2005/06 (Million)	2006/07	2007/08
		(Million)	(Million)
Employer Grants	39,860	54,302	63,596
Discretionary Grants	15,708	20,713	25,454
Project Expenditure	45,986	38,581	43,337
Skills Development Levy : Income	101,554	113,596	132,387

(Source: Adapted from SASSETA Annual Reports: 2005/06-2007/08)

Over the years there has been an increase in the skills development levy collected which is largely due to employer grants and discretionary grants. The table 5.14 above reflects this increase. The percentage increase in collected levy between the first two years was 11.9% and between the following two years was 16.5%. Of the collected levy, project expenditure remains stagnant i.e. R45m, R38m and R43m over the consecutive financial years (2005/06, 2006/07 and 2007/08). The government's programme of skilling the Private Security Sub-sector through the SASSETA has been promoted, and resources have been increasingly committed over the years to meet the desired goal. Between 2005 and 2008, of the R126m spent on projects, a total of R65, 730,000 budget was approved for Private Security skills development projects. An analysis of the SASSETA project portfolio matrix reveals that of the R65, 730,000 budgeted for projects R10, 253, 956 was spent in 2005/06, R25, 482,720 was spent in 2006/07 and by January 2007, R32, 017,280 was unspent (SASSETA Board Report: Dec 2007). This means that over a period of three financial years only half of the budgeted funds were spent on planned projects. This is of serious concern as this under spending of budgeted funds indicates a lack of capacity in management as well as a lack of monitoring by leadership. From the discussion above it is



clear that SASSETA has experienced successes as well as failures in many of its NSDS programmes.

To enable unemployed workers to be assisted to enter learning programmes and access scarce skill training, SASSETA makes funding in the form of discretionary grants available. These grants include grants for learnerships, bursary grants, internship grants and study support to learners acquiring basic entry, intermediate and high level scarce skills identified as scarce in the sector (Department of Labour, 2005c). A National Skills Fund (NSF) Critical Skills Support Funding Window provides top-up funding.

One of the ways in which institutional transformation has occurred is in that Industry Training Boards are substituted by SETAs. SETAs organise and promote training within a sector, rather than within an industry as the old Industry Training Boards had done. This means that people who are not formally employed in an industry but work or want to work within a sector (e.g. small business, the unemployed) can gain access to the development opportunities where they could not do so before hand (Tourism Learnership Project; 2002)(Access<a href="http://www.theta.org.za">http://www.theta.org.za</a>: *Retrieved: 01 October 2008*).

# 5.4.2.4 SASSETA's performance against the NSDS objectives targets set by the strategic plans 2005/06 – 2007/08

The Safety and Security Sector Education and Training Authority (SASSETA) has to fulfill certain mandatory obligations prescribed by the Skills Development Legislation. The Department of Labour, through the National Skills Development Strategy, has translated these obligations into implementable objectives and annual targets to be met by each SETA. SASSETA has to spell out its own objectives and targets on a Business Plan which delineates how it will function during each financial year of its existence. In this business plan, it also has to outline in terms of annual targets and milestones, how it intends to achieve its NSDS targets and other objectives as prescribed by the Department of Labour (Implementation of SSP, Draft Guide: 2004/05). SASSETA also has an obligation to report to Parliament on it performance against the NSDS targets set out on its business plan. This business plan also informs a Service Level Agreement that is signed with the



Department of Labour to which SASSETA reports and accounts in terms of performance on its mandate. The analysis of SASSETA Annual Reports (2005/06 – 2007/08) spell out the performance attained by SASSETA against the set targets in table 5.15 below.

Table 5.15: SASSETA's performance against the NSDS objectives targets set in the strategic plan 2005/6 – 2007/8

NSDS SUCCESS INDICATOR	SETA TARGETS			SETA PERFORMANCE		NCE		
	2005/6	2006/7	2007/8	Total	2005/6	2006/7	2007/8	Total
NSDS Objective 1: prioritising and communicating critical skills for sustainable growth,					,			
development and equity								
1.2 Training of SDF: skills	200	340	200	740	60	330	817	1207
development supports national								
and sectoral growth,								
development and equity								
priorities.								
NSDS Objective 2: promoting a	and accel	erating	quality tr	aining	for all in	the wor	kplace	
2.1 80% of large firms and	L117	L126	L162	405	L132	L212	L182	526
60% of <b>medium</b> firms	M116	M121	M120	357	M102	M157	M100	359
supported by skills								
development and impact								
assessed.								
2.2 Skills development in at	757	756	757	2270	1108	940	182	2230
least 40% of <b>small</b> levy paying								
firms supported and the impact								
of the support measured.								
2.5 Annually increasing the	-	50	50	100	-	43	18	61
number of small BEE firms and								
BEE Cooperatives supported								
by skills development								
2.7 At least 70 000 workers to	800	3200	1600	5600	691	964	0	1655
have achieved at least Abet								
level 4.								
2.8 At least 125 000 workers	2531	1853	1053	5437	1812	2230	3853	7895



assisted to enter programmes								
and at least to have								
successfully completed								
(learnerships and								
apprenticeships).								
NSDS Objective 3: promotin	g empl	oyability	y and s	sustaina	able liv	/elihood	ls throug	gh skills
development								
3.2 At least 2000 non-levy	2	150	34	186	253	677	47	977
paying enterprises, non-								
governmental organisations								
(NGOs), community based								
organisations (CBOs)								
supported by skill development								
and impact measured, showing								
75% success rate.								
NSDS Objective 4: assisting	designa	ted gro	ups, in	cluding	new e	entrants	to partic	cipate in
accredited work, integrated lea	arning a	nd work	k-based	progran	nmes t	o acquii	re critical	skills to
enter the labour market and se	elf emplo	yment						
4.1 At least 125 000	3941	1971	1053	6965	476	2349	2833	9943
unemployed workers assisted					1			
to enter programmes and at								
1	1							
least to have successfully								
least to have successfully completed (learnerships and								
completed (learnerships and	WE	WE	WE	300	WE	WE	WE 40	261
completed (learnerships and apprenticeships).	WE 75	WE 75	WE 150	300 263	WE 13	WE 208	WE 40 SE 0	261 0
completed (learnerships and apprenticeships). 4.2 100% of learners in critical								
completed (learnerships and apprenticeships).  4.2 100% of learners in critical skills programmes covered by	75	75	150		13	208		
completed (learnerships and apprenticeships).  4.2 100% of learners in critical skills programmes covered by sector agreements from	75 SE	75 SE	150 SE		13 SE	208		
completed (learnerships and apprenticeships).  4.2 100% of learners in critical skills programmes covered by sector agreements from Further Education and Training	75 SE	75 SE	150 SE		13 SE	208		
completed (learnerships and apprenticeships).  4.2 100% of learners in critical skills programmes covered by sector agreements from Further Education and Training (FET)and Higher Education	75 SE	75 SE	150 SE		13 SE	208		
completed (learnerships and apprenticeships).  4.2 100% of learners in critical skills programmes covered by sector agreements from Further Education and Training (FET)and Higher Education and Training (HET) institutions	75 SE	75 SE	150 SE		13 SE	208		
completed (learnerships and apprenticeships).  4.2 100% of learners in critical skills programmes covered by sector agreements from Further Education and Training (FET)and Higher Education and Training (HET) institutions assisted to gain Work	75 SE	75 SE	150 SE		13 SE	208		

Employment (SE).								
4.3 t least 10 000 young people	133	133	300	566	0	0	0	0
trained and mentored to form								
sustainable new ventures and	-	93	210	303	0	0	0	0
at least 70% of new ventures								
operating 12 months after								
completion of new								
programmes.								
NSDS Objective 5: improving t	he quali	ty and r	elevano	e of pro	vision			
5.1 Each SETA recognises and	2	2	6	10	2	2	2	6
supports at least five institutes								
of sectoral occupational								
excellence (ISOE) and private								
institution through public								
private partnerships (PPP).								

(Source: Adapted from SASSETA Annual Reports (2005/06 – 2007/08))

From table 5.15 above, it can be deduced that while enormous challenges still remain, SASSETA has made steady progress with interpreting legislation, developing policies, implementing them, monitoring and evaluating their impact. Positive developments are reported since the implementation of the first NSDS by SASSETA in 2005. It can be seen that mixed results over the period under study (2005/06 - 2007/08) were obtained with performance targets exceeded in some instances while in other instances performance left much to be desired.

The NSDS objectives require SASSETA to ensure that information on critical and scarce skills in its sector is widely available to learners. To carry out this task it has to train Skills Development Facilitators or Sector Specialists in the use of the guide and to ensure that



skills development supports national and sectoral growth, development and equity priorities. The SETA exceeded its target of 740 for this deliverable and trained 1207 which is 63% exceed above its set target. Of the 80% of large firms and 60% of medium firms that it was supposed to support through skills development and impact assessed, SASSETA exceeded its target in large companies by 29% and medium companies by only 0.5% (SASSETA Annual Reports 2005/06 -2007/08).

The NSDS requirement to support at least 2000 non-levy paying enterprises, Non-Governmental Organisations (NGOs), Community Based Organisations (CBOs) by skill development and impact measured, showing 75% success rate, SASSETA exceeded its set target for the three year by 791 which is 425% above target. Nine thousand, nine hundred and forty three (9943) unemployed workers were assisted to enter programmes and at least to have successfully completed (learnerships and apprenticeships) 43% more than the set target of 6965. Clearly, a lot of progress has been made in this regard. However, failure to meet most of the targets as well as non performance in others is an indication of serious challenges in those areas.

The NSDS target of skills development in at least 40% of small levy paying firms could not be supported and the impact of the support measured could not be met as required of SASSETA and the underperformance was -1.7% in that regard. SASSETA was also supposed to increase the number of small BEE firms and BEE Cooperatives supported by skills development annually. This target was also not met and the underperformance was -39% below target. Furthermore, SASSETA had to ensure that at least 70 000 workers have achieved at least Abet level 4. Once again, this target was not met and the underperformance was -70% below target. With the target of 125 000 workers that were supposed to be assisted to enter programmes and at least to have successfully completed (learnerships and apprenticeships) the under achievement was -45% below target.

