



COLLEGE-INDUSTRY **PARTNERSHIPS**

The Business Case for Engagement with Further Education and Training Colleges

“

Colleges ... need to be funded and developed in a manner that will allow them to provide both skills upgrade programmes as well as leading edge programmes that answer to the challenge of supplying the critical scarce skills needs of South Africa. We have an excellent framework for action in the Further Education and Training Act and it is now time to put these frameworks to action. ...

We believe that much success can be achieved through partnerships with the business community. ... We are currently in discussion with the business community, through the Business Trust. ... We will also encourage colleges themselves to identify local businesses that could become partners. Ongoing discussions between ourselves and the Ministry of Labour will also result in positive benefits for our HRD programmes.”

– Minister of Education, Naledi Pandor, at the Parliamentary Media Briefing, 28 May 2004

“

From all corners of South Africa, people are beginning to seriously engage in skills development initiatives. Some employers have realised how much skilled workers contribute to their competitive advantage and to the quality of their goods and services. Education and training providers have increasingly come under pressure to improve their programmes and to respond to the needs of various employers and learners. Together we still face a big challenge to open up more placement opportunities within the world of work for young people and people with disabilities. These issues have prompted the country to talk about skills development and to make it part of everyday language. This is an achievement and proof that the strategy is actively ‘at work’.”

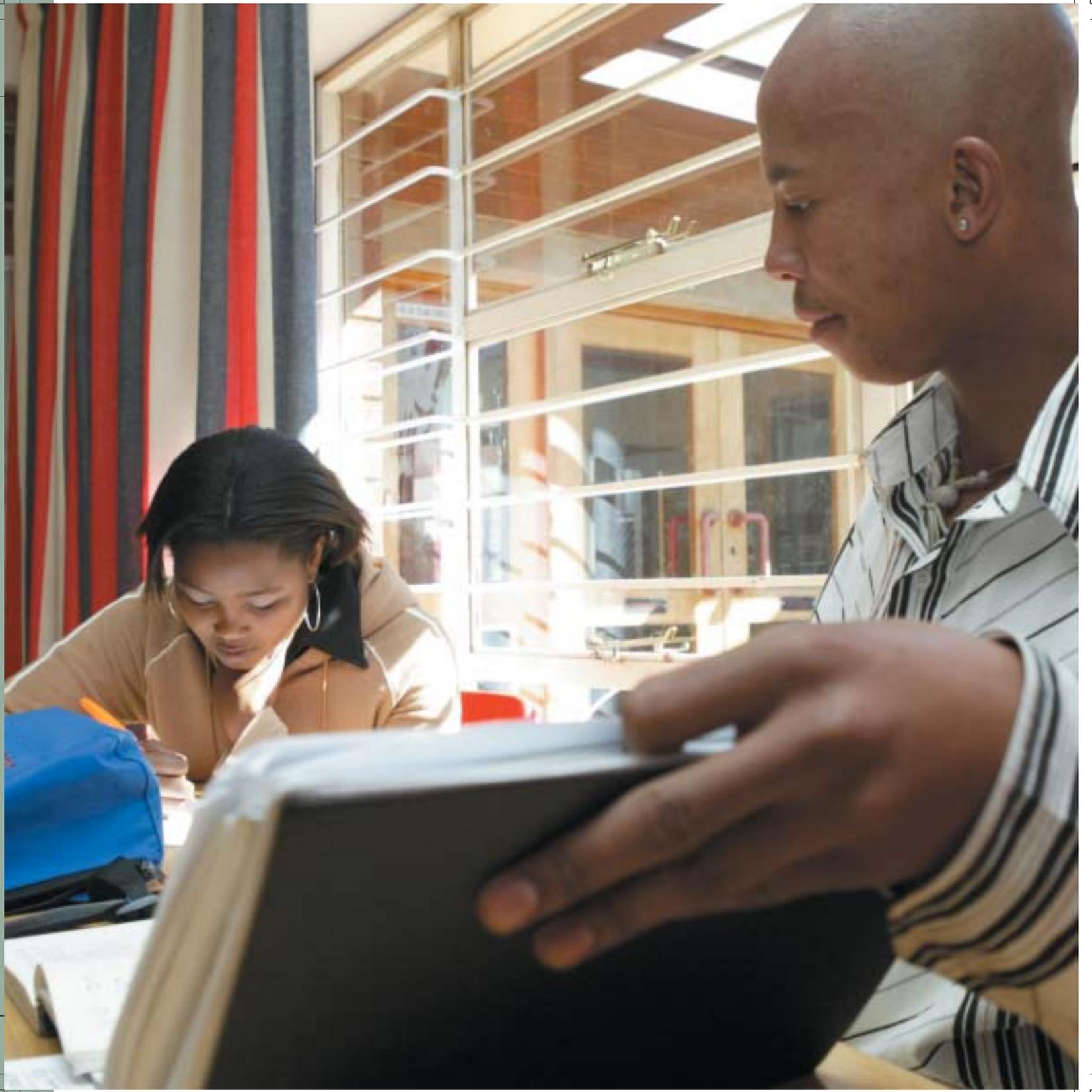
Minister of Labour, Membathisi Mdladlana, at the launch of the Employment and Skills Development Lead Employers Agencies (ESDLE), 24 May 2004

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COLLEGE-INDUSTRY PARTNERSHIPS

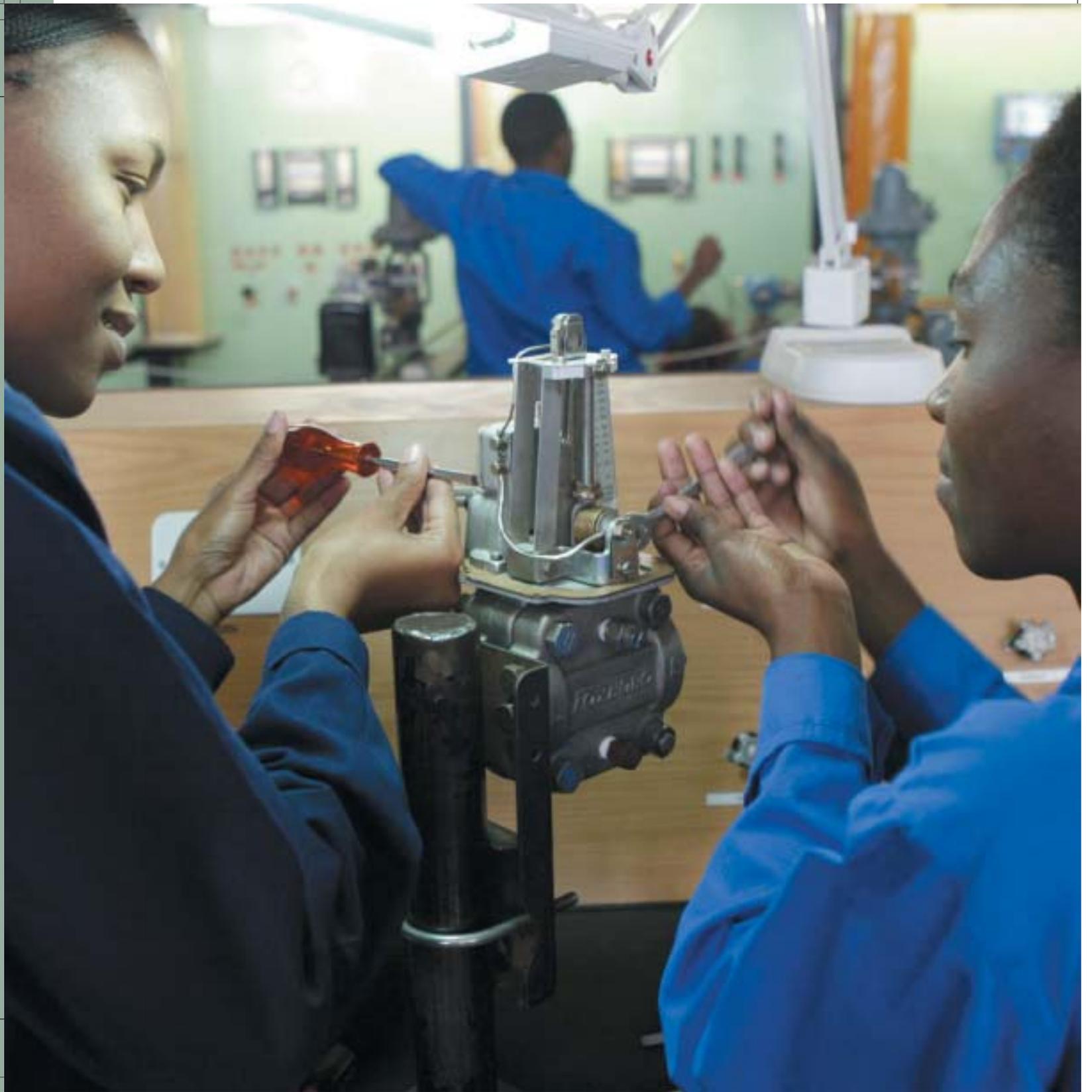
The Business Case for Engagement with Further Education and Training Colleges





