

## Learnerships offer a powerful opportunity for SMMEs to develop skills and change lives



South Africa finds itself in the precarious position of navigating a serious skills shortage, especially in the technology industries, while being home to the highest unemployment rate in the world. Small, micro and medium enterprises (SMMEs) often can't compete with larger businesses for skills, but there is a massive opportunity for them to harvest and develop a skills pipeline by investing in learnerships in partnership with the Sector Education Training Authority's (SETAs) and learning institutions.

Before looking at this a little more closely, let's start with the context: the skills shortage presents a serious risk to businesses, both big and small. While there is a general shortage, it is particularly acute at a senior and specialist level. This means there needs to be at least a five-year view around people growing from entry level into intermediate roles, and then eventually on to senior positions within the organisation.

Naturally, this means businesses need to hold onto skills over the longer term, and this, in itself, is a whole other topic that would warrant deeper analysis. Certainly, from Telviva's perspective, developing and holding onto talent is vital - not just because of dealing with the skills shortage but because much of our business is built on developing home-grown products and platforms. This means there is a particular niche skill set and knowledge base required - something not easily achieved by slotting seniors into the business. Each business would have its own unique set of circumstances and so developing technical skills within the context of each business makes strategic sense.

Corporates have long understood the need for learnerships even if some of them embark on the process

as a box-ticking exercise. This is a lost opportunity, because when embraced within the spirit of Broad-Based Black Economic Empowerment (BBBEE), well designed learnership programmes have the potential not only to drive the country's transformation agenda but also develop a home-grown skills pipeline and change the lives of young people.

SMMEs have not widely embraced the strategy of learnerships as a means to develop skills and address transformation for a number of reasons, not least the perceived effort and cost. To be fair, setting up such a programme does require effort as it is a technical exercise. However, for those that go through the effort, there are a number of benefits:

### **Partnerships**

At the outset, one needs to do extensive research and understand the process, while also being prepared to navigate a fair amount of red tape. This spans the steps required when engaging with the industry SETA through to finding the right training institution to sourcing learners that will be right for your industry, such as a basic mathematics foundation.

However, do not let the perceived effort put you off. Creating a partnership with your industry SETA and the learning institution you have chosen ensures that each year the programmes become easier and more effective to implement and administer.

### **Cost-effectiveness**

The rands and "sense" pay off with the possibility of accessing grant funding through the SETA and enjoying the benefits of Section 12H of the Income Tax Act and Employee Tax Incentive (ETI) for qualifying programmes and youth respectively. In other words, beyond the skills development outcome, which can never be understated in terms of importance, learnerships, when done properly and in compliance with set standards, makes business sense.

### **Skills security**

Once you have the solid partnerships in place, and because learnerships are cost effective, you can build more skills to build a future funnel. This critical volume of skills benefits both your business and the industry at large.

At Telviva, we started our Telviva Academy journey of learnerships seven years ago with an intake of just two young people. Today we find Team Leaders asking when the next batch of learners will make its way into the organisation. The process becomes a snowball and former learners become mentors for new learners. Over the years, we have created about 40 new opportunities through the Learnership mechanism. Of these, over 70% have received permanent employment, either with us or our partners.

### **Enriching lives**

Learnerships make a real impact on people and communities. This is perhaps the most rewarding aspect of investing in learnerships in your organisation: the knowledge that it changes the lives of young people and sets them on a path of rewarding careers.

Many of the young people that have gone through our learnership programme are still with us – 60% of our support desk is made up of former learners. We have Learners who have grown into Team Leaders and Senior Support Engineers. Others have moved on and are doing well independently of Telviva. As a minimum Learners who successfully complete the learnership receive a qualification while earning a stipend and gaining valuable work experience. They then have the opportunity to become mentors and to pay it forward. This is deeply rewarding to all involved.

The bottom line is that if a business is deeply committed to transformation it needs to have a longer-term strategy to grow transformation within the organisation. This is the antithesis of box-ticking or simply trying to “plug in” transformation target compliance.

By embracing the spirit of transformation when embarking on learnership programmes, SMMEs have the opportunity to develop new skills, drive meaningful people growth within the organisation and methodically steer the organisation towards an inclusive demographic makeup. Here, learnerships (and the job-creation opportunities that are born from them) can play a crucial role in society broadly and the business specifically, and if done properly builds a compelling business case.