Among the serious challenge of underperformance of SASSETA is its failure to place all learners in critical skills programmes covered by sector agreements from Further Education and Training (FET) and Higher Education and Training (HET) institutions. It also failed to ensure that learners are assisted to gain Work Experience (WE) and at least 70%



to find placement in Employment or Self Employment (SE). These are some of the NSDS objectives and stipulated targets that had to be met. SASSETA's underachievement in this objective was -35%. Out of the 263 learners that were given work experience, not a single one was reported as having been placed in employment or self-employment. One of the NSDS objectives required at least 10 000 young people to be trained and mentored to form sustainable new ventures and at least 70% of new ventures operating 12 months after completion of new programmes. Once again, SASSETA did not achieve on this objective (SASSETA Annual report: 2002/06 – 2007/08). SASSETA was to recognise and support at least 10 institutes of sectoral occupational excellence (ISOE) and private institution through public private partnerships (PPP). Again, they missed their target by four institutes.

The implementation of the Skills Development Levies Act, 1999 (Act 9 of 1999) and compliance by employers on its prescriptions is a clear indication of effectiveness of this legislation. The participation rate of employers in the levy-grant system which is a central lever of the government's National Skills Development Strategy would be a strong indicator of the effectiveness of legislation. In examining the implementation of the first NSDS by SASSETA in 2005, it is evident that a number of positive developments can be reported. SASSETA has an increased number of registered and active learnerships. The SASSETA Annual Reports (2005/06 – 2007/08) indicate that the learnerships registered by SASSETA with the Department of Labour have increased as the time progressed from 2005 to 2008. This means that a large number of employed people have been receiving training. A dramatic increase has also been observed in the number of learners who have entered learnerships programmes (from 3941 to 9943). The government views the implementation of the learnerships and the increased uptake of unemployed learners into learnerships to be essential and in keeping with the targets set in the Growth Development Summit agreements as there was also a specific emphasis on skills development generally and learnerships in particular (NSDS Implementation Report: 2003/04). This is also an indication that employers are starting to take training seriously, and that they are indeed realising that through training, they invest in their workers. It is also noticeable that employers now recognise the mutual benefit that they and their workers derive from skills development (NSDS Implementation Report: 2005/06).



The number of employers submitting their WSPs and ATRs as well as the expenditure reports on skills development activities has also shown a positive increase during the years under study. There is also an increase in the number of small enterprises being supported by SASSETA. The number of large enterprises claiming grants has increased as well as those paying levies (Table 5.15). The challenges that the SETA is still faced with are with permanently placing learners who have successfully completed the learnership programmes. Of the 566 that completed training, none have been placed in jobs. Another challenge is the one of meeting the equity targets as stipulated in the <a href="Employment Equity Act">Employment Equity Act</a>, 1998 (Act 55 of 1998). The training is still male dominated and very few disabled people have been trained.

Judging by the steady increase in the number of WSPs and ATRs submitted to SASSETA, it is evident that employers, organised labour and stakeholders are familiar with the Skills Development Legislation requirements as well as the National Skills Development Strategy. It is believed that the successes and challenges that have been encountered in the implementation of the Skills Development legislative framework will be lessons learnt that will guide the development of improved legislation. They will also inform the design of an even more encompassing and focused strategy that will be implemented from 2010 – 2015 (NSDS Implementation Report: 2007/08).

# 5.4.2.5 Challenges Impacting on the Effective Implementation of Skills Development Legislative Framework by SASSETA

Notwithstanding the progress made by SASSETA in implementing its Skills Development legislative framework, numerous challenges are reported. These challenges are mainly in respect of meeting its NSDS targets. Constant underperformance with regards to the training of workers for ABET remains a challenge. This underperformance is reflected throughout the period under study with a set target of 5600 and achievement of 1655 reflecting a 29.5% success rate. Meeting the overall employment equity targets is another noteworthy challenge. The aspect of equity targets that was almost met is the training of 85% of blacks. As far as the required 54% women and 4% disabled, the organisation is far



from meeting these targets. These areas of serious underperformance are remnants of the inequities created by the past apartheid system and the Government is making every means to eradicate them through enforcing legislation. The Private Security Sub-sector is still very male dominated and training has clearly focused on male employees. Efforts of ensuring that people with disabilities register and complete learning programmes have completely failed, hence the failure by SASSETA to meet this target.

In addition to these challenges, there has been no concerted placement of youth at workplaces. This shortcoming poses a serious challenge to the SETA as it is one of the most critical objectives of the Skills Development Legislation. This requirement has been prescribed as one of the targets and obligations of SASSETA to deliver on and has not been met by SASSETA (see Table 5.16).

Table 5.16: Challenges impacting on the Implementation of the NSDS Objectives by SASSETA

Generic challenges	Balancing Priorities			
	Competing Needs (All Urgent And Needing Immediate			
	Attention)			
	Limited Resources			
	Doing More With Less			
	Stakeholders' Unrealistic Expectations			
2. Specific challenges	Not all eligible companies participate in skills development.			
	Fewer companies submitted their WSPs and ATRs than those			
	registered with the SETA.			
	109.000.000			
	This renders SASSETA unable to meet the grants payment			
	target, which is one of the performance targets they have to			
	meet. It will be left with huge unclaimed grants (which are			
	supposed to be an incentive to employers for training). Huge			
	unspent funds qualify SETAs by the Auditor General.			
	dispentitution quality of the by the budget of letal.			
	Chambers always fight for more discretionary funding even if			
	their plans for projects will not address the implementation of			
	NSDS targets. The fight delays the whole process of			
	implementing NSDS targets because the project will not kick			
	start.			
	Start.			
	Once Learnership Agreements are generated SASSETA sends			
	them back to the employer so as to enable the three parties			
	involved to affix their signature to the Agreement. These			
	Learnership Agreements are supposed to be signed and			
	returned to the SASSETA. Employers and learners do not			
	prioritise this requirement, therefore delaying implementation of			
	projects which affect completion time.			
	projects which affect completion time.			

It is only when the signed Learnership Agreements are received that they can be captured same onto the system, to track learner progress and report on these figures to the Department of Labour.

The learner drop-out rate is quite high. Once learners get fulltime employment elsewhere they leave the programme. In other instances learners are not committed to the process, but merely enter the Learnership solely due to the allowance they get.

The timelines that the SETA chooses to fund and implement Learnerships does not correspond to the time that employers are ready to implement Learnerships. This results in poor responses when request for expressions of interest go out to employers. In some instances even when expressions of interest are received by the time the SETA revert to employers allocating them learners they are no longer interested in the project.

Some Employers and Training Providers are not committed to the Learnership process and are also in it for the monetary gains. This results in a situation where learners are:

- neither released to attend theoretical training nor given sufficient on the job experience;
- not paid their learnership allowances appropriately
- some learners are unemployed graduates. They enrol for learnership training as means of income earning while they wait for job opportunities due to scarcity of jobs. As soon as job opportunities exist they abandon the learnership and opt for the appropriate jobs.
- New venture creation (Its purpose is to train and capacitate emerging business people and those who need basic skills on opening of new ventures/business).

New Venture qualification caters for unemployed and not people in workplaces

Five of the seven chambers which SASSETA quality assures belong to the Public Sector in workplaces including Corrections The different Sub-sectors have to participate in meeting the set targets. New Venture Creation does not fall under SASSETA's primary focus as a result, meeting this target poses a serious challenge to the SETA.

5. Legislation Vs Implementation Reality

When the discretionary grants are allocated within the chambers, they also allocate funds to projects which are impossible to be implement within a 12 months period. Chambers are unwilling to put the money in the pool for access by other chambers when their projects are not kick-starting;

Projects are not kick-starting within scheduled time. Eighty percent of the projects for 2006/2007 financial year started late while others started in the following financial year;



Training providers or Chambers find it difficult to find qualifying learners to participate in Learnership;

There are often disputes with Training Providers which force the projects to drag beyond set time frames. Some take time to be completed while others are terminated before completion by learners:

SASSETA Board does not make immediate decisions when the disputes or challenges are referred to them even with the recommendation from Management;

Chambers always fight for more discretionary funding even if they do not have a proper plan for projects which will address the implementation of NSDS targets. The fight delays the whole process of implementing NSDS targets because the project will not kick start.

(Source: Adapted from a speech by the SASSETA CEO made at a Correctional Services Workshop March 2007)

It can be argued that, although performance measurement of SASSETA through the Service Level Agreements signed with the Department of Labour reflects reasonably high performance for the years under study, serious weaknesses are still evident. Judging by the number of challenges that have emerged (Table 5.16), the real challenge lies with the Board of Director's inability to give strategic direction and to be decisive towards all the organisation's barriers to performance is a serious hindrance. The Board needs to prioritise focusing on efforts to achieve the SETA goals. It cannot be disputed that a lot has been achieved over these three years, however, critical action is necessary to pay attention to all the areas of underachievement or non-performance.

For the Department of Labour's policy of 'skills for all' as well as its adopted Fifteen–Point Programme of Action to be a reality, a sustained and focused action by all stakeholders should be a priority. Of serious concern is the SETA's failure to perform in areas such as placement of learners in workplaces and creating opportunities for self-employment as this is one of the most critical reasons why SETAs were established. The SETA performance in skills development remains the key to improving skills in the safety and security sector.



The NSDS Objectives and their targets have already made it possible for SASSETA to identify its areas of weaknesses. It should now identify and document best practise and success stories in respect of SETA performance in skill development. It is also in an advantageous position as it has got 23 peers that it can learn from as some of the SETAs are over achieving (NSDS Implementation Reports; 2005/06 - 2007/08). In order to prevent learner drop outs, the SETA could tie the learner down in terms of the contract they sign with the employer. SASSETA could insist that all the learners that have dropped out and took up permanent jobs pay back the amount expended for their training. Practically speaking though, it should be remembered that the SETA is primarily dealing with unemployed people and the chances of recovery of funds are slim unless they get permanent employment. As regards to correlation of timelines for Learnership Projects SASSETA needs to engage with stakeholders and keep them appraised of developments at all times. The SETA could also cater for its needs within its project plans and have staggered implementation dates within projects. Failing which, project planning should be a joint effort between training providers, employers and the SETA, so that everybody takes ownership of the projects.