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Foreword

FROM THE CHAIRMAN, NATIONAL BUSINESS INITIATIVE

As we look towards the second decade of democracy, the NBI and its member companies can take pride in the achievements of the past ten years.

Business in South Africa has made a significant contribution to building democracy and promoting social and economic development. The National Business Initiative (NBI) and its member companies have made valuable contributions in the areas of economic growth and development, housing, strengthening the capacity of local government, public private partnerships, and education and training.

As we look towards the second decade of democracy, the NBI and its member companies can take pride in the achievements of the past ten years, but will also be keenly aware of the challenges, especially of job creation, poverty alleviation, and education and skills development, that must now be tackled with greater urgency.

In putting forward the concept of a College-Industry Partnerships Initiative, the NBI is developing new ways of mobilising the collective energy, wisdom and resources of its member companies. I hope that member companies, from the Chief Executive down, find in the Partnerships Initiative a way in which they can engage decision-makers, planners and the providers of education and training to ensure that an expanded and accelerated delivery of the skills South Africa needs takes place.

Thank you to all those business leaders who have already demonstrated their commitment to this initiative.

AM Rosholt



Introduction

FROM THE CHIEF EXECUTIVE OFFICER, NATIONAL BUSINESS INITIATIVE

The College-Industry Partnerships Initiative outlined in this publication makes a strong business case for sustainable partnerships between business, government, and the education and training system.

The College-Industry Partnerships Initiative starts from the proposition that business leadership is key in driving an effective business contribution to social and economic development. The Initiative offers an exciting new framework for a collaborative effort by member companies and others to help build the Further Education and Training (FET) colleges system and provide the skills that South Africa needs.

The NBI is directly involved in facilitating and supporting a number of such strategic partnerships. These partnerships recognise that FET colleges, as public institutions, have a wide educational and social remit. Companies can align themselves with and assist the efforts of government to strengthen and develop the sector. As employers, however, companies also have a direct interest in colleges becoming responsive to the needs of commerce and industry, and a key role to play in ensuring that the products of the colleges are employable.

Drawing on its experience of working with colleges, leading companies and industry sectors, the NBI will produce a range of guides, materials and research data to assist companies and colleges to develop relationships of their own. In this way, we hope to widen the Initiative and build momentum so that the College-Industry Partnerships Initiative can act as a catalyst for far-reaching and sustainable change in the education and training system.

I challenge you to join this exciting initiative.

André Fourie



About the NBI

The National Business Initiative (NBI) is a leading business-based organisation comprising a coalition of 150 leading South African and international corporations who are dedicated to sustainable development.

The mission of the NBI is to enhance the business contribution to sustainable growth and development in South Africa. To this end, the organisation functions as a catalyst with implementation capabilities. It aims to inspire and promote good corporate citizenship and responsible leadership.

The NBI's vision of South Africa as a stable democracy in which a market economy functions to the benefit of all remains as relevant today as it was in 1995 when the NBI was first established.

The organisation enables business to act collectively and build positive relationships with government, labour and community interests to promote economic growth, sustainable development and an enduring democracy.

The NBI has gained respect and recognition both at home and abroad as a leading non-profit organisation using business leadership and resources to meet the challenges of a country and a nation in transition.

The proposition: A partnership between colleges and industry

The business case for building a strong public FET colleges system in South Africa rests on the need to ensure that the country produces sufficient middle- to higher-level skills.

This booklet has two purposes:

- First, it makes the case for a broad strategic partnership between business and the new public Further Education and Training (FET) colleges.
- Second, it encourages business leaders and companies, specifically, to get involved in shaping the FET system by forging mutually beneficial and sustainable relationships between the business community and the new FET colleges sector.

This focus distinguishes the initiative outlined here from current links between companies and colleges. While beneficial for the parties concerned, most existing arrangements make no claim to supporting education and training system change. Yet a process of system change is already underway. It is essential for business to make its voice heard, and to participate proactively, if the end result is to respond in a meaningful way to the needs of the economy and of society.

The case for building a strong public FET colleges system in South Africa rests on the need to ensure that the country produces sufficient middle- to higher-level skills. These are the foundations for increased levels of economic growth and wealth creation that are a positive good in themselves, and will enable South Africa steadily to reduce unemployment and lift the poor out of the cycle of poverty.

As part of this core function, colleges must play a growing and increasingly significant role in upskilling and reskilling the workforce, training adult and unemployed learners, and providing young people with alternative opportunities to academic secondary education and higher education.

COLLEGE-INDUSTRY PARTNERSHIPS

The proposition: A partnership between colleges and industry



The business case

Business is interested in the provision of skills which will sustain economic growth and development. But there is also a more specific business case as to why business should take a closer, more sustained and more systematic interest in the FET colleges and their work.

This business case hinges first, and most critically, on the strategic role that business leaders can and should seek to play, in helping to shape the development of an education and training system that will respond to the challenges that South Africa faces.

Second, business has a direct interest in the kinds of knowledge, skills, attitudes and values that FET colleges produce. It has a real contribution to make in ensuring that people trained and educated in the colleges are employable and equipped for life as workers and employees, as citizens, and as individuals.

The challenge for business leadership

The challenge for business leadership covers a complex terrain, but at heart it is a simple one.

Over the past five years, the public and private sectors have made significant investments of time, effort and money in the development of a new National Skills Development Strategy, the establishment of Sector Education and Training Authorities, and the design and delivery of new and more relevant training programmes in the form of learnerships.

Alongside this, there has been a huge investment in establishing the new sector of Further Education and Training colleges with substantial financial and technical support from the business

community. The gains made thus far should not be under-estimated. We can claim that the foundations of a new education and training system have been laid. We can also point to real successes and some positive developments.

But it is not so easy to argue that we are moving fast enough, or that implementation of the new FET dispensation is sufficiently focused, strategically led, and effectively co-ordinated, to enable South Africa to tackle the paradox that is one of its key challenges – persistent skills shortages in the midst of almost 40 per cent unemployment.

