



Public Service Sector Education and Training Authority (PSETA)

A Skills Needs Assessment of the Strategic Integrated Projects - Phase One

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**higher education
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1. Introduction

The Public Service Sector Education and Training Authority (PSETA) is mandated with addressing the skills development needs of the public service sector. This report forms part of a two phase research approach which seeks to identify the skills development needs of employees within the public service sector in carrying out functions related to the Strategic Integrated Projects (SIPs). This report, phase one, focuses on a desktop review of the available information and data related to the SIPs within the KwaZulu-Natal (KZN) province. Phase two of the research approach will encompass a focussed evaluation of the skills required in the public service sector as per Steps 17 and 18 of the 21 Step SIPs Process, and will more specifically concentrate on the comparison of existing skills to required skills in order to identify skills gaps (if any). The final results of such a process will serve as an important source in informing future skills development initiatives and training interventions within the public service sector of the KZN province.

2. Background and Context

Economic growth may be considered one of the most sought after achievements by many a country. Similarly in a country like South Africa, faced with the triple challenge of poverty, inequality and unemployment, the state has to pursue economic growth through various policy innovations. One of the most fundamental issues facing the country is the inability of the economy to grow sufficiently to accommodate the increasing growth of the labour force, resulting in persistently high levels of unemployment in the country. Whilst different arguments exist with regards to the reasons why this may be, the structural problems in the economy are often attributed with this disparity.

In order to encourage growth, infrastructure investment is commonly utilised, and as such infrastructure investment has been identified as a key priority in both the New Growth Plan and the National Development Plan. The New Growth Path sets a goal of five million new jobs by 2020, identifies structural problems in the economy and points to opportunities in specific sectors and markets or “jobs drivers”. The first jobs driver is infrastructure: laying the basis for higher growth, inclusivity and job creation (PICC, 2012). As such, the National Infrastructure Plan was adopted in 2012. The goal of the plan is to strengthen domestic demand for local capital good industries, products and

services, and to develop skills to skills to implement, operate and maintain infrastructure assets. Cabinet established the Presidential Infrastructure Coordinating Committee (PICC) to: coordinate, integrate and accelerate implementation; develop a single common National Infrastructure Plan that will be monitored and centrally driven; identify who is responsible and hold them to account; develop a 20-year planning framework beyond one administration to avoid a stop-start pattern to the infrastructure roll-out (PICC, 2012).

2.1. The Strategic Integrated Projects

The Strategic Integrated Projects (SIPs), developed under the guidance of the PICC, encompassed under the National Infrastructure Plan which was launched by President Zuma in 2012. These infrastructure projects were identified as key drivers of economic growth and social development across the country. These projects are specifically catalytic projects and comprise:

- 5 Geographically-focussed SIPs
- 3 Spatial SIPs
- 3 Energy SIPs
- 3 Social Infrastructure SIPs
- 2 Knowledge SIPs
- 1 Regional Integration SIP
- 1 Water and Sanitation SIP

An early requirement for the success of these projects was the formation of partnerships across all forms of government and the private sector. Skills development was further recognised as an important component of this initiative, resulting in the establishment of a Special Projects Unit within the Department of Higher Education and Training (DHET), mandated to developing a Skills Plan (DHET, 2015). The SIPs Skills Plan, shown in figure 1, is made up of five focus areas, with short, medium long-term time ranges.

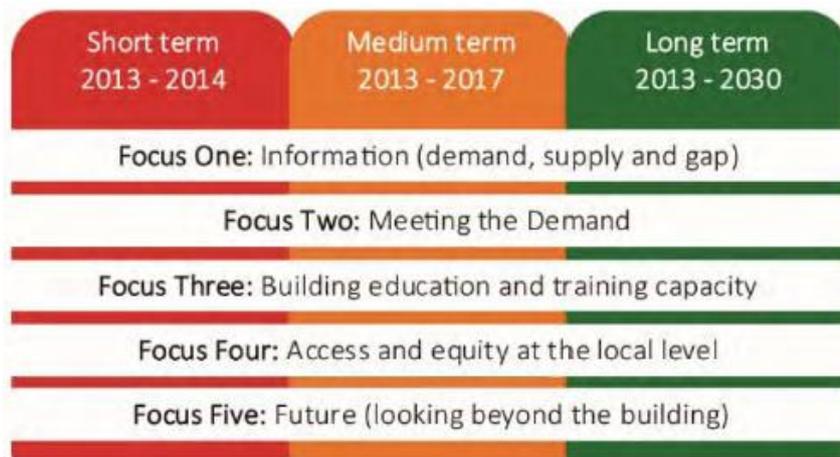


Figure 1: The SIPs Skills Plan (DHET, 2015)