In concluding this section, SASSETA embarked on a number of projects to implement policy on its mandate and objectives of skills development in the Private Security Subsector. In this process, it had substantial successes while grappling with a number of challenges and limitations from 2005 to 2008. In that regard, it should put more effort into overcoming these challenges and limitations that have caused it not to meet its skills development targets, especially those which entail improving the lives of previously disadvantage people in South Africa.

While the above section provides analysis of implementation of the Skills Development Legislation at SETA level, the cases that follow provide specific contextual indicative evidence on the extent to which skills development legislation has been implemented and how the legislation has stimulated workforce development. It highlights the results of the analysis of Annual Training Reports (ATRs) submitted by employers in the Private Security Sub-sector submitted to SASSETA for the three financial years that are under study. The



analysis focused on various aspects of the private sector training as prescribed by skills development legislation.

### 5.4.3 Case Study Three: Large, Medium and Small Private Security Companies

Training in the South African Private Security Industry is regulated by the Private Security Regulatory Authority (PSIRA) as well as by Safety and Security Sector Education and Training Authority (SASSETA). When it became apparent that private security employers are faced with a task of having to duplicate efforts of meeting regulatory requirements, these two organisations agreed to sign a Memorandum of Understanding (MoU) between themselves. The MoU delegated the training and Education and Training Quality Assurance (ETQA) functions to SASSETA, and authorised SASSETA to carry out these functions on behalf of PISRA while PSIRA focused on the registration of private security training providers and private security officers (PSIRA Annual report, 2005/06). From the onset, PSIRA handed over the quality assurance function to SASSETA which immediately set up a task team consisting of SASSETA and PSIRA members to facilitate the processes spelt out in the MoU.

Unlike SASSETA registered private security employers whose workers were trained on NQF registered qualifications and skills programmes, PSIRA registered employers had their workers trained on grades that were not NQF registered. This created a challenge as the present government encouraged SAQA NQF registered qualifications. Furthermore, there had been much criticism of the PSIRA standards regulating training. For example, a minimum of five hours of training were required for security officers to be permitted to carry firearms while on duty. The companies, to whom firearm licences were issued, were not legally bound to prove the nature of the firearm training that its security officers had received (Problems in the Industry, 1999: 2) (www.issafrica.org.za): Retrieved 24 April 2007. The training of in-house security personnel is another area where training by PSIRA registered training providers was identified as inadequate. A commission of enquiry into the death of 16 people and the injury of 80, at a Thembisa train station (Gauteng) in July 1996, found that the actions and conduct of the private security officers at the station had



contributed to the tragedy. Commenting on the training of the Security Officers, the Commission found that:

"The D grade security officers have such limited training that they either could not foresee that their conduct could result in the injury and death of commuters, or that if they could foresee the consequences of their conduct, they were unable to act in a manner necessary to avert such consequences."

In-house security officers were not governed by the standards set by the Security Officer's Board, and no statutory regulatory standards allied to this category of security officers. In-house security personnel could perform security functions for a private business. However, in performing their duties, such officers often interact with the public. Regulatory standards were required to protect the public from harm as a result of the lack of training of in-house security personnel (Problems in the Industry, 1999: 1) (Access<a href="http://www.issafrica.org.za">http://www.issafrica.org.za</a>: Retrieved 24 April 2007).

Significant in the case of the MoU between PSIRA and SASSETA were issues about clarity of roles and a need for improved training standards and strategic direction for stakeholders through constant effective joint communication with stakeholders. PSIRA and SASSETA held road shows throughout the county to familiarise the Private Security Subsector with accreditation requirements and procedures as well as programme alignment with NQF requirements (SASSETA Annual report: 2006/07). PSIRA committed itself to imposing a moratorium on grade training to make way for the new NQF aligned approach of training. This was a positive step towards improving training standards in the Private Security Sub-sector. Table 5.17 is a comparison of private security companies' skills development objectives initiatives taken and outcomes thereof:

Table 5.17: Comparison of Private Security Companies' skills development objectives, initiatives taken and outcomes thereof:

Private Security Companies Objectives	Initiatives by Private Security Companies	Outcomes
Employers are encouraged to train their workers and ensure that the workplace is an active	Priority skills are identified in WSPs and training is initiated through learnerships,	Workers will progress in their individual career growth within the work environment;



learning environment;	apprenticeships and skills programmes.	Workers may be promoted to higher positions or move for better opportunities in other enterprises.  Workers will be better skilled and competent thus increasing efficiencies leading to improve performance and productivity;
Employees are provided with opportunities to acquire new skills;  New entrants to the labour market are provided with new opportunities to gain work experience;  Persons who find it difficult to be employed to be provided with employment.	Internship programmes are implemented, artisan training through indenturing learners in apprenticeship programmes; bursaries; Recognition of Prior Learning (RPL).	Employers will find qualified employees  Enterprise competitiveness will improve leading to economic growth in the country.  Work-seekers will find work  Retrenched workers will reenter the labour market  Unemployment rate decreased;  Contribution to Government's ASGI-SA programme and the JIPSA initiative
Accelerate employment equity	Employment Equity Act, 1998 (Act 55 of 1998) prescribes targets to be met by employers	85% Blacks are trained and employed; 54% females are trained and employed; and 4% people with disabilities are trained and employed

(Source: Adapted from SASSETA Sector Skills Plan 2005/06 – 2007/08)

### 5.4.3.1 Selected cases of Employers in the Private Security Sub-sector

Today, security officers work at some of the country's busiest and most recognisable buildings, and operate complex systems that comprehensively track and control visitors. When guests arrive, building officers verify the identity of the visitor, send real-time notification of the visitor's arrival to the host, and automatically print a guest badge, enabling guest access to the building. Additionally, security officers use advanced integrated security solutions based on trace-detection equipment and X-ray screening



systems. These systems, managed by trained security officers, help safeguard both those on the front lines and the public at large, protecting buildings and transportation systems, and screening everything from a ticket to a truck (Coleman; 2008,1). It is thus critical that private security officers be skilled in high and advanced technology for all situations in their work environment.

In accordance with the <u>Skills Development Act</u>, 1998 (Act 97 of 1998), employers are responsible for ensuring that the workplace is an active learning environment, employees are provided with opportunities to acquire new skills, new entrants to the labour market to gain work experience and are provided with new opportunities, and persons who find it difficult to be employed are employed. Employers have to ensure that their security officers are responsible, accountable, skilled and optimally deployed. Training and development is crucial in keeping the rapidly increasing physical security workforce ready and able to take on the daily challenges it will face. Today, the South African government through the skills development legislation is making training in the private security industry not only better, but also more accessible.

The Freedom Charter (26 June 1955) which provided for a new and democratic South African envisaged for a State that is developmental and caring, that seeks to improve the livelihood of millions of its people, particularly the poor and marginalised. The Legislative framework is fairly developed in this regard and it promotes the acceleration of empowerment and employment equity in designated groups. The Employment Equity Act, 1998 (Act 55 of 1998) is one such legislation which promotes employment equity for designated groups through prescribing the training of 85% blacks, 54% women and 4% people with disabilities by all employers in South Africa. This prescription is also one of the NSDS targets which seeks to encourage employers to close the gaps created by the apartheid system. Large, medium and small firms are encouraged to train their workers to meet the employment equity targets mentioned above. Employers in the Private Security Sub-sector are required to keep records of all training activities and development initiatives implemented through the workplace for the preparation of Annual Training implementation Reports. These implementation reports enable them to receive payments of grants which

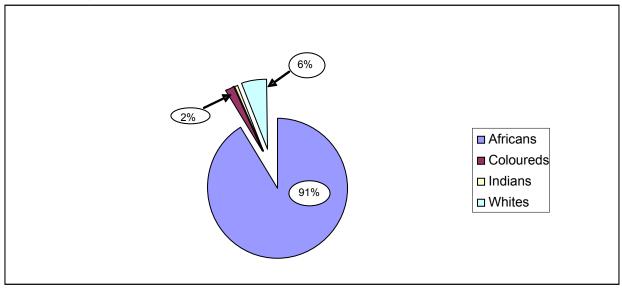


could amount to about 50% of their levy paid (Skills Development Levies Act, 1999 (Act 9 of 1999).

The Workplace Skills Plan (WSP) and Annual Training Reports (ATR) requirements are required in terms of SETA Grant Regulations regarding monies received by a SETA and related matters, as published in Notice No. 27801 dated 18 July 2005 and Notice No 29584 dated 2 February 2007. Employers are expected to WSPs and ATRs to their SETAs. If the WSPs and ATRs meet the minimum set criteria, that include amongst others, submitting the WSPs and ATRs by June 30 each year, the employers will receive incentives in the form of mandatory grants paid by the SETAs.

Fig 5.1 reflects that from April 2005 to March 2008 a total of 9943 trained workers benefited from the training by the companies under study. From this figure, 91% were Africans, 2% were Coloured, and 1% was Indian, and 6% were White. A total of 94% blacks was trained by large firms, thus exceeding the target of 85% set by legislation for this designated group.