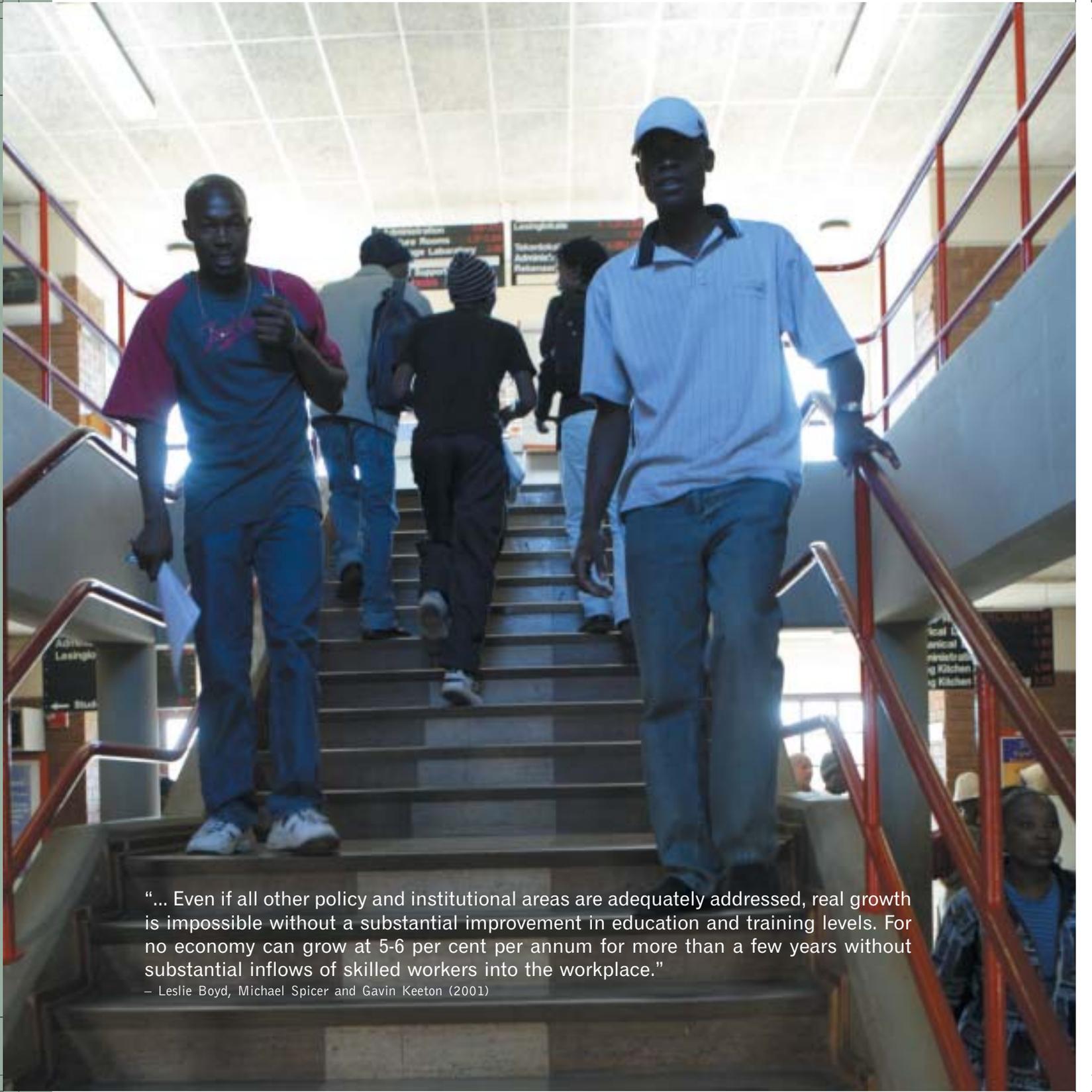
Seen in this context, the challenge for business leadership is to:

- Recognise the importance and potential of the FET colleges sector.
- Provide leadership within the business community to address the problem of skills shortages within high levels of unemployment.
- Engage government, policy-makers and opinion formers to seek proactive solutions.

Business leaders and companies are urged to give the College-Industry Partnerships Initiative their backing and practical support.

Against this background, the National Business Initiative, with the active support of its member companies and business leaders, is in the process of developing a new College-Industry Partnerships Initiative. Its context, focus and content are outlined in the pages that follow. Business leaders and companies are urged to give it their backing and practical support.





“... Even if all other policy and institutional areas are adequately addressed, real growth is impossible without a substantial improvement in education and training levels. For no economy can grow at 5-6 per cent per annum for more than a few years without substantial inflows of skilled workers into the workplace.”

– Leslie Boyd, Michael Spicer and Gavin Keeton (2001)

Challenge and opportunity: The next decade

“Business is a key actor
in social and economic
change.”

– Bernstein, Berger and Godsell (1998)

At the 2003 Growth and Development Summit, business leaders, government and organised labour committed themselves to tackling poverty and unemployment, growing the economy, and improving the skills base of the country.

These commitments, backed up by specific targets, were based on a frank recognition that while South Africa in the first decade of democracy has made significant progress in establishing a stable market-based economy, it faces critical challenges of investment, job creation, poverty alleviation and democratic consolidation over the next ten years.

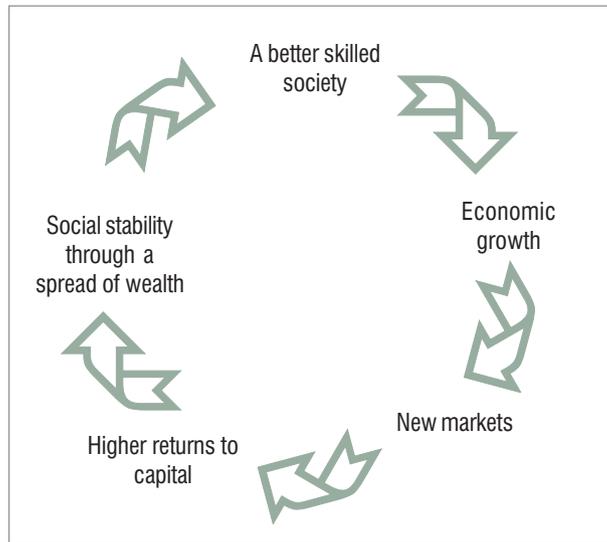
President Thabo Mbeki’s State of the Nation address at the opening of Parliament on 21 May 2004, strongly reinforced this message. In his speech the President set out a forthright agenda: To grow a dynamic and competitive ‘first economy’, create a bridge between the ‘first’ and ‘second’ economies, and provide a social safety net for the poor.

No society can sustain indefinitely an open, prosperous, market-based democracy in the face of persistent unemployment levels of between 30 and 40 per cent. No society can grow on the basis of a poverty trap which ensnares approximately 40 per cent of South Africans with the poorest 15 per cent in a desperate struggle to survive (Landman 2003), and levels of social and economic inequality which remain among the highest in the world.

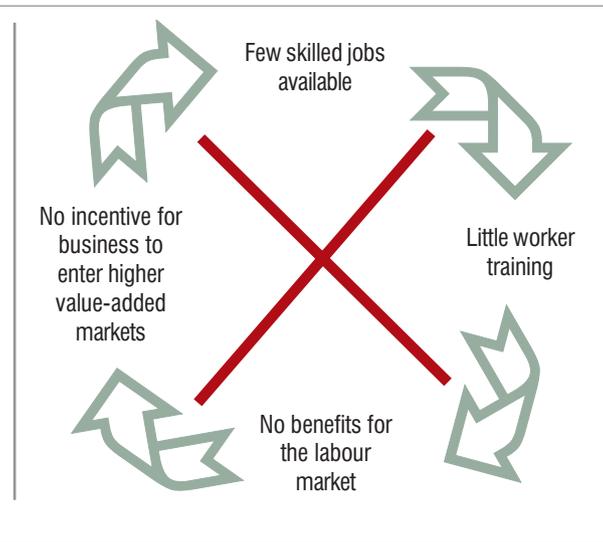
The problem is not one that government can solve on its own. More accurately, it is not government’s problem alone. It is a problem and a challenge that, ten years after the ‘miracle’ of 1994, faces all South Africans.

Business leaders and the business community have a vital role to play now and over the next decade in ensuring that South Africa in 2014 is a going enterprise, and a fount of economic strength, stability and democracy in the region, on the African continent, and in the international community.

Where we want to be



What we want to avoid



Adapted from Ashton (2004)

“... Economic development cannot wait for a new generation of well-educated school-leavers, [so] South Africa will need to follow the Singaporean example of rapid socio-economic change which was achieved by upskilling the existing workforce in only two decades.”

