

SA skills shortage crisis or urban legend?

By Saaleha Bamjee-Mayet

S KILLS SHORTAGE' and 'brain drain' are phrases that make for ubiquitous headlines.

The 2010 Soccer World Cup, Gautrain and other infrastructure construction projects will demand much of South Africa's pool of qualified and experienced people and the perception that the pool is nearly empty has raised alarm.

A dynamic discussion recently at Wits Business School, co-hosted by Grant Thornton, tackled the subject of the SA skills shortage and explored whether it is a crisis or an urban legend. Speakers included Leonard Brehm, National Chairman of Grant Thornton, who presented the findings of the 2008 Grant Thornton International Business Report (IBR) which looks at topics that include business optimism, crime, BEE, recruitment and retention of skills and employment growth.

Jimmy Manyi, President of the Black Management Forum, presented the flip side of the skills shortage debate and what he termed 'convenient propaganda'.

The IBR examined the attitudes, plans and trends of 7 800 privately-held businesses in 34 economies across six continents. In South Africa, the study surveyed 300 respondents made up of business owners or senior

executives of organisations that employed between 100 and 400 people. A cause of great concern for Brehm was the low number of matriculants who passed.

He quoted research that showed that of the approximately one and a half million children who started school in 1995, less than one third have now matriculated. Of those who matriculated and attained A, B or C symbols for higher-grade mathematics, only 700 were black. Good results for maths is crucial for careers in medicine, engineering and the business sciences. "That is where the greatest problem lies – in our primary school education. We need to get this right before we look at the other areas," Brehm said.

Brehm brought up the issue of the chartered

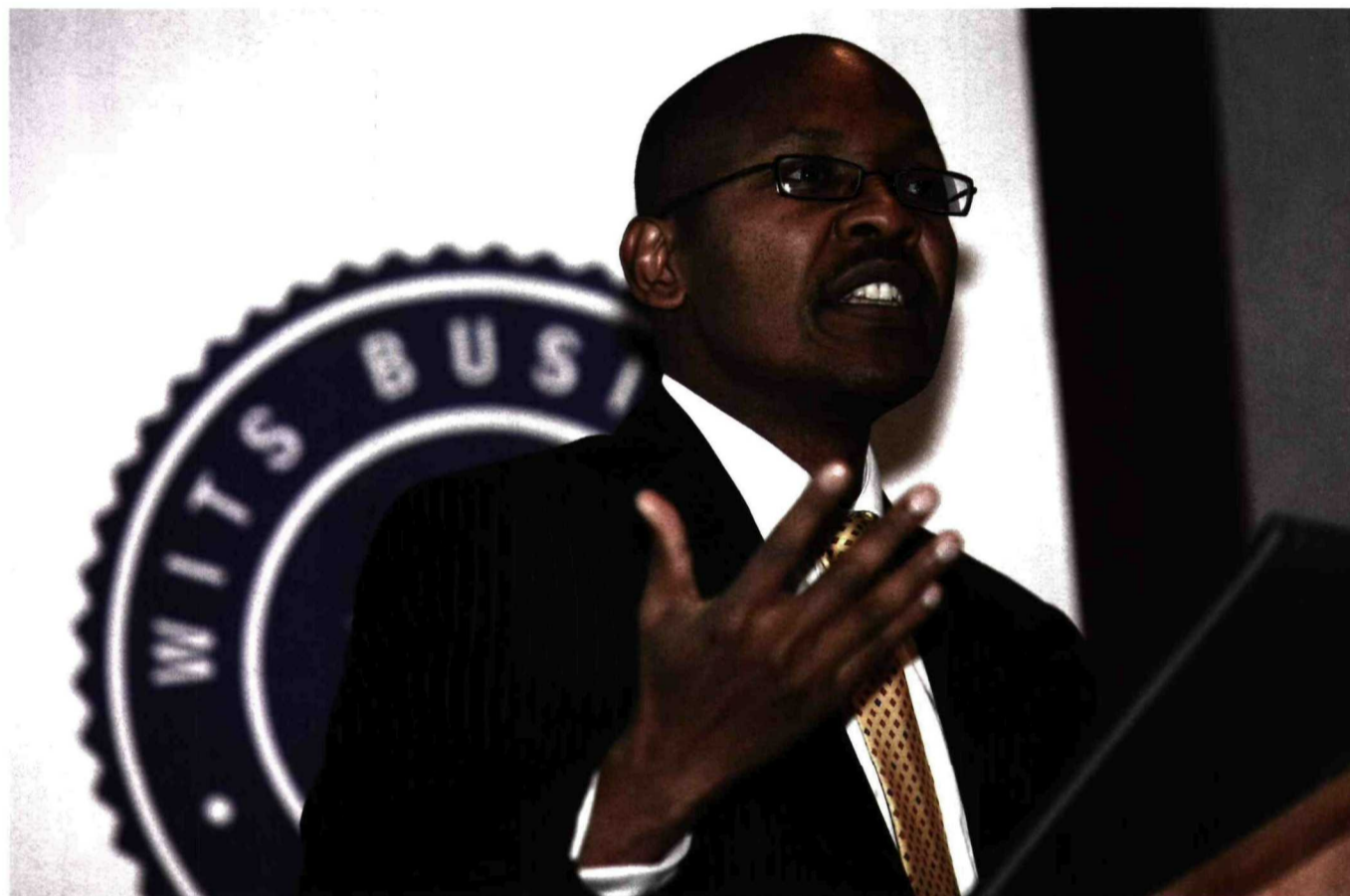
Institutional racism is ingrained racial stereotyping; the general understanding that blackness includes mediocrity, incompetence and laziness.