Fig 5.1: Employees Trained by Large Private Security Companies by Race over the period 2005/06 - 2007/08

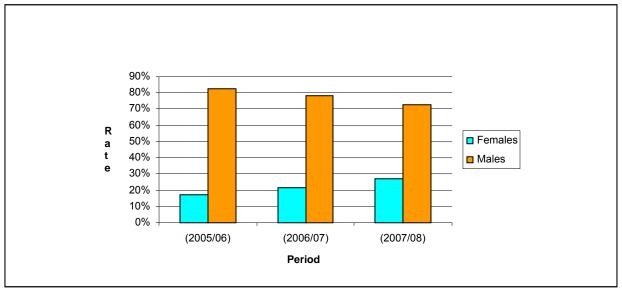


Source: Analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA



Fig 5.2 below illustrates the training rate according to gender by large private security firms between 2005/06 to 2007/08. When looking at training year by year between the years under study, it shows that the large firms failed to meet the target of 54% prescribed by legislation in training females. The majority of trained employees are males, who have reached levels of 82%. This indicates that males did not only benefit from training opportunities available, but that they also benefited from participating in the labour market by being employed in larger numbers than females. A positive and encouraging observation is the gradual decline in numbers of males trained throughout the years and the gradual increase in numbers of females trained with the highest number of trained females recorded as 28% in 2007/08 (Fig 5.2). The gradual increase in the number of females trained by large firms is also an indication of increasing access to the job market by females.

Fig 5.2: Training Rate of Large Private Securities companies by Gender over the period 2005/06 – 2007/08



Source: Analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA

Fig 5.3 reflects medium firm's training results that are similar to those of large private security firms. From April 2005 to March 2008 out of the trained new workers that benefited in the companies under study 94% were black and only 6% were White. Once



again, the legislatively prescribed target of 85% was exceeded by medium private security firms in training this designated group.

6%

☐ Africans
☐ Coloureds
☐ Indians
☐ Whites

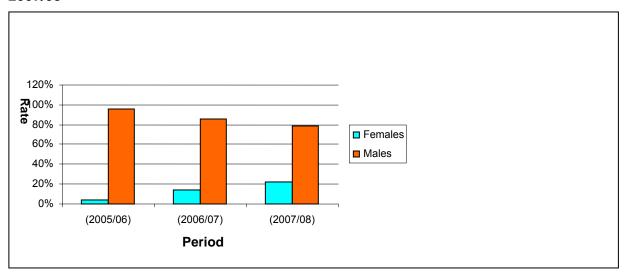
Fig 5.3: Employees Trained by Medium Private Security Companies by Race over the period 2005/06 – 2007/08

(Source: Analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA)

Similarly, when looking at training according to gender year by year between the years under study, it is evident that medium private security firms failed to meet the prescribed target of 54% in the training of females. The majority of trained employees are males, who have even reached levels of 88%. As was in the previous case, males did not only benefit from training opportunities available, but also benefited from participating in the labour market by being employed in larger numbers than females. In the case of medium companies the highest number of trained females only reached 22% which is less than that of large private security companies. Also, the encouraging trend of gradual decline in numbers of males trained throughout the years and gradual increase in numbers of females trained is repeated in Fig 5.4. Females are also gaining ground by gradually accessing the job market as evident in the increasing numbers.



Fig 5.4: Training Rate of Medium Security Companies by Gender over the period 2005/06 - 2007/08

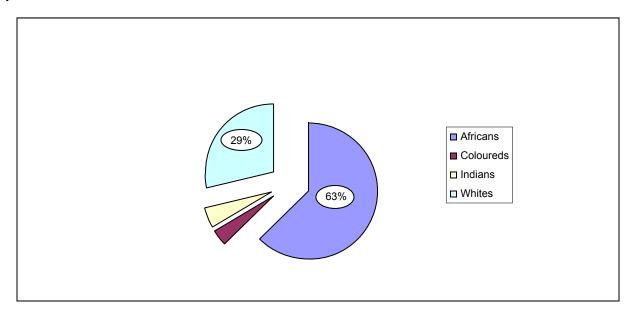


(Source: Analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA)

Fig 5.5 reflects racial training results that are completely different from those of the two previous large and medium private security firms. From April 2005 to March 2008 out of the trained workers that benefited from the training by the small companies under study 71% were Black and 29% were White. This means that the small private security firms did not reach the legislatively prescribed target of 85% in the training of this designated group.



Fig 5.5: Employees Trained Rate in Small Private Security Companies by Race over the period 2005/06 - 2007/08



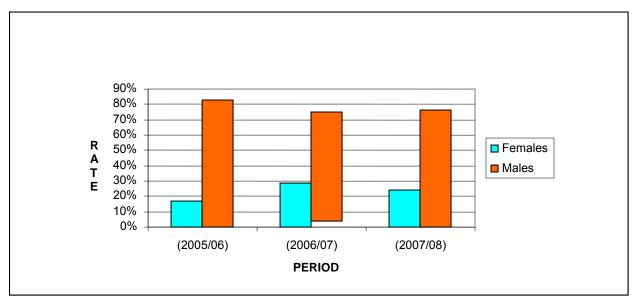
(Source: Analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA)

When looking at training according to gender by small private security firms during the years under study, it is revealed that just as the case was with the large and medium companies, these employers failed to meet the prescribed target of 54% in the training of females. The majority of trained employees are males, who attained levels of 82%. Similarly, just as the case was with large and medium private security employers, males did not only benefit from training opportunities available, but also benefited from participating in the labour market by being employed in larger numbers than females. In the case of small companies the largest number of trained females only reached 29% which was attained during the financial year 2006/07. Another observation that is worth mentioning is that unlike in the cases of large and medium companies, training of males and females does not follow a straight pattern of decline and that of females regular increase. Fluctuations are visible throughout the three financial years. Also noteworthy, is the fact that small security companies have trained the largest number of females over the years under study with 29%, followed by medium companies 28% and large companies 22%. It is envisaged that the encouraging trend of gradual decline in numbers of males



trained throughout the years and gradual increase in numbers of females trained will eventually reach the required targets as set by legislation.

Fig 5.6: Training rate of Small Private Security Companies by Gender over the Period 2005/06 – 2007/08



(Source: Analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA)

The Skills Development Act 1987, (Act 97 of 1998) requires employers in the private security sector to pay a skills development levy from which they can claim portions for the training they have completed. This compulsory levy is given force by the Skills Development Levies Act 1999, (Act 9 of 1999) by outlining the levy amounts to be paid as well as details of who is required to pay. According to the SETA Grant regulations regarding monies received by a SETA and Related Matters, as published in Notice No. 27801 dated 18 July 2005 and Notice No. 29584 dated 2 February 2007, employers in the private security sector paid 1% of their total amount of remuneration that is payable by an employer to its employees during any month as levy to the South African Revenue Services (SARS) no later than seven days after the end of each month. Employers whose payroll is less than R250 000 per year and who are not required to register for PAYE are exempted from paying levy. Employers have to submit applications for Mandatory Grant by submitting their WSP combined with the ATR. An employer who submits an application on time to SASSETA will receive 50% of the total of the levies paid over a period of a financial



year. The Mandatory Grant application contains a training plan for the following financial year and training report for the previous financial year. Should the application meet all criteria, a Mandatory Grant of 50% will be paid to the employer on a quarterly basis.

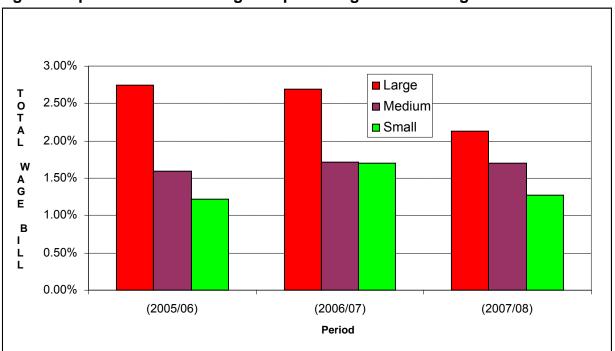


Fig 5.7: Expenditure on Training as a percentage of Total Wage Bill

(Source: From analysis of data from the Employer Annual Training Reports (ATR) submitted to SASSETA)

From the graphs above, it can be derived that owing to the new South African government of 1994, there has been concerted effort to ensure that employers invest in their human resources. Skills development policies have influenced employers's decisions on training expenditures and have been instrumental in building commitment among private security enterprises to invest in their human resources. The collaboration between these private enterprises and government has also encouraged the exploration of other sources of funding of training from various stakeholders such as Umsobomvu Youth Fund. The incentives provided by the collaboration between government and private security employers resulting in claiming 50% and more of the training levy have also acted as an incentive for employers to invest more on training and encouraged voluntary initiatives which have resulted in spending more than the minimum 1% on training.



As evident in figure 5.7, private security employer spending has increased significantly over the period under study and arguably across all employer sizes. Employers from all the various sectors of the private security industry have spent more than 1,5% of their total annual wage bill. Given that prior to 1981 training legislation barred blacks from qualifying as artisans and work reservation prevented non-whites in South Africa from filling many positions at the workplace (van Dyk et al. 1999: 54), this is a step in the right direction. Be that as it may have been, Private Security Industry employers have made significant strides in closing the skills gap between black and white by skilling more from the previously disadvantaged groups. The graphs in Figure 5.7 above indicate that all the categories of employers did not stick to minimum stipulated training expenditure. The highest spenders on training are the large companies, followed by medium companies then small companies. Though the expenditure of large employers decreased throughout the years, it has never been below 2%. Medium enterprises expenditure increased and remained constant on the second and third years. Noteworthy, are the fluctuations visible throughout the three financial years of small companies' training expenditure. Though the percentage expenditure by small companies increase and later decrease, they still remain above 1, 5%. This is an indication of a working strategy by legislation as some of the small employers are exempted from paying levies due to their wage bill that does not meet the threshold for payment. In that regard, these small companies are intrinsically motivated to participate in skill development.

# 5.4.3.2 Employment and Training of People with Disabilities by Large, Medium and Small Private Security Companies

The Employment Equity Act, 1998 (Act 55 of 1998) pays considerable attention to provision of equity for people with disabilities. Because of this legislation, training and employment opportunities for people with disabilities have changed dramatically in various sectors in recent years in South Africa due to its enforcement. These changes reflect a growing movement towards promoting the inclusion of people with disabilities in all sectors of society.