HSRC (2003: 667)

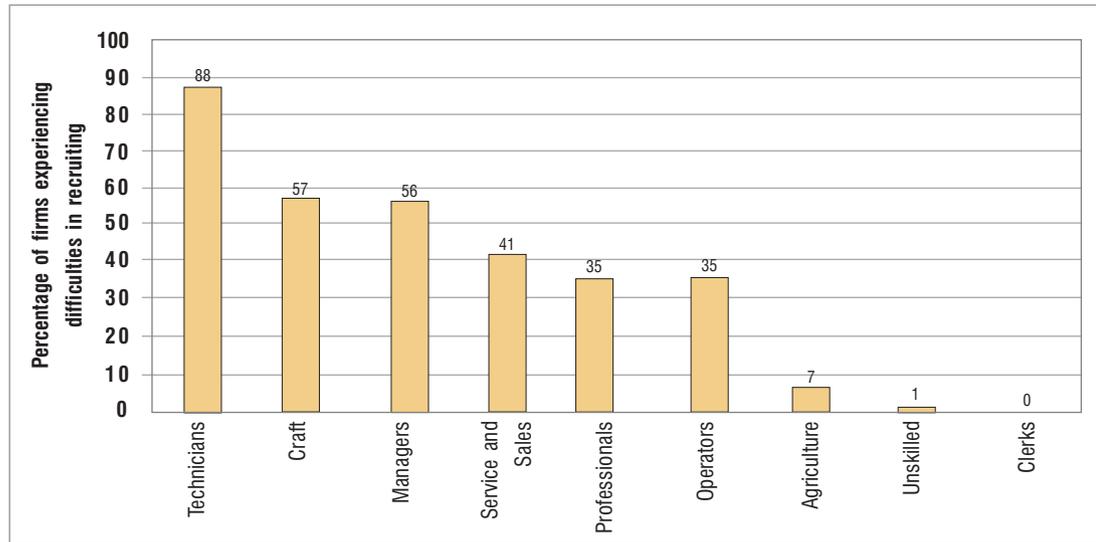
The economic challenge

It is widely agreed amongst economists that South Africa must achieve a growth rate in the region of five to six per cent per annum if it is to reduce unemployment by half over the next decade and create the wealth that will draw the poor out of the cycle of poverty and into a sustainable economy. It is equally widely accepted that South Africa cannot expect to achieve or sustain such a growth rate without a significant improvement in its education and training system and in its skills base.

It is in this context that the Growth and Development Summit of 2003 placed such emphasis on the challenge of skills development. At the Summit, business and government made commitments to accelerate the delivery of the new learnerships programmes that lie at the heart of the National Skills Development Strategy. The challenge is a real and immediate one, as the graph on page 15 shows.

An HSRC study of enterprise training in 2000 showed that firms are experiencing the greatest shortage of skills among technicians

Occupations in which employers experienced difficulty in recruiting qualified personnel in 2000



Source: HSRC (2003)

and craft personnel, and many have found it difficult to recruit staff in these fields.

A study conducted by SASOL across a range of industry sectors in 2003 highlighted the shortages of artisans such as electricians, welders, plumbers, and fitters and turners. SASOL estimates the skills shortage to be as high as 20 000 artisans (HSRC 2003: 676).

The transformation agenda

It is not enough, in the current context, for business to focus only on the creation of wealth, and to assume that it can leave key questions of social policy, equity and transformation to government and to civil society.

Government has already signaled a clear intent to ensure that black economic empowerment takes place. Key industries and business leaders have committed themselves to forging industry empowerment charters that will increase black participation in the mainstream economy, promote social and economic inclusion, and improve the conditions of workers and their communities.



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Challenge and opportunity: The next decade

“Business leadership can help shape the competitive environment of business, through strategic corporate social investment.”

Porter and Kramer (2002)

Business around the world and in South Africa is increasingly concerned with issues of sustainable social and economic development. Business has moved beyond an initial preoccupation with environmental impacts and the sustainability of economic activity. It is now also concerned with a sustainable development agenda that is increasingly focused on the social and political contexts which support firms, providing not only a ‘license to operate’ but a positive environment in which business can do business.

Worldwide, there is also growing awareness of the positive social and economic impact that responsible business activity can have on societies and communities. While corporate giving and philanthropy remain an important aspect of corporate social responsibility, it makes sense for companies to identify and strengthen those aspects of their normal business activity that have positive spin-offs and benefits for the communities and societies in which they operate.

It is in support of this wider sustainability agenda and as a service to its member companies that the National Business Initiative has recently established a Sustainable Futures Unit, associated with the World Business Council on Sustainable Development.

Likewise, the College-Industry Partnerships Initiative of the NBI seeks to work with member companies and the business community to leverage business activities and business interests to make a wider social and economic contribution.



The College-Industry Partnerships Initiative

The FET colleges sector is a set of new institutions with a growing role to play in the provision of the intermediate to higher level skills required to support economic growth and development.

The College-Industry Partnerships Initiative will facilitate and support collaborative relationships between companies and colleges to achieve the following results:

- Closer alignment between the training provided by colleges and the needs of employers.
- Increased capacity in the colleges so that they can respond more effectively to the needs of the economy and society.
- A voice for business in the formative stages of the development of the new FET colleges sector.

Why the colleges?

Colleges are the 'missing middle' in South Africa's system of education and training – the layer between schooling and higher education. In countries such as the United Kingdom, the United States and Australia, this critical role in providing intermediate skills and lifelong learning is played by further education and community colleges or by technical and advanced further education (TAFE) institutions.

South Africa is in the process of building its own FET colleges system. With the support of the Business Trust over the past five years, significant progress has already been made. Colleges are increasingly ready to respond to the education and training needs of employers and communities. The engagement of business will help ensure that colleges can deliver on these expectations.



Colleges will increasingly add value to companies through their educational expertise, flexible delivery of services, and understanding of industry requirements.



What are we asking from business leaders and companies?

The investment being asked of companies and business leaders is primarily one of time and involvement.

How will companies benefit?

The immediate return to companies lies in the influence they will have in the development of the colleges sector and, over the medium to longer term, improvements in the quality of training and the supply of skilled personnel. Colleges will increasingly add value to companies through their educational expertise, flexible delivery of services, and understanding of industry requirements.

The partnerships will also provide wider benefits in terms of the corporate social responsibility, industry charter and black economic empowerment issues with which companies are increasingly concerned.

How will the colleges benefit?

Colleges will benefit from

- business leadership involvement in the governance of the new institutions;
- the development of college managers who understand the needs of business and can respond to the demands and opportunities of the market place;
- staff with up-to-date knowledge and workplace skills and understanding;
- the development of programmes and qualifications such as learnerships that respond in an educationally responsible way to the demands of the economy and society; and
- students who are better prepared for the world of work.

Growth of the FET colleges sector

In his State of the Nation Address on 21 May 2004, President Thabo Mbeki emphasised the key role of the Further Education and Training colleges in the skills development process in South Africa.



President Mbeki's focus on the colleges must be understood in the context of his overall message which stressed the need to

- grow and develop the first economy, increasing its ability to create wealth and jobs;
- address the challenges of the second economy and create a bridge to the first economy; and
- build a social security net to meet the objective of poverty alleviation.

President Mbeki announced the following commitments by government in respect of Further Education and Training:

- Speed up the process of skills development, focusing on identified shortfalls.
- Having reached the target of 64 000 learnerships since the Growth and Development Summit, engage all the Sector Education and Training Authorities (SETAs) by the end of 2004 to increase the uptake of learners and improve the focus on the skills that are in short supply.
- Ensure adequate funding of the FET colleges and proper alignment of the courses they offer with the requirements of the economy.
- During the course of this financial year, recapitalise all the FET colleges and intermediate training institutions, ensuring that they have the necessary infrastructure, capacity and programmes relevant to the needs of the economy.



Public FET colleges in brief

The new FET colleges are built upon the foundations of the former technical colleges whose growth and evolution closely paralleled the discovery of gold, the development of the railways and the industrialisation of the South African economy. For many years technical colleges played an important role in South Africa's apprenticeship system (Fisher, Jaff, Powell and Hall in HSRC 2003).