accounting profession not being representative enough. "It is overwhelmingly white. There are approximately 27 000 CAs in SA. Of those, about 4 000 are registered auditors with 2 800 being people who actively audit. Of those less than 100 are black. In total, including Indians and coloureds, the amount comes up to about 500 to 600."

The IBR asked of its South African respondents: "During the last year, have you given serious consideration to leaving South Africa permanently?" The survey revealed that 32% would leave the country. It further revealed that 82% of those who responded in the affirmative would leave because of the crime issue," Brehm said.

However, he was encouraged by the increasing public demand for strong and sustained action by government security agencies and by the growth of a culture of community participation in assisting with the detection and control of crime.

The survey also looked at constraints to growing businesses. "For several years, SA has identified the availability of a skilled workforce as the main constraint. This year the statistic was at 48%. But let me say that this was identified as a global trend – at 35% – in our research. When asked the question, how



important is BEE in getting new business, 59% said it was very important as opposed to the 2006 percentage of 70%."

Brehm's interpretation of this was that with the skills shortage, BEE compliance has become somewhat less of an issue due to people wanting to obtain skills and resources wherever they can find them.

The IBR recommended that privately-held businesses ensure they have systems in place for finding and identifying people with the desired skills.

Manyi presented a very different view of the skills shortage issue, saying that when people talk about skills, their only focus is on people with physical qualifications. "The Employment Equity Act talks about a suitably qualified person and looks at four key areas – formal qualification, prior learning (formal or gained elsewhere), previous experience and the capacity to acquire competence in a reasonable time. Everyone seems to stop at formal qualification," Manyi said.

"We focus too much on how many people come through the institutions of stature – this is a fundamental problem," he said, adding that it overlooked the example of people like Hamilton Naki, assistant to Dr Chris Barnard, who provided training to thousands of student

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surgeons, despite not having any formal qualifications.

Manyi made reference to how cultural differences contributed to people not getting the jobs they applied for. "Interviews are not culturally fair. If you don't make eye contact, it's a problem. It means you're not confident or honest or other things. For me, as an African, it means something very different. When I make eye contact with someone, it means I'm very angry. When I look aside, I'm showing respect," he said.

Manyi slammed the statistics related to mathematics and science pass rates as 'convenient propaganda'. "An economically active population is made up of people aged between 15 and 65. If you have a person that is

55 today, that person has had at least 10 years of economic activity. If you have to work it back, in terms of that person's time of matriculation, you have to go back to the late 60s or early 70s to count the results. These studies cited only focus on recent graduates."

He spoke about the issue of the mismatch of black graduates versus required skills. "They tell you that most of the students have humanities, instead of accounting or engineering degrees. My favourite example is Bobby Godsell, who studied sociology and yet, before retiring, spent 12 years doing a stunning job as CEO of AngloGold Ashanti."

For Manyi, one of the key issues facing South Africa is that of institutional racism. "This is ingrained racial stereotyping; the general understanding that blackness includes mediocrity, incompetence and laziness."

He also touched on the failings of skills transfer. "People get imported to do a skills transfer, and when they get here, they're just doing a job; there is no one sitting next to them and learning," he said.

For Manyi it has less to do with a skills shortage and more to do with the perception of who qualifies as being skilled. "Repeated statements do not become truth," Manyi concluded. 