In this study, it proved difficult to ascertain the implementation of legislation and extent of training or skills development for people with disabilities. This is due to the fact that employers in the Private Security Sub-sector pay very little attention to the training of people with disabilities. However, the following challenges have emerged:

Table 5.18: Challenges facing the training and employment of people with disabilities:

	ie training and employment of people with disabilities.
1.Employment challenge	In most of the cases private security employers do not have
	people with disabilities in their employment profile;
	In a few cases where training reports indicated numbers of
	people with disabilities employed, those numbers were
	ridiculously low. For example, in a company employing 3544
	employees nationally, only 1 (one) employee had a disability.
	In two other private security companies employing 1473 and
	1827 workers, only 2 and 4 disabled people were employed
	respectively.
2.Legislation implementation	In a number of cases, employers did not even bother to
and enforcement challenge	explain why they do not have people with disabilities in their
	employ though provision is made in the Annual Training
	Report for such explanations;
	There is no penalty that is imposed to employers that do not
	have people with disabilities in their workforce;

(Source: Adapted from analysis of Annual Training Reports submitted to SASSETA (2005/06 – 2007/08)

Responses given in the ATRs by the few employers that bothered to respond when invited to comment on difficulties they experienced in aligning their WSPs with Employment Equity Plans include:

<sup>&</sup>quot;The company is currently in the process of establishing an Employment Equity, Training and Occupational Health and Safety Committee";

<sup>&</sup>quot;The combined Employment Equity and Skills Committee expressed satisfaction at its involvement";

<sup>&</sup>quot;The business grew so quickly, it was difficult to align Workplace Skills Plan with Employment Equity Plan";

<sup>&</sup>quot;We tried to get a training committee going, no sooner were they appointed, then they were promoted";



The State undertakes to protect effectively the rights of the people with disabilities to earn a living with dignity in a freely chosen occupation, profession or trade. Evidence, however, indicates a bleak employment situation and let alone training. Employers in the Private Security Sub-sector have devoted less attention to ensuring the effectiveness of legislation that seeks to improve employment opportunities for disabled people (SASSETA ATRs: 2005/06-2007/08). This concern is central, not only in terms of the economic rights of disabled people, but also to their broader social and political rights which are closely linked to economic empowerment. There is a need for stronger enforcement measure to be put in place on effective implementation strategies in terms of employment outcomes for disabled people. There is also a strong understanding that the incidence of disability is increasing in the sector owing to widespread crime in South Africa. The high risk nature of private security puts its employees at the firing line or exposure to dangerous situations by virtue of its nature.

#### 5.5 Conclusion

In this chapter, the implementation of skills development legislative framework in three selected South African Private Security Sub-sector government and private organisations between the financial years 2005/06 to 2007/08 is analysed. The objectives, the achievements and challenges faced by the PSIRA, SASSETA, and Large, Medium and Small Employer organisations were interrogated. The chapter explored the extent to which regulations and codes of practice are currently implemented by employers as mechanisms to stimulate workforce skills development. The analysis collated information on the issue through a strategic mapping exercise of employer organisations' annual reviews and through in-depth scrutiny of the programme and projects implementation reports of those industry sectors where regulations were deemed to have some impact on the level of workforce development. This chapter therefore provides important insights into the extent to which skills development regulations and thus codes of practice cause employers to train employees and/or encourage skill improvements in specific sectors. The trends that have emerged from the cases presented have been outlined and discussed.



Since 1995, a considerable body of legislation that defines a holistic Human Resource Development Framework for South Africa has been promulgated. No other country, developed or otherwise, has yet established as complex and all encompassing a framework for human resources. Overall, it is clear that the South African government has made strong progress in developing and implementing this body of legislation.

The Private Security Industry has moved steadily beyond the systems development phase. It has made strong progress in implementing stipulations of the skill development legislation in the sector with the support of the skills levy fund as well as donor support. Considerable attention has been paid to the implementation of the different types of skills development related legislation including funding skills development initiatives and employment equity. The cases examined reflect varying and different foci of implementation approaches ranging form focusing on inspections and compliance audits to focusing on achievement of set targets. There are different degrees of success in achieving set target as well as challenges that have emerged in the implementation process.

A considerable number of large, medium and small private security companies have risen to the challenges of improvement of skills of workers in South Africa. The objectives under review indicated a positive progress especially in the training of Black people. In terms of training of Black people, equity target were met and exceeded by the two largest groups of private security employers, large and medium. Although small private security companies trained quite a large number of Black employees (71%), they failed to reach the prescribed target of 85%. In the category of trained females, it is disappointing that though the companies have exceeded the minimum requirement for racial training not a single group met the target for the training of women and people with disabilities. Employers need more incentives to take and train more women into their programmes.

Positive progress in the number of companies participating in and complying with skills development legislation has also been observed. The submission of WSPs and ATRs to the SASSETA even by small companies which are non levy paying companies (total annual remuneration for employees does not exceed R500 000) is one such indication of



progress and a positive development. This will help in the eradication of inequality and discrimination at the workplace.

Training and employment opportunities for Blacks have changed dramatically in the Private Security Sub-sector during the years under study. These changes reflect a strong, growing movement towards promoting the inclusion of previously disadvantaged groups, particularly Blacks, women. A range of measures to support the implementation of policies has been implemented including quota schemes which obligate private security companies to employ and train a specified percentage of people form designated groups. Another support measure is the financial support given to employers through grants to serve as an incentive to employers to train their employees. Enforcement of the legislation is foreseen through the Labour Inspectorate, through an administrative monitoring system such as the Quality Audits conducted by SASSETA.

With all the notable achievements in the implementation of skill development legislation in the Private Security Sub-sector, there are still a number of challenges that need to be addressed. Tougher measures for compliance need to be enforced while not abandoning incentivising employers to encourage them.



#### **CHAPTER 6**

### RESEARCH FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

#### 6.1 Introduction

The prospects of the National Skills Development Strategy (NSDS) as a programme that can save South African citizens from underdevelopment and poverty are very high. It is therefore important for the South African government to work hard to ensure effective implementation of the Skills Development Legislative Framework if it is to respond to challenges posed by the second economy, which economy constitutes the structural manifestation of poverty, underdevelopment and marginalisation of our country. Addressing the First Joint Sitting of the Third Democratic Parliament on 21 May 2004 in Cape Town, South Africa, President Thabo Mbeki made a promise to South Africans that the process of skills development will be speeded up, focusing on shortfalls that have already been identified. He further committed that all Sector Education and Training Authorities (SETAs) will be engaged to increase the uptake of learners and improve the focus on the skills that are in short supply. In line with that commitment, this research investigated the Private Security Sub-sector and how it has implemented the Skills Development Legislative Framework. However, due to the reluctance of organisations studied to impart information and relevant documents, broader statistical evidence was not available. The findings will therefore, not be generalisable. The main findings of the study are as summarised below.

The driving force behind this study was to determine how the Statutory Framework for Skills Development has been implemented to enterprise training and development of employees as well as how it has improved the state of skills in the Private Security Subsector of South Africa. The study investigated the extent to which the implementation of Skills Development Legislation and related regulations has resulted in the development of skills in the Private Security Sub-sector workforce. In particular, this enquiry focused on the Private Security Industry Regulatory Authority (PSIRA), the Safety and Security Education



and Training Authority (SASSETA) and Large, Medium and Small Private Security Service Provider Companies.

Chapter One introduced the study by explaining the value of the research. The historical development of private security industry was discussed by outlining the development and profile of the private security industry in South Africa. To elucidate the nature of this profile, stakeholders such as the employers and employer organizations, labour organisations (trade unions), labour markets, and the scope of the industry were explored. In order to profile the sector appropriately, workforce demographics were also outlined according to age, gender and race. This profiling enabled the researcher to critically review the effectiveness and successful implementation of skill development legislation accordingly as applicable to the various categories of employees at the workplace. The range of services provided by the industry as well and the niche market it catered for was outlined. Later labour markets for the sector together with skills required for the industry as well as skills shortages were presented.

Chapter Two presented the research methodology that guided the study through a description of research process and a delineation of key concepts and terms. The chosen research methodology, the research design, the contexualisation of the study that is partly qualitative and quantitative was explained. It has considered what is entailed in qualitative studies, in particular the Case Studies. The research problem and question were stated. The research aims and an objective together with the research methods chosen for this study were outlined. The research design, data collection techniques, sampling methods and sample size, motivation for the research, significance of the study and limitations of the study were outlined. Every attempt was made to ensure the validity and reliability of the research information collected in the course of the study.

For a clearer understanding of the selected problem and to help place the results of the study in a historical perspective a carefully conducted literature review was presented. Chapter Three concentrated on the review of existing related literature on policy implementation as core function of public administration. The literature review relied heavily on both primary literature and secondary literature (research reports, journals,



dissertations, monographs, textbooks, and encyclopedia and computer search). An indepth analysis of public administration in relation to policy, policy-making and policy implementation was carried out. Public policy as it applies to governmental decisions designated to deal with various issues, such as policy implementation in relation to skills development and critical variables essential for effective implementation of policy was discussed. The public administration and the South African policy change which is in congruence with the regulation statutory framework regulating the Private Security Subsector in South Africa was also discussed. The need for regulating the South African private security industry training in line with related legislation was outlined and interrogated. To get an International perspective of the regulation of the Private Security Sub-sector, literature on the regulation of the Private Security Sub-sector in the United Kingdom (England and Wales), Asia (India) and USA (Virginia) was reviewed. These countries are in different continents yet common trends and strong similarities in the regulation of the private security industry emerged in the literature reviewed.

Chapter Four concentrated on unpacking the current legislative framework impacting on skills development in the private security sub-sector through an overview of relevant skills development legislation in South Africa. The South African Qualifications Authority Act, 1995 (Act 58 of 1995), the Skills Development Act, 1998 (Act 97 of 1998) and the Skills Development Levies Act, 1999 (Act 9 of 1999) as legislation that is set to transform skills development in South Africa were scrutinised extensively. These pieces of legislation can be described as public policy which is instrumental for the attainment of governmental mandates, capacity building, and systems change. The history of training in South Africa was then traced and discussed. The evolution of skills development legislation and the changing of the education and training system in South Africa were extensively interrogated, so was the human resources development strategy. Learnerships as new forms of professional and vocational education and training in the workplace were explained.