However, the remit of the new colleges is wider and more significant. Education White Paper 4 highlights the important social and economic role of Further Education and Training by pointing to its critical location at the crossroads between general and higher education, and the world of work. White Paper 4 sets out an ambitious programme for the transformation of the former technical colleges into new FET institutions. They will serve an increasingly diverse and inclusive learner population, respond to the needs of employers and communities, and promote the lifelong learning so essential to a world of rapid – and ongoing – technological, economic and social change.

Significant progress has been made over the past five years in implementing this new vision. The apartheid landscape of 152 technical colleges, racially divided and with very different levels of autonomy and resources, has been fundamentally reshaped, through a system-wide merger process. It is now a new system of 50 multi-campus colleges, sharing a common status and identity as FET institutions as defined in the 1998 Further Education and Training Act.

The FET colleges have new principals, new governing councils, and a new mission – to provide flexible and responsive, high quality programmes and services to meet the needs of employers, adult learners and workers, communities and the unemployed. Enrolments have grown from just over 300 000 headcounts in 1998 to more than 400 000 in 2002.

Significantly, this growth has occurred without major additional public investment in the sector, indicating that colleges are working hard to be responsive to demand, despite resource constraints.

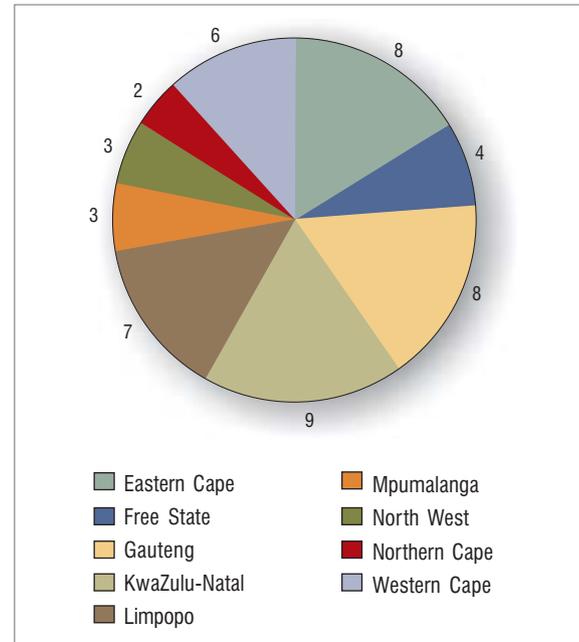
Today, colleges reach into almost every major town and township. Some 200 delivery sites across the country provide further education and training to an increasingly diverse clientele of school-leavers, workers, unemployed adults and community members. With new public and private investment in the pipeline, the colleges are set for an important phase of expansion and development.

A positive trend is the growth over the past five years in the number of adult learners enrolling for skills programmes, learnerships and other programmes outside of the Department of Education curriculum. Pilot learnership schemes have been introduced at 36 college sites, supported by the Departments of Education and Labour, and by the donor community.

Perhaps the most dramatic change over the past ten to twelve years has been in the racial profile of student enrolments. Where in the early 1990s seven out of ten students were white, student enrolments now closely mirror the demographics of the country. From this perspective, the colleges may well be the most transformed of all South Africa's education and training institutions.

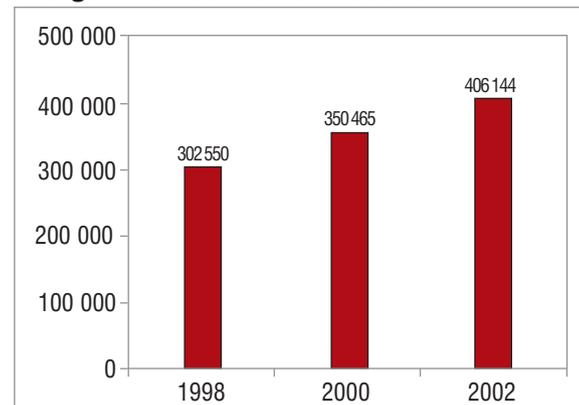
The colleges are open for business.

Number of FET colleges by province



Source: Department of Education (2004)

Change in headcounts from 1998 to 2002

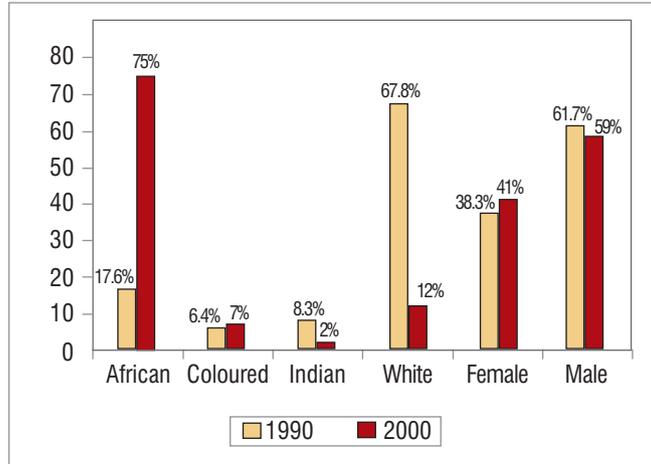


Source: Department of Education (2004)

COLLEGE-INDUSTRY PARTNERSHIPS

Growth of the FET colleges sector

Enrolment figures by race and gender for 1990 and 2000



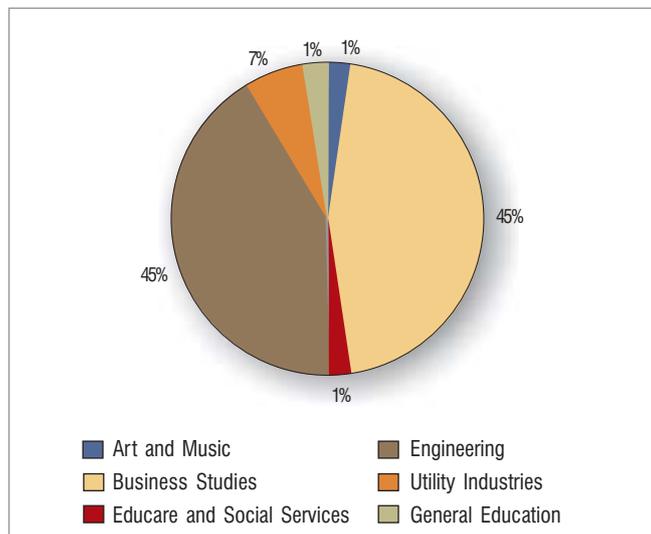
Source: Fisher G, Jaff R, Powell L and Hall G (2002)

Note: In the case of the 2000 racial breakdown, no data was provided for 4 per cent of the respondents.

Staff profiles are considerably more equitable than they were before. For example, the proportion of black teaching staff overall has increased from 49 per cent in 1998 to 56 per cent in 2002. At senior post level the percentage has increased from 26 per cent in 1998 to 41 per cent in 2002.

The programmes currently offered by colleges focus primarily on Engineering and Business Studies. Many of these programmes require updating, or may need to be replaced by more relevant industry-based programmes and qualifications such as learnerships. This is starting to happen, and companies have an important role to play in ensuring that college programmes are relevant and responsive to the needs of industry.