For the purposes of this study, the emphasis will be restricted to *focus one: Information (demand, supply and gap)*, as outlined in figure 1 above, which is to assess the demand for skills and the supply of skills, and on the basis of this assessment establish the skills required for the SIPs. A report titled ‘*Skills for and through SIPs*’ was produced in 2014, in response to this focus area. A 21 Step Process was developed as the methodology to be utilised in identifying occupations in demand nationally and to develop actions or strategies national, provincial and sectoral levels.

2.1.1. The 21 Step Process

In the 21 Step Process, Steps one to nine are based on establishing **what skills are required** and figure 2 below summarises these steps:



Figure 2: SIPs 21 Step Process, Steps 1 - 9 (DHET, 2015)

The first nine steps provides further context in framing this report and thus have been summarised. The next steps, i.e. steps 10 to 16 address the question of ***what should be done***, and address issues of resources, delivery capacity and monitoring and evaluation.

Finally Steps 17-21 encompass ***the special case of government***. In order to implement projects that are identified in Step one, the capacity of the relevant government departments need to be assessed to establish capacity constraints, if any, in carrying out functions related to the projects. Some of the most common functions carried out by government officials would include project conceptualisation, feasibility and environmental assessments, impact studies, contract and budget management, etc. (DHET, 2015). Step 17 requires that we identify which municipal, provincial or national department needs to play a role in an infrastructure project, whilst Step 18 requires that we defined the role that each stakeholder plays, determine the requisite skills and identify any skills gaps.

2.2. The Infrastructure Delivery Management System

The Infrastructure Delivery Management System (IDMS) was developed as a model for best practice delivery of infrastructure management. It is a government management system for planning, budgeting, procurement, delivery, maintenance, operation, monitoring and evaluation of infrastructure, which encompasses a set of interrelating elements that establish processes which transform inputs into outputs (National Treasury, 2012). The model presents the distinct different processes and sub-processes that are present in delivery management, namely: Portfolio Management, Project Management and Operations and Maintenance.

The importance of the implementation of the IDMS in the delivery of the SIPs cannot be overstated. Much work has already been undertaken by key stakeholders such as DHET, National Treasury, the Construction Industry Development Board (CIDB), the Department of Public Works and the Department of Public Service and Administration (DPSA), to mention a few, in promoting the capacity of public sector officials in the IDMS. Pilot training projects conducted by the CIDB, in partnership with National Treasury and DHET have sought to up skill managers within the public sector on the IDMS.

Human resource development in the public service falls under the custodianship of the DPSA, who was identified as the intermediate body for the Managers occupational grouping. The DPSA has subsequently issued Guidelines for the benchmarking of job descriptions, grading levels and implementation of jobs in relation to the IDMS. This was, in part, in response to the National Treasury's observation of challenges experienced by departments in appointing key personnel to implement Infrastructure Delivery Improvement Plans, resulting in under-spending and inadequate framework agreements for maintenance and capacity to manage infrastructure development (DPSA, 2014).

Another major step forward in implementing the SIPs has been the approach of the DPSA and PSETA to consider and integrate the occupations identified in the 2014 report: *Skills for and through SIPs*' with the list of scarce skills identified for the public service sector. Various skills development and training programmes including those of learnerships, internships, graduate and artisan development have been employed towards building the capacity of the state to fulfil its responsibilities related to the SIPs projects.

3. SIPs projects within KZN

The SIPs projects within the KZN province encompass a total of 47 projects addressing various SIPs like:

- SIP 2: Durban-Free State-Gauteng Logistics and Industrial corridor
- SIP 11: Agri-logistics and Rural Infrastructure
- SIP 14: Higher Education Infrastructure
- SIP 15: Expanding Access to Communication Technology

To date projects relating to SIP 2 have been initiated. A number of projects identified have been submitted to DHET for the identification and generation of estimates related to occupations and required numbers for the successful implementation and delivery of the identified projects. The SIPs work in the province has been headed by the Office of the Premier (OTP), who plays the role, amongst other roles, of SIPs Skills Coordinator.