In Chapter Five, to present an objective view of the implementation of the skills development in the Private Security Sub-sector, it was important to give an overview of the implementation of skills development legislation efforts in the private enterprise training in



South Africa. In doing so, a synopsis of training in private enterprises across sectors in the post-1994 era was outlined and it reflected a similar trend to that of Private Security Subsector training outcomes. An outline of the national training by Sector Education and Training Authorities (SETAs) in South Africa was also given as well as skills development stakeholder analysis. Literature that expounded the nature of the selected South African case studies as well as inherent issues was later reviewed.

Chapter five also analysed the implementation of the skills development legislative framework by three selected South African Private Security Sub-sector government and private organisations between the financial years 2005/06 to 2007/08. The objectives, the achievements and challenges faced by the PSIRA, SASSETA, and Large, Medium and Small Private Security Employer organisations were explored. The chapter interrogated the extent to which regulations and codes of practice are currently implemented by employers as mechanisms to stimulate workforce skills development. The study collated information on the issue through a strategic mapping exercise of employer organisations' annual reviews, workplace skills plans, annual training reports and through in-depth scrutiny of programmes and project implementation reports of those industry sectors where regulations were deemed to have some impact on the level of workforce development. This chapter therefore provides important insights into the extent to which skills development regulations and thus codes of practice were implemented to address the skills shortage while encouraging skill improvements in the private security sub-sector. The findings that have emerged from the cases presented have been analysed and presented.

Chapter Six provides a summary of all the study chapters, the research findings, and make assorted recommendations. It later draws conclusions in respect of the study conducted on the Implementation of the Statutory Framework for Skills Development: A Case Study of the Private Security Sub-Sector. These areas opened a potential for further investigations in the same sector or replication of similar studies in other areas of investigation.



#### 6.2 SUMMARY OF RESEARCH FINDINGS

This study provides information through which to gain an understanding of how the Statutory Framework for Skills Development has been implemented in enterprise training of employees in the Private Security Sub-sector in South Africa. It also looked at the extent to which such implementation has resulted in skills development in the Private Security Sub-sector. Investigating the extent to which the Skills Development Legislative Framework and the related regulations have been used to tackle skills deficiencies through the workforce development in this sector has revealed a number of findings. However, it must be borne in mind that the study covered only three financial years and a single sub-sector of the eight sub-sectors of the Safety and Security Sector. The study is therefore, not generalisable.

The findings of the study revealed that overall, the Private Security Industry has made considerable progress in developing and implementing legislative framework for skills development in its sector. It can be discerned that the foundations for the improvement of skills of the workforce in the Sub-Sector has been laid through sound Legislative Framework for Skills Development. What remains is to accelerate the effective and concrete implementation of programmes and strategies by all stakeholders and implementing organisations to meet the set targets. In order to realise the skills development objectives thus improving the socio-economic lives of South Africa, a number of crucial conditions have to be met.

The <u>SAQA Act</u>, 1995 (Act 58 of 1995), the <u>Skill Development Act</u>, 1998 (Act 97 of 1998) and the <u>Skills Development Levies Act</u>, 1998 (Act 9 of 1998) have been enacted to put in place systems and processes that would accelerate skills development. With the concerns that education and training provision has not always been responsive to the demands of the economy, it is important that policy implementers be mindful of the fact that policies are endorsed and enacted in legislation of various kinds. Policy development does not necessarily lead to its effective implementation often due to certain internal and external variables which could impact on the attainment or on the implementation process. The



implementation stage therefore, is regarded as the stage that determines the success or failure of public policy.

The study indicates that the development and implementation of the NQF is a motive driven goal, given that no other country, developed or otherwise, has as yet established as all-encompassing a framework as the NQF, for education and training as in South Africa. The development of standards and qualifications by the Standards Generating Bodies has enabled the Safety and Security SETA to accredit training providers in its sector for relevant training standards and qualifications that are required by the workplace. These standards and qualifications are suitable for workplace training and can be awarded from the workplace for developing skills relevant to work and which reflect the needs of the sector. All these qualifications are outcomes-based and no longer input driven.

# 6.2.1 PSIRA and SASSETA as custodians and drivers of skills development in the private security sub-sector

Qualitative and quantitative difference into training provision in the Private Security Subsector is evident. Various organisations in the sector provide different training with some providing unit standards based training while others provide training based on grades. With the implementation of the SAQA Act, 1995 (Act 58 of 1995) and the NQF, training providers in the Private Security Sub-sector are phasing out training based on grades and introducing standards based training. Under the unit standards approach, training providers are required to have been accredited by SASSETA. Their programmes also have to be approved by SASSETA before implementation. The training provider has to think through a whole set of decisions including statement of specific objectives, which outlines what the learner should know and be able to do before hand. The NQF has facilitated the establishment of bodies (Education and Training Quality Assurance Bodies) which are responsible for ensuring accountability in the quality of education and training provision by the training providers in the Private Security Sub-sector.

Legislative Framework that was developed by the Department of Labour and the Department of Safety and Security for skills development has been interpreted and



developed into implementable policy guidelines, business plans and strategies for implementation in the Private Security Sub-sector. Both PSIRA and SASSETA have developed guideline documents for implementation of policy and there is evidence that considerable attention has been paid to their implementation. The regulations prohibit the offering of non-prescribed training courses and do not allow accredited training institution or instructors to offer any training course whose contents do not substantially comply with the minimum criteria contemplated in the regulations. Furthermore, the regulations prohibit the rendering of security services by non-trained employees.

The study has revealed that the PSIRA's main area of focus has been in compliance with set legislations more than on performance. The monitoring and enforcement of compliance to legislation has been through compliance audits and inspections. These compliance audits expose businesses that contravene the provisions of the statutory Code of Conduct for security service providers. These include offences such as operating businesses without registration, employing untrained and unregistered security officers, illegal underpayment of security officers, compliance with labour legislation, and criminal offences. The reduction in non-compliances is an indication of growth in awareness and compliance to legislation by the sector.

It is, however, of concern that over the three year period under study, no impact study or effectiveness of training legislation has been reported in terms of skills development and improvement. Training regulations were promulgated and implemented by PSIRA. It is also, evident that the interest of PSIRA is in policing the industry for compliance to legislation instead of performance evaluations for skills improvement in the sector. The PSIRA has adopted a traditional model which is more administrative in nature over an outcomes-based model that will seek to measure performance against set objectives against their legislative framework in a comprehensive and empirical manner.

The Private Security Sub-sector practices show signs of maturity which reflect characteristics of self-regulation within the industry. For instance, there is an increase in the number of complaints received by PSIRA from the industry players themselves about non-compliant practices in their own ranks. Furthermore, this increase in complaints



received reflects greater accountability to the marketplace and accountability in the industry. This also indicates growing levels of awareness among consumers of private security services about the rights and obligations of consumers vis-à-vis those of the service providers. Marketplace accountability is a means of holding the private security industry liable for its conduct. The PSIRA Law Enforcement Division ensures that its operational policy prioritise following up on complaints and infrastructure inspections, after which attention can be given to other complaints. However, all these complaints received pertain to compliance issues rather than performance in skills development or the state of skills. The number of dockets submitted on improper conduct investigations and illegal practices is high considering that innocent consumers and employees are victims in these instances. The reports analysed do not indicate the nature of training related offences besides statistics of offences.

One of the outcomes of the implementation of the NQF is the improvement of communication and cooperation in the sector. On the part of this particular case study, cooperation between the two organisations PSIRA and SASSETA as well as a firm commitment to working together is shown through the joint MoU and joint communiqués. The joint regular communiqués served to:

- address the alignment of the PSIRA grades (the old training standards which the NQF is moving away from) to the SASSETA skills programmes that are made up of various SAQA registered unit standards;
- inform training providers who are registered with PSIRA and offering the grades and other specialized training as well as SASSETA-accredited training providers of the new proposed statutory training standards for the private security industry; and
- advise the industry on accreditation procedures with SASSETA.

It is, however, still necessary for the two organisations to streamline their functions further as service providers complain of being loaded with a lot of paperwork and beaurocracy. Service providers in the sector still have to register with both organisations and at the same time have to be accredited by both of them for different purposes. SASSETA and



PSIRA conduct sight visits to service providers at different times of the year meaning that they have to abandon training and focus on preparations for different sets of requirements.

Payment of training levies to SASSETA can be regarded as a catalyst for skills development at the Private Security Sub-sector workplace. It is also clear that the funding formula through the skills development levies have made an important contribution in facilitating Private Security Industry success in skills development. The skills development levy has provided a creative way of funding the development of the areas of learning within the workplace. Various projects have been development and implemented through the skills levy. A challenge in this regard is that most benefits are gained by large enterprises who invest more on training expenditure as well as compliance to skills development legislation.

Although the high training rate of large firms could be seen as of great benefit to the large numbers of employees trained, the high collective amount of grants that they claim (large and medium firms) poses a threat to the Small, Medium and Micro Enterprises (SMMEs) that are in need of skills and employment creation. Exacerbating the above mentioned challenge, is the exemption as from August 2005 of companies with an annual payroll that is less than R500 000 from paying skills levies. This has resulted in a loss of a number of SMME companies that were eligible for levy. The reduction meant that levy funds available to support SMMEs have been dramatically depleted. The end result is SMMEs who need the skills most and are very important in creating employment have become the biggest losers from the skills development initiatives unless an alternative source of funding is found.

The study revealed a serious need for capacity building in the leadership of SASSETA. That will rapidly address a number of areas identified in its lack of effective service delivery. The under spending of funds and failure to meet targets are indication of a number of inter-related contributing factors that inhibit effective implementation and performance of the SASSETA. Due to the complex and comprehensive nature of the NSDS targets, one cannot prescribe a single approach to achieve them but rather the adoption of several approaches to deal with the problem.