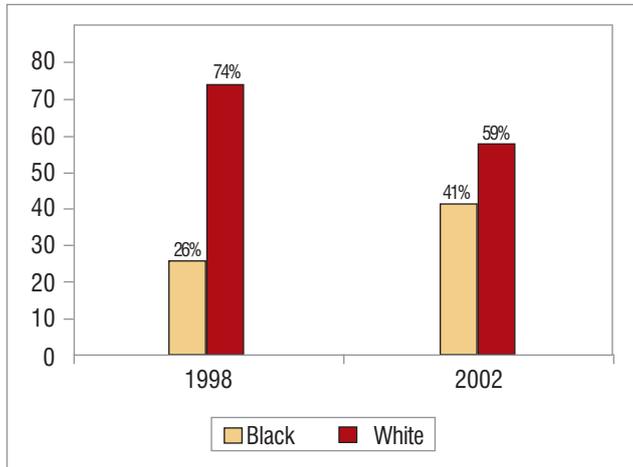
Full-time equivalent enrolments by vocational field



Source: Department of Education (2004)



Race distribution of college staff at senior post level in 1998 and 2002



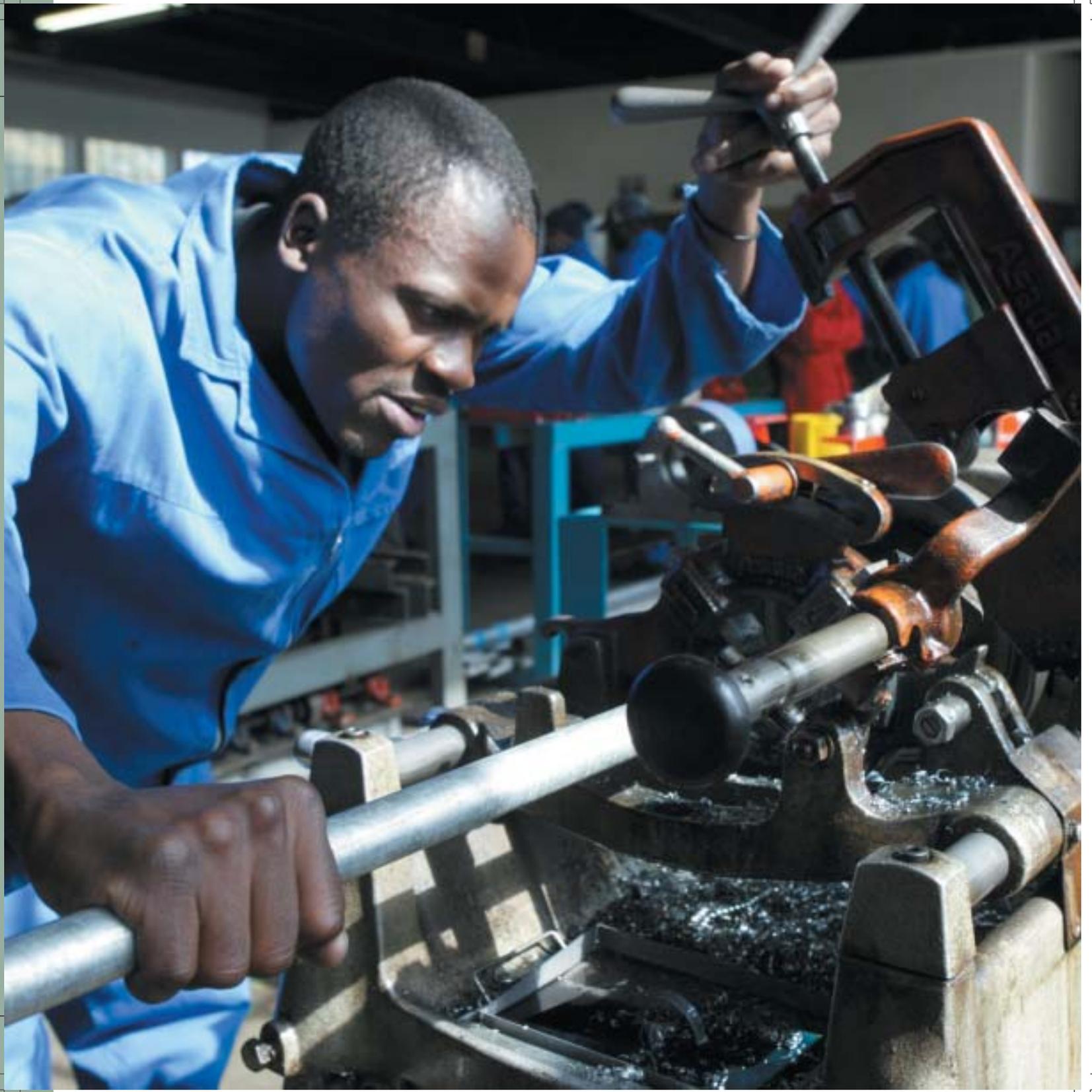
Source: Department of Education (2004)



Recapitalising the sector

The President's commitment to recapitalise the sector holds the promise of significant new funding over the next few years. Colleges will also be able to access funding through the skills levy and the delivery of learnerships. With these new sources of funding, the colleges are poised to become a growing and increasingly important part of South Africa's system of education and training.

It is important that this money is managed well, and spent appropriately. Business can help ensure that maximum benefits are achieved by participating in college governance, playing a role as active and engaged members of college councils, and participating in the College-Industry Partnerships Initiative.

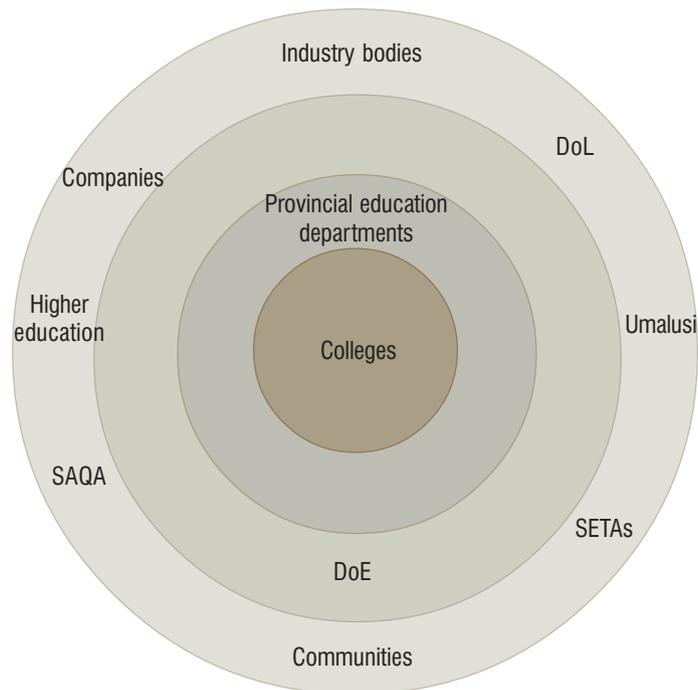


What can college-industry partnerships achieve?

FET colleges form part of the wider education and training system, and need to forge working relationships with companies, industry bodies, SETAs, and other labour market and community role players.

The diagram below illustrates some of the institutions and environmental influences with which FET colleges must interact.

A strategic partnership between industry and the FET colleges is in the interests of business and in the public interest. Such a partnership will mobilise business expertise within national policy frameworks to



COLLEGE-INDUSTRY PARTNERSHIPS

What can college-industry partnerships achieve?



support and sustain the development of the colleges sector as a key provider of education and skills to workers, out-of-school youth and the unemployed. It will also play a vital role in ensuring that colleges provide the competent, educated and skilled workers that employers require.

The college-industry partnerships that the NBI and its member companies are currently developing are intended to be both strategic and practical in nature (see page 31). They will promote meaningful change and development in the colleges at the operational level as well as enabling companies and the colleges to work together to address the specific concerns and priorities of industry. The partnerships will also facilitate strategic and policy dialogue between business and government at higher levels.

A ten-point action plan

The College-Industry Partnerships Initiative is envisaged as a ten-point action plan. The plan is not a rigid blueprint or a one-size-fits-all model. Rather, it is a practical guide to the kinds of interactions that companies and colleges can design together, to develop a set of sustainable relationships that will yield immediate results as well as long-term benefits.

Action 1: College governance

Improve strategic business representation on college councils.

The strategic intent of **colleges**, agreed at governance level, should be aligned with the needs of industry whilst being educationally responsible as public education institutions.

How? Through these practical activities

Colleges and companies review current business representation, decide on its intended role and then nominate and appoint additional **business representatives**.

Workshop the roles and responsibilities of these representatives.

