SPECIFICATIONS 2: TOPIC: SETAS APPROACHES TO CREATE VALUE, ATTRACT AND RETAIN EMPLOYER MEMBERS AND CRITICAL STAKEHOLDERS

1. BACKGROUND AND CONTEXT

SETAs (Sector Education and Training Authorities) are responsible for ensuring that employers within specific sectors meet the skills development needs of their employees. They do this by providing funding for training and development programmes, as well as by accredited training providers and monitoring the quality of training provided. Employers can benefit from SETA-accredited training for employees as it reinforces their credibility.

Employers pay 1%, (Skills Development Levy) of their salary payroll to SARS monthly. Eighty percent of this contribution is distributed to SETAs and allocated to administration costs and grants to be claimed by companies. This is referred to as the Skills Development Levy (SDL). SDL is a levy imposed to encourage learning and development in South Africa and is determined by an employer's salary bill. The funds are to be used to develop and improve employees' skills. When an employer registers, it means they anticipate paying over R500 000 in salaries within the next 12 months, which in turn makes them responsible for paying SDL.

In SETAs, employers play an important role in advancing skills development and training within their specific sectors. As primary drivers of skills development within the workplace, industries can detect skills gaps and requirements among their employees and clientele. They also benefit from SETA funding for learnerships, apprenticeships, and other training programs that bolster their competitiveness and productivity. Through participation in SETA initiatives, businesses can partner with other stakeholders--such as education and training providers, labour unions, and government agencies--to enhance the value and applicability of education and training throughout South Africa.

The Services Sector Education and Training Authority (Services SETA) is one of the largest SETAs in the country, covering more than 80 sub-sectors and serving over 2 million workers and more than 190 000 employers. This is a diverse group of employers and sectors to cater to. To ensure that the skills development needs to all these needs are efficiently addressed, attracting and retaining employer members and key stakeholders within the skills planning ecosystem is a very important aspect of the SETAs work.

2. PROBLEM STATEMENT

A crucial challenge faced by SETAs is to create value for and establish a strong and varied membership base that accurately represents the requirements and concerns of the sectors they cater to. In order to accomplish this, SETAs need to implement efficient techniques to draw in and retain employer members and important stakeholders, including industry associations, trade unions, government agencies, and educational institutions.

Inter-SETA transfers become a main challenge when companies falling within the scope of Services SETA request to be transferred to another SETA. Ideally, a company can be transferred from one SETA to another through an Inter-SETA transfer. The following situations may warrant such a transfer:

- In the case of a company being incorrectly registered with a SETA, wherein the main business activity is not aligned with the SETA's industrial scope.
- When the company's main commercial activity has changed since its previous registration with SARS, such that it may find a better industrial scope fit in a different SETA than the current one.
- In the case of employers who fall under the jurisdiction of more than one SETA. Employers may request to transfer to another/most appropriate SETA.

DHET will verify the request and send it to SARS to process the change. If the relevant SETA declines the application, the employer can dispute this with the SETA in question. If the transfer is delayed, it can be escalated to DHET.

However, in some cases, employers leave the Services SETA as a protest against one or other reasons. This behaviour affects the SETA budget. Unhappy and reliable service providers are also inclined to provide their much-needed services to the Services SETA due to potential dissatisfaction with the level of service they receive. It is for these reasons that Services SETAs must adopt effective strategies for attracting and retaining employer members and key stakeholders.

3. RESEARCH OBJECTIVES

The key objectives of this research are outlined below:

- To identify and devise strategies to create value for our stakeholders.
- To evaluate current strategies that Services SETA apply, to attract and retain stakeholders.
- To determine suitable strategies for Services SETA to attract and retain stakeholders.

- Compile a comprehensive stakeholder mapping for the Services SETA.
- To develop a framework for Services SETA to engage employers effectively and meaningfully.

4. COMPETENCY AND EXPERTISE REQUIREMENTS

The successful bidder must have the following competencies:

- Have proven capacity to undertake a large-scale research project of this nature and to complete the project by the due date.
- Understanding of the research and the specifications (background to the research, rationale, purpose, objectives).
- Approach, design and methodology for the research (e.g., literature and documentation review, data collection tools, sample, suggestions for elaboration or changes to scope and methodology as outlined in the project specifications, examples of research questions suggested, process elements).
- Provide an overview of the key personnel to be used on the contract. Provision of curriculum vitae of the team responsible for this project.
- The ability to implement the project in a cost-effective way.
- Demonstrate the capabilities through a detailed proposal and project plan guided by this Terms of Reference (TOR).

5. DELIVERABLES

The deliverables entail the following:

- A benchmarking of existing strategies applied across SETAs to attract and retain employer members.
- A clearly outlined research methodology.
- Detailed report consolidating work conducted.
  - Actionable recommendations and findings.
  - A strategy for stakeholder/employer retainment and attraction for the SETA

6. DURATION

In line with the project implementation plan.