# 6.2.2 Employers and the National Skills Development Strategy (NSDS) targets imposed by the Statutory Framework for Skills Development

The study points to a strong need for a project management approach to meeting the NSDS targets. The targets that SASSETA failed to achieve were some of the most critical ones as they affect workers from the designated group of the previously disadvantaged. These targets include supporting small levy paying firms financially for skills development, increasing the number of small Black Economic Empowerment (BEE) firms and Black Economic Empowerment Cooperatives (BEEC) supported by skills development annually, and increasing the number of employees that attain Adult Basic Education and Training (ABET) level 4. SASSETA's failure to place all learners in critical skills programmes covered by sector agreements from Further Education and Training (FET) and Higher Education and Training (HET) institutions, failure to assist qualified learners to gain Work Experience (WE) and to find placement in employment or Self Employment (SE). None of the young people that were to be trained and mentored to form sustainable new ventures after completion of new programmes were trained or mentored. SASSETA failed to recognise and support at least 10 Institutes of Sectoral Occupational Excellence (ISOE) and private institutions through Public Private Partnerships (PPP) as required, only six were supported.

The success of SASSETA is dependent on sound administrative capacity and quality of leadership in the SETA. Effective leadership must have adequate administrative skills to implement the NSDS successfully. Support and guidance of the SETA's by the Department of Labour in implementation and meeting the NSDS targets is also critical. A serious failure to spend all funds allocated to skills development projects for the Private Security Sub-sector by SASSETA has also been revealed by the study. It is unacceptable that SASSETA has such a huge sum of unspent money when there is a critical shortage of skill in the sector. This is an indication of lack of capacity and supervision by leadership.

The study suggests that many employers are taking seriously the obligations which are placed on them. They are definitely setting aside time for the training of employees as well as making significant effort to respond to skills development legislation obligations. The



workplace is recognised as a site of learning and teaching and, hence, as a site of knowledge. Development and registration of learnerships in the Private Security Subsector which are a new set of qualifications that constitute a work-based route of qualifications, are demand-led, not supply driven and have a focus across all levels of the NQF. There have long been skills problems and market failures in this sector. Given this and some of the characteristics of the sector (a large number of small firms, high labour turnover, sectoral determination by government), it can be argued that the sector was well suited to interventions effected.

It can be argued that the new regulatory framework is changing employers' attitudes and behaviour regarding training and skills development. The large number of employers submitting WSPs to SASSETA clearly indicates high employer participating rate in skills development. The targets themselves are having a direct effect, but there is also an indirect effect on management processes and delivery on NSDS targets. To meet the required targets, employers should be encouraged to engage with outside bodies, such as employers' professional bodies and unions in their localities for a collective effort. Capacity building with regards to financial planning and management has been one strong need that has emerged. Coupled with time management, the SETA needs to also focus more on project management skills training as the NSDS targets are time bound.

# 6.2.3 The Statutory Framework for Skills Development and its impact on different types of security enterprises

There is some evidence that the legislation is impacting differentially on different types of companies. In the Private Security Sub-sector, large companies meet the set training targets and challenges while small companies fail to meet these. The large companies seem to be able to also attempt to meet the employment equity targets while small companies are struggling. The obligatory training targets prescribed by the <a href="Employment Equity Act">Employment Employment Employment Equity Act</a>, 1998 (Act 55 of 1998) are having different effects on different types of employers. They are having a positive effect on the training of Blacks. They are also having a significant and beneficial effect on the training of Black males but none whatsoever on females of all racial groups.



There is evidence that alliances between police, private security services and the Security Industry Alliance (SIA) can be a considerable help in reducing crime. Cooperation between enterprises that have affiliated with professional bodies and unions has ensured a fundamental part of raising consumer confidence in the sector. This has led to recognition that raising skills in the sector forms a fundamental part of raising consumer confidence in the sector. As such, the employers, professional bodies and unions are working together to ensure that the qualifications and competencies which form part of the framework meet the needs of the industry. The statutory weight of the professional bodies means that they are able to prescribe the training needs in the sector and address the technical skill gaps which affect it.

In this study, it proved difficult to ascertain the implementation of legislation and the extent of training or skills development of people with disabilities. This is due to the fact that employers in the Private Security Sub-sector pay very little attention to the employment and training of people with disabilities. This shortcoming also points to the failure of management and leadership to enforce effective implementation of legislation. The effective implementation of the employment equity legislation cannot be achieved in isolation from other fundamental changes within the workplace. It forms part of an essential change of attitudes and beliefs. In this regard, there is a need for management and leadership to buy in and own relevant legislation as theirs. This will ensure that they take responsibility for seeing to it that there is a cultural change towards the employment of females and people with disabilities in the Private Security Sub-sector.

It is also imperative for management and leadership as well as recipients of the services to take into consideration the cultural misconceptions affecting the employment of women and disabled people in the Private Security Sub-sector. It is through dispelling such cultural biases that barriers to the employment of women and people with disabilities will be broken. Employers should also take cognisance of creating a workplace environment that is conducive to the employment and training of people with disabilities. The **South African Constitution** (Constitution 1996) demands respect for the human rights of all South



African citizens. Management and leadership should take ownership of the Skills Development legislation and be accountable for lack of delivery.

### 6.3 RECOMMENDATIONS

When the Framework for Skills Development was introduced by the Department of Labour in the late 1990's and realised with the inauguration of the first twenty five SETAs in the year 2000, the intention was to skill South Africans with specific emphasis on those previously disadvantaged. This framework was supported by the Skill Development Act, 1998 (Act 97 of 1998), SAQA Act, 1995 (Act 58 of 1995) and the Skill Development Levies Act, 1999 (Act 9 of 1999) among others. This support laid the foundation for the country to evolve from self-centred profit approach to an employee recognition approach. The study revealed that now for the first time the focus shifted towards the employees and their continuous development needs. Even to the extent that employers are willing to pay levies to ensure the skilling of their employees.

On one hand, the study has shown that great improvements took place regarding skilling of workers in the Private Security sub-sector. On the other hand, however, is the question of what impact those skilled people have made on the country's performance as a whole. South Africa is currently under siege by criminals, national and international. The South African Police Services is not coping with the situation hence the massive increase in the Private Security Sub-sector. Virtually every citizen has first hand experience of being a crime victim. Many have multiple experiences. The time is now ripe for an integrated approach regarding the safety and security position of the country. The skilling of private security employees must of necessity complement the South African Policing Services and their affiliates, i.e. Correctional Services and the Department of Justice. The alignment of training programmes and the quality assurance thereof must be made a SASSETA priority. The position where the country and all its citizens are held captive by criminals must be tuned around.

Judging by the number of Private Security service providers submitting Workplace Skills Plans and Annual Training Reports to SASSETA, there is overwhelming support for the



Framework for Skills Development in the Private Security Sub-sector as a South African owned and led programme. Furthermore, it is regarded as presenting an opportunity for the accelerated human and economic development of the workforce in the South African Private Security Sub-Sector. However, the various challenges that have emerged during its implementation should be taken seriously, interrogated and addressed. Outlined below are some of the recommendations emerging from the findings articulated above.

# Recommendation 1: Industries should Capacitate their Employees to Understand Training Regulations together with their Requirements

All workplaces that employ more than 50 employees are obligated to submit their employment equity status report to the Department of Labour. Employers should ensure that the established Training and Employment Equity Committees are capacitated to understand the prescriptions of the training regulations together with their requirements. The Employees need to have an awareness of regulations as part of the job role so that they can fight for their right to training and development. Trade unions, through incapacity and lack of focus, have not equipped shop stewards to input into workplace skills plans. Workers do not know their right to access training at the workplace. The trade unions should arouse the awareness of the workers in terms of their right to training at the workplace through their contributions of the skills levy. This will prohibit the employers from focusing the training on unduly soft training such as adult basic education on health and safety issues only. This will enhance the legitimacy and the ownership of the programmes in the eyes of the people it seeks to benefit. Also, these structures and committees that are constituted by employees are better placed to be able to sensitise leadership on matters impacting positively or negatively to achieving training objectives.

### Recommendation 2: Developing Management and Leadership Capacity

The study revealed a serious need for capacity building in the leadership of SASSETA. That will rapidly address in a number of areas identified in its lack of effective service delivery. The under-spending of funds and the failure to meet targets are indications of a number of inter related contributing factors that inhibit effective implementation. Thus, poor performance points to under-capacitated leadership in the organisations. Due to the



complex and comprehensive nature of the NSDS as well as the targets it is set to meet, one cannot prescribe a single approach to achieving them, but rather the adoption of several approaches to dealing with the shortcomings.

The success of the SASSETA is dependent on the sound administrative capacity and high quality of leadership in the SETA. Effective leadership must have adequate administrative skills to implement the NSDS successfully. The support and guidance of the SETA's by the Department of Labour in implementing and meeting the NSDS targets is also critical.

# Recommendation 3: Creation of Conditions Conducive for Skills Development at the Workplace

There is a need for the creation of conditions conducive for skills development, increased investment in human development, mobilising resources and asserting relations between the employers and employees on the basis of mutual respect and acknowledgement of the need to work together as partners. A serious problem is that many employees enter into training programmes with the hope of promotion or increased remuneration at the end of the training programme. When such expectations are not met the employees become disillusioned and disgruntled and lose interest in further development. Companies should ensure that there is mutual understanding between management and employees regarding the need and benefits of training to employees.

# Recommendation 4: Capacity Building of Small, Medium and Micro Enterprises (SMME)s through Innovation and Support

The Private Security Industry sub-sector Small, Medium and Micro Enterprises (SMMEs) are struggling to meet the NSDS and employment equity targets. Large private security service providers (mentors) and small private security service providers (mentees) should work together, instead of competing over a profit to yield better results for both parties. This would enable the small companies to draw from the expertise and experiences of the



large companies. Sectoral action plans and strategies can include the identification of priority programmes and projects in various areas of the prescribed legislation, the mobilisation of human, institutional and financial resources in support of the implementation of skills development programmes. These required developments include the establishment of the implementation frameworks that will assist and guide small companies through direct participation, thus enhancing their capacity and performance. Effective monitoring and supervision, mentorship and guidance as well as adequate administrative skills to implement NSDS successfully must be a priority. In particular, this is important for creating employer confidence, which is vital in encouraging the prioritising of participation in training and skilling employees instead of profit. Regular consultations through meetings and workshops between the participants should also be encouraged. Such consultations should be in concert with regular progress appraisals to achieve the intended objectives and prescribed targets.