Convene provincial forums to review progress at colleges and effectiveness of business leadership.

Draft report and recommendations.

Action 2: Strategic planning

College leadership strengthens its capacity to plan and manage growth in relation to local industry needs. It also addresses regional socio-economic development priorities.

Colleges engage with **industry** to develop strategies that forge links between the world of work and education and training.

How? Through these practical activities

- **Companies** brief college principals on key industry trends and skills needs, corporate social responsibility and black economic empowerment priorities.
- Company visits are scheduled to the **colleges**, where business representatives meet the principal and top management team.
- Provincial workshops on **industry** and **regional development** needs are held for principals and their management teams.

COLLEGE-INDUSTRY PARTNERSHIPS

What can college-industry partnerships achieve?

Action 3: Management development

College management becomes more business-like in:

- positioning the college;
- expanding its market; and
- managing the education and training process in the college.

Industry managers gain mentoring skills.

The quality of corporate management and financial accountability of college leadership is ensured. This is done by introducing reliable systems, thus increasing the confidence of **companies** in the capacity of **colleges** to deliver a quality product.

Action 4: Staff development

College staff become skilled in delivering industry-standard education and training.

Company staff benefit from mentoring college staff and establishing learning networks with the FET colleges.

Colleges develop the capacity to provide generic, transferable knowledge as well as job-related skills. They become qualified to advise companies on their training needs, and develop training solutions.

Action 5: Programmes and curriculum development

Colleges provide programmes that respond to:

- company training needs;
- community development priorities;
- corporate social responsibility priorities; and
- industry needs.

Colleges develop systems and processes, including industry engagement, to guarantee broad, relevant curriculum design and implementation. In this way, curricula are aligned to the needs of both industry and the wider socio-economic environment.

How? Through these practical activities

- **College principals** are mentored by business leaders according to individual development plans.
- **Companies** and the **NBI** run a joint leadership programme for college principals.
- **College** managers are invited on to company training programmes e.g. finance, HR, asset management.

How? Through these practical activities

- **Colleges and companies** design and implement a staff internship programme to build capacity, impacting on the college environment, and adding value to companies.
- Implement internships.
- Industry makes annual presentations to college academic boards on issues such as industry trends, needs and socio-economic demand.

How? Through these practical activities

- Establish joint **college-industry working groups** for ongoing programme and curriculum development.
- Develop college-industry agreement on two to four priority programmes initiating learnerships for immediate implementation, or for transfer between colleges.
- Review Department of Education and non-Department of Education courses currently on offer.
- Develop broad programme recommendations for College Academic Board approval.
- Make recommendations to the Department of Education concerning industry-relevant college programmes, such as learnerships.

Action 6: Quality assurance

Colleges develop a culture of continuous quality improvement, ensuring that this is aligned with industry expectations and quality processes.

Colleges make a commitment to ongoing quality evaluation and improvement in order to enhance customer service and to improve efficiency and effectiveness.

How? Through these practical activities

- **College principals** and heads of department visit companies to develop an understanding of company quality processes.
- **College staff** participate in company training programmes to observe quality assurance training in action.
- **College-industry working groups** are established to develop shared strategies for quality assurance.
- **College managers** from HR, Finance, Administration and IT visit company counterparts to study company quality processes.

Action 7: Work-based learning for college learners

Learners receive contextualised learning and experience the everyday working environment.

The relationship between education and training and the workplace is strengthened.

A pool of skilled workers is developed.

Companies are given an opportunity to screen potential employees.

At the Growth and Development Summit, **business** made a commitment to increase the number of Section 18(2) participants in learnerships. Colleges assist companies in addressing both Section 18(1) and 18(2) targets.

How? Through these practical activities

- Commit to meeting agreed learnership targets by **colleges** and **industry**.
- Meet an agreed target of learners to be placed in work-based learning programmes.
- Establish a college-industry working group to design and implement a work experience programme for college learners.

Action 8: Career counselling and job placement for college learners

Colleges support companies in their recruitment by identifying, nurturing and selecting skilled potential employees from the FET college sector.

Colleges develop effective learner support systems. They commit to improving information for learners on employment opportunities and employer expectations.

Companies improve their strategies for identifying and selecting potential employees, thereby also meeting employment equity targets.

How? Through these practical activities

Establish **college-industry** working groups to:

- review current industry recruitment practices and job requirements;
- design an ongoing recruitment programme with colleges; and
- develop a joint programme to advise learners and college staff about careers in industry.

Establish a tracking process to (1) monitor the employment of college graduates by the industry, and (2) analyse employer views on the quality and relevance of college provision.

COLLEGE-INDUSTRY PARTNERSHIPS

What can college-industry partnerships achieve?

Action 9: Industry-standard training facilities and other resources

College learners and potential industry employees are trained in industry-standard technologies and work environments.

Industry can assist colleges (particularly under-resourced institutions) in (1) providing access to appropriate training environments or (2) upgrading college plant and infrastructure. Industry can also help in advising government on the significant capital investment programme for colleges currently under consideration by the Department of Education.

How? Through these practical activities

- Joint college-industry review of college training facilities.
- Industry and colleges consult with the Department of Education regarding infrastructure requirements.
- Industry collaborates with the Department of Education to develop an infrastructure strategy to improve college facilities and provide access to industry standard training.

Action 10: Strategic dialogue, information dissemination and policy engagement

The main outcomes of this would be:

- To share and promote best practice.
- To promote dialogue through college-industry interaction and through engagement between business and government.
- To support business leaders' engagement with government on the policy environment and related issues.

Platforms are created for debate and dialogue, enabling both industry and the FET colleges sector to learn from lessons, problems and challenges arising from the practical experience of partnerships. The NBI with its considerable knowledge and networks is ideally placed to play a central role here.

How? Through these practical activities

Launch an event for partnerships in particular industries and invite the following to participate: **Departments of Education and Labour, industry leaders and college principals.**

- Facilitate high-level engagement between business and government on the role of colleges and how best to support this.
- Set up data collection and research processes to support Actions 1 to 9.
- Develop publications, case studies and analyses to share good practice, disseminate information and inform policy.
- Establish annual workshops for all key players.
- Initiate a national conference of business representatives on college councils (across all industries) to review and share partnership lessons and assess the operational and policy environments.



Partnerships are already developing

Already, three major gold mining companies have committed themselves to the successful implementation of a college-industry partnership.

A gold-mining partnership with FET colleges

Already, three major gold mining companies, AngloGold Ashanti Limited, Gold Fields Limited and Harmony Gold Mining Company Limited, with the backing of their Chief Executive Officers, have committed themselves to the successful implementation of a college-industry partnership. The partnership also has the support of the Chamber of Mines and the Mining Qualifications Authority which has made a three-year funding commitment to supporting the partnerships programme.

The partnership currently encompasses four provincial Departments of Education and five FET colleges:

Provincial Departments of Education

- Gauteng
- Free State
- North West
- Mpumalanga

Participating colleges

- Gauteng: South West Gauteng FET College (five delivery sites), Western FET College (two delivery sites)
- Free State: Gold Fields FET College (two delivery sites)
- North West: Vuselela FET College (four delivery sites)
- Mpumalanga: Gert Sibande FET College (three delivery sites).