In addressing Steps 17 and 18 of the 21 Step process, this report provides an indication of the departments and institutions involved in the implementation of the SIPs projects, and identifies the public service occupations required for the delivery of the SIPs based on the data estimated generated by DHET. Important to note that estimates in terms of numbers per occupation are still in the process of being validated by the OTP.

Table 1: List of national and provincial departments and SOEs that play a role in SIPs

National departments	Provincial departments	State Owned Enterprises
Department of Economic Development	KZN Agriculture and Land Reform	Dube Trade Port
Department of Health	KZN COGTA	PRASA
Department of Human Settlement	KZN Economic Development, Tourism and Environment Affairs	SANRAL
Department of Rural Development and Land Reform	KZN Human Settlement	Trade and Investment KZN
Department of Water and Sanitation	KZN Office of the Premier	Transnet
	KZN Provincial Treasury	
	KZN Transport	

The information contained in table 1 above has been sourced from the KZN OTP and outlines the national departments, provincial departments and State Owned Entities that have a role to play in the SIPs projects. In assessing the skills needs of the state, the skills profiles of these specific entities will be considered. Municipalities and their skills development needs falls within the scope of the Local Government SETA, and is thus excluded from this report.

Step 18 of the 21 Step process requires the identification of the role each entity listed in table 1 must play and determine their skills requirements, match these against available skills and determine skills priorities. The next sub-section provides an indication of the

skills identified as necessary for the public service in the KZN province for the delivery of the SIPs projects.

3.1. Skills demand

Based on the skills identifies by DHET for the 47 SIPs projects within the KZN province, the public service occupations have been identified. These occupations have been mapped against the PSETA list of scarce skills and are illustrated in table 2 below along with the estimated demand.

Table 2: Transversal Occupations and related estimated demand

OFO code	Occupation	Estimated Demand
111202	General Manager Public Service	4
111204	Senior Government Official	16
112101	Director (Enterprise / Organization)	27
121301	Policy and Planning Manager	2
121908	Quality systems Manager	32
134915	Operations Manager (Non- Manufacturing)	21
252101	Database Designer and Administrator	4
121907	Labour Recruitment Manager	5
121101	Finance Manager	54
121903	Physical Asset Manager	3
121904	Contract Manager	35
241101	Accountant (General)	21
332302	Procurement officers	24
333905	Supply Chain Practitioner	3

Analysis of the occupations listed above shows that areas of financial management still appear to be in demand. This is consistent with the PSETA Sector Skills Plan (SSP) and the focus areas identified therein. It is crucial in interpreting the above skills list to note that some of the scarcities are almost certainly absolute; while others are almost certainly relative. For example, signals from a range of studies suggest that most of the financial management scarcities are absolute. Signals from similar sources suggest that the occupations in other management fields are relative. There is not a shortage of graduates with certain qualifications, but such graduates often lack the necessary work

experience. Thus the appropriate strategies for addressing the scarcities described in the list above is not always to train more people, but rather to strengthen the bridging into work strategies and on-the-job learning. Departments are reporting the above challenges in filling vacancies; but the most economical and efficient response may not be to upscale training provision.

Competency gaps in middle and senior management in the public service has been consistently identified in the PSETA SSP. More specifically gaps in managers' ability to develop operational plans, systems and monitoring tools to effect strategic priorities set at the senior administrative and executive levels have been identified as problematic. This has knock-on effects for basic administrative systems (such as accurate record keeping and archival skills etc. – in the latter occupation there is a small shortage). There are competency gaps and skills shortages in public financial management in general and a need to improve the competencies of staff in strategic procurement and contract management in particular.

4. Conclusion

The aim of this report was to identify the list of departments involved in the implementation of SIPs projects in the KZN province and to assess the skills needs of state officials in the delivery of these projects. The analysis of the skills identified show that there are 14 different skills types required for these projects. These 14 occupations are consistent with the scarce skills list produced in the PSETA SSP. Demand estimates however may only be finalised once Phase 2 of the skills needs assessment project has been completed.

It is envisaged Phase two will commence in the 2017/18 financial year. This phase will utilise the information contained in this report as a basis for proceeding with a skills audit. Also to be taken into consideration will be the suitability of entity organograms, job descriptions, conditions of service, education, training and experience. The ultimate result of this process will be the identification of skills gaps and recommendations for training and development.

5. References

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