# Recommendation 5: Building of Partnerships within the Sector Locally for Better Co-ordination and Streamlining of Efforts for a Common Purpose

Effective implementation of the skills development legislation depends on the manner in which proper coordination and relationships among role players are built and managed. The police, private security and Security Industry Alliance share a common purpose of crime fighting and combating. In that regard, alliances between them can have a considerable impact on crime. Practical cooperation and integration of efforts between the law enforcement agencies and the private security industry could encourage skills transfer and cross-pollination. Thus, learning from each other's strengths and collective wisdom can guarantee better results. It is also fortunate that these services share a common custodian for qualifications and skills development which is the Safety and Security Sector Education and Training Authority (SASSETA). It should also be realised that raising skills in the sector forms a fundamental part of raising consumer confidence in the sector.



As such, the employers, professional bodies and unions should work together to ensure that the qualifications and competencies which form part of the framework meet the needs of the industry. Co-operation between enterprises that have affiliated with professional bodies and unions will ensure better results and benefits. The statutory weight of the professional bodies means that they are able to prescribe the training needs in the sector and address the technical skill gaps which affect the sector.

### Recommendation 6: Building Partnership with Peers and other South African Business Sectors

Alliances and partnerships between South African Private Security Sub-sector service provider stakeholders and other business sectors' stakeholders should be encouraged to ensure that the programme of skills development in the country is embraced by all. Surely, some SETAs are better performing than others as it had been revealed earlier in Chapter 5. Sectors can learn from each other's success stories. The challenge to make the Skills Development legislative framework work should be a responsibility of all the stakeholders within the country if poverty and underdevelopment are to be defeated. South Africa has the potential to succeed and available capacities within the country should be appropriately harnessed to realise this ideal.

# Recommendation 7: Systems for Improving Performance in the sector and Not Just Compliance to Legislation should be put in place

Whereas a considerable amount of work has been done in terms of developing legislative framework for skills development for the Private Security Sub-sector, the successful and effective implementation thereof is questionable. The compliance inspections conducted by PSIRA do not give an indication of the state of skills after training through the three year period that was studied. On the basis of evidence obtained from the documents analysed, if is not possible to conclude on the type of skills that have been acquired though the implementation of training due to the deficiencies in the statistical data that was available.



Performance Audits should be conducted and focus placed on outcomes and impact of implementation of legislation to reveal the state of skills that are required by the sector.

### Recommendation 8: Parity of Esteem between Training offered in the Sector

There is a discourse that is taking place among various Private Security Sub-sector regarding the intellectual demands of trades training that is offered by training providers that are registered with PSIRA in comparison to NQF based qualifications and Unit Standards. The NQF has been developed to ensure intellectual parity between all education and training in South Africa. It is through the implementation and use of the NQF that the parity of esteem of qualifications will be established in the sector. SASSETA and PSIRA should ensure that all the training providers in their sector are accredited so that all education and training provided in their sector is quality assured through accredited training providers. Trades training should be aligned with NQF Unit Standards based training to address matters of parity.

# Recommendation 9: Espousal of Ethics and Values as Enshrined in the South African Constitution (Constitution 1996)

The Private Security Sub-sector leaders should promote and protect human rights, consolidate a culture of good governance and the respect of legislation at the workplace. Employment policies should encompass all needs of employees and eliminate discrimination against any group of workers. The study reflects that the targets that were not met affected workers from the designated groups, these being women, people with disabilities and youth. The study also points to failure of management and leadership to enforce the effective implementation of employment equity legislation. The effective implementation of the employment equity legislation cannot be achieved in isolation from other fundamental changes within the workplace.



To address this shortcoming, it is recommended that employment and training of women and people with disabilities be employed and trained in low risk areas such as electronic fields of private security. The proposed kind of training is especially ideal for women and people with disabilities as this kind of technology allows identification of potential threats quickly and discretely, from a distance, without conducting physical contact with the situation and causing direct exposure to danger. This kind of training could also offset the imbalance of black male domination in the employment and training at the private security workplace.

# Recommendation 10: Training and Capacitating of Leadership in Corporate Governance and Financial Management.

More pressure should be exerted on the leadership's and management's accountability and commitment to implementing policy and legislation effectively. Council should sign performance agreements with the Department of Labour. The SASSETA has a mandate to disburse funds from skills development levy grants for training projects. The findings of this study have revealed a lack of capacity to disburse and spend funds in line with implementation policy and legislation. Lack of ability to understand and interpret financial policies implies failure to translate policy into implementable strategies. This can be attributed to the root cause of non-delivery on the NSDS based projects. Also, training in financial management for non-financial managers would go a long way in enabling skills for disbursement of funds as required by the SASSETA mandate. It also transpired that the leadership spends more time on turf and sector battles over allocation of funds, with each sub-sector demanding a larger allocation for itself. Leadership should be trained and capacitated in order to be able to distinguish between governance and operational matters. This will strengthen the work environment to enable all to discharge their respective mandates successfully.

### 6.4 Possibilities for Further Investigation

It can be argued that in the skills development sector tensions are always experienced between objectives oriented, results based training processes and the complex realities in



the field of the skills development work. These tensions can result in a disjunction between the planning and implementation of skills development. In addition, there is usually little time for meaningful reflection on the effectiveness of the work done to develop skills as focus tends to always be on policy implementation and results. Also, accounting for and reporting on the effectiveness of training would enable making of vital review and adjustment of plans/decisions for vertical and horizontal accountability on efficiency. Furthermore, the effect of training for feedback about what difference and impact the implemented interventions are making is critical, instead of concentrating on checklists of what has been delivered.

There are a number of possibilities for further investigation of the implementation of the skills development legislative framework and its impact. Some of these possibilities are outlined below:

Firstly, it is possible to do a more statistically based study at a larger scale. As it has already been mentioned in the previous section, official data and statistics that were received from the organisations under study had shortcomings. Moreover, employers were reluctant to release all the documents that were required for the study. To date, it is too early to identify any trends on the effectiveness of the implementation of the new Skills Development Legislative Framework in the Private Security Sub-sector. However, in time, it should be possible to see whether there have been any upward trends in terms of throughput on the meeting of NQF and NSDS targets.

Secondly, databases of quality audits and inspection reports from the monitoring of the private security service providers by PSIRA and SASSETA can be utilised for further research to investigate the quality of training, progress made and the upward mobility of learners in terms of training levels and credit accumulation that is offered at the Private Security Sub-sector workplace. That will allow for a more thorough assessment of impact of the Skills Development Legislative Framework at the workplace.

In the third place, another approach would be to conduct more detailed qualitative studies of the attitudes and behaviour of workers towards training at the workplace. Workers are



normally trained on fire drills, occupational health safety, First Aid and general hygiene. As this is basic training which does not lead towards any qualifications, NQF aligned training would allow workers to accumulate credits towards a qualification. These credits tend to raise expectations of workers about upward mobility and promotion. It would be worthwhile to investigate the impact of such training on upward mobility and promotions at the workplace.

In the fourth instance, qualitative studies of the attitudes and behavior of employers towards training at the workplace could also be explored. There is a common understanding that not all employers participate in skill development. A serious problem is that many companies are merely treating the skills levy as a new form of tax and ignore their important obligation of training the workers. They tend to worry more about time that will be lost through training instead of focusing on productivity. Investigating the effect of the skills development legislative framework implementation on the attitudes of employers towards training of their workforce shed light on behavioral changes that have been brought about by this legislative framework. This study could provide more information on the commitment of organisations to equip employees with required skills because of seeing the benefits of developing employees rather than just chase numbers for compliance and claiming of training levies.

A fifth possibility for investigation would be for gaining a greater understanding of the extent to which skills development regulations impact on skills development in South Africa. Information is required on the extent to which regulations cause employees to utilize their newly acquired skills to improve productivity at the workplace and thus economic development. Skill surveys could also be conducted on current skills analyses to pinpoint whether training provided through the regulations and codes of practise create skills gaps or shortages or indeed impact on skills shortages at all.

A sixth possibility would be the usefulness to drawing on the international comparative literature in the area. Work has been done on training in the Private Security Sub-sector in other countries, suggesting a spread of Private Security Sub-sector providers with different types of human resource regimes and different outcomes. There is also some work in the



United Kingdom, India and USA, where there would seem to be more diversity in the quality of provision and where more use is made of private security for different purposes.

A seventh possibility would be a study of the implementation of the legislative framework for skills development in other sectors of the Safety and Security Sector. These subsectors include the Policing Services, Correctional Services, Legal Practices, Defence and Department of Justice. These are sectors that pay their training levies to SASSETA, and there are always turf wars amongst them due to disagreement on the allocation of training grants amongst themselves.

Finally, with the finding that SASSETA has not been able to disburse all the funds that were allocated for the skills development projects, it would be interesting to conduct a study on the disbursement of these accumulated. These are funds are collected from training levies paid by the Safety and Security Sector employers for training of the sector. This study could possibly reveal the barriers and bottlenecks that could be inhibiting effective implementation of the Skills Development Levies Act. Also, issues of incapacity or limitations could also be revealed.

#### 6.5 Conclusion

This study has provided information through which to gain an understanding of the implementation of the legislative framework for skill development in the private security sub-sector of the safety and security sector in South Africa.

It is also clear that the Private Security Industry sector, over the three years that were studied, effectively implemented skills development policies. Also, the Department of Labour had approved the strategic plans for skills development in the sector. Much has been achieved by the sector in terms of the implementation of legislation. However, undoubtedly, there are some problems and challenges in meeting some of the critical targets, but there are some indications that the implementation of recommended strategies may provide an effective vehicle for improvement and for addressing the challenges.