COLLEGE-INDUSTRY PARTNERSHIPS

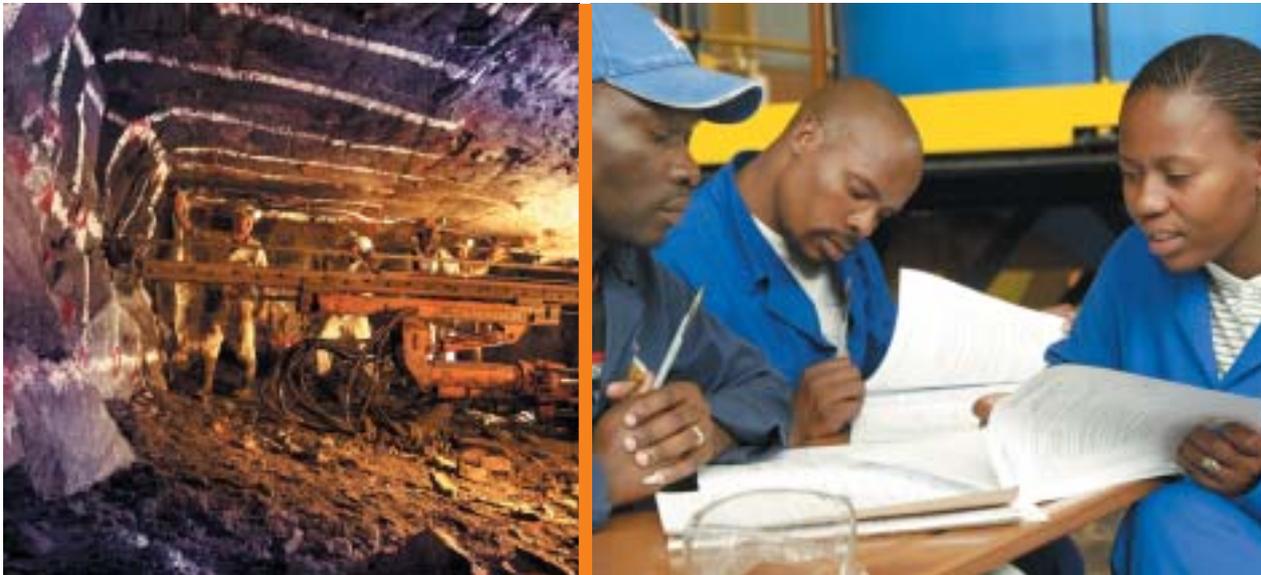
Partnerships are already developing

The NBI's intention is to facilitate and support five or six key industry partnerships over the next three years.

Emerging college-industry partnerships

- The Chief Executive of Iscor has assigned a senior manager to work with the NBI to develop a proposal for a college-industry partnership with the steel industry.
- A regionally based model is developing in KwaZulu-Natal, which could include various companies in the broader Ethekewini region, the provincial department and up to three FET colleges working together to meet specific regional skills needs.
- Other partnerships will be explored in other industry sectors in the coming months.

The NBI's intention is to facilitate and support five or six key industry partnerships over the next three years. In addition, the NBI is gearing up to provide advice and information to companies and colleges which are interested in developing strategic partnerships for themselves.



The role of the NBI

The NBI will support the College-Industry Partnerships Initiative at a strategic level.



The NBI will support the College-Industry Partnerships Initiative at a strategic level, as well as at the operational and practical level of engagement. Using its research to inform strategy, it will provide support by:

- Facilitating the development of five or six strategic partnerships over the next three years;
- producing knowledge and tools in the form of qualitative and quantitative studies, guides and case studies, and policy analysis, to support and help drive the partnerships agenda;
- offering information and advice to companies and colleges interested in developing partnerships of their own;
- facilitating high-level engagement between leaders in business, government and the colleges, to fast-track the development of the colleges as a critical element in a national effort to improve the skills base of the country.





The NBI's track record in FET

Between 1997 and 1998 the NBI played an important role on the various ministerial and Department of Education committees and working groups which culminated in the new policy framework for Further Education and Training in South Africa.

From 1999 to 2004, the NBI successfully managed the Colleges Collaboration Fund (CCF), a five-year, R85-million project funded by the Business Trust. Through a Service Level Agreement with the Department of Education, the CCF achieved the following outputs:

- Took responsibility for the project management of the CCF programme.
- Undertook research and provided over 100 key reports and information on
 - baseline statistics and trends in the colleges sector;
 - financial status of colleges;
 - college partnerships;
 - college staffing, and the factors affecting the responsiveness of colleges to social and economic demand; and
 - employment destinations of college graduates (in process).
- Provided data and technical assistance for a Department of Education plan for the restructuring of the colleges sector.
- Assisted provincial education departments to develop provincial strategic plans for the sector as per *A New Institutional Landscape for Public Further Education and Training Colleges: Reform of South Africa's Technical Colleges* (Department of Education 2001).
- Assisted with the development of 50 college merger plans.
- Provided leadership and management development programmes for college council members and managers.
- In partnership with the Department of Education and the British Council, placed 88 college managers in intensive three-month residential internships in Further Education Colleges in the United Kingdom.
- Forged high-level relationships with the national and provincial education departments and all 50 colleges.



The College-Industry Partnerships Initiative has been developed during the final year of the Service Level Agreement with the Department of Education, as a strategy for sustaining the developmental work undertaken over the past five years by the Colleges Collaboration Fund with Business Trust funding and in partnership with the Department. In this respect college-industry partnerships are an important vehicle for encouraging continued business support and engagement with the public FET colleges sector after the closure of the CCF. The NBI gratefully acknowledges the strategic guidance and advice of the Department of Education and the support of the Business Trust.

If you are interested in joining a partnership or initiating a partnership in an industry, sector or region, contact Marianne Scott, Programme Manager, for further information:

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Acronyms

CCF	Colleges Collaboration Fund
DoE	Department of Education
DoL	Department of Labour
FET	Further Education and Training
HR	Human Resources
HSRC	Human Sciences Research Council
IT	Information Technology
NBI	National Business Initiative
SAQA	South African Qualifications Authority
SETA	Sector Education and Training Authority



Glossary

Headcount refers to the number of individual students in an institution. Headcounts include all enrolments regardless of the length of the course or programme. Consequently, each short-term and part-time student is counted in the same way as full-time enrolments. Headcounts thus present a potentially inflated picture of the size of the system. To address this, full-time equivalent (FTE) enrolments are calculated by converting headcounts to the full-time one-year equivalent of each enrolment. Thus, a student enrolled for a half-year semester course will count as 0.5 of an FTE enrolment (HSRC 2003).

Learnerships. Learnerships are structured training opportunities that provide workplace learning in a systematic form through the provision of both formalised learning and structured work experience. Learnerships lead to a qualification registered by SAQA. Learnership contracts are signed in a three-way agreement between the employer, education and training provider, and learner (see Section 18 participants below).

Section 18 participants in learnerships. Section 18 of the Skills Development Act No. 97 of 1998 refers to contracts of employment with learners. A Section 18(1) learner is a learner who was in the employment of the employer party to the learnership agreement concerned when the agreement was concluded, and the learner's contract of employment is not affected by the agreement. Section 18(2) provides that "If the learner was not in the employment of the employer party to the learnership agreement concerned when the agreement was concluded, the employer and learner must enter into a contract of employment".

Umalusi is the quality assurer in the General and Further Education and Training bands of the National Qualifications Framework (NQF).

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Photography by Johnny Onverwacht at the Tshwane South College for FET, the Tshwane North College for FET, the Western FET College and the Gold Fields Academy.

Photos on pages 15, 16 (left), 18 (bottom), 19 and 32 (left) courtesy of the NBI and its member companies.

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The idea of a vibrant Further Education and Training college sector, responsive to the needs of the economy and the individuals who use it, captured the imagination of the Business Trust in 1999. R85-million was put behind the pursuit of that vision. Over the last five years much has been achieved: 152 colleges have been merged into 50. Leadership and management skills have been improved. A new sense of identity has been developed within the sector, and technical and vocational education has moved up on the national agenda as evidenced by government's commitment to refinance the sector.

The need for further education and training is even greater now than it was in 1999. Many of the macroeconomic adjustments mooted at that time have been made, and more and more people will seek access to the economy through this door. But much remains to be done if these colleges are to earn the respect of industry and keep the promise they offer their students. In particular, they need to improve their understanding of the local economy and align their course offering with that understanding. This places heavy demands on strategy, leadership and management in the newly merged colleges. The private sector is well placed to help colleges to meet these demands and it stands to gain a great deal from a world class college sector.

Brian Whittaker

Chief Operating Officer, Business Trust



Regional member of the World Business Council for Sustainable Development

Enhancing the business contribution to South Africa's success