



**Impact analysis of skills development projects and programmes linked to National Skills
Development Strategy I and II**

Abstract

Purpose

To obtain an independent and objective assessment of the impact of the implementation of the skills development projects and programmes with particular emphasis on the learners' experiences.

Methodology

A mixed method approach was used which included the following methods:

- a) a review of skills development impact assessment literature;
- b) a review of HWSETA Annual Reports and programme implementation documents and reports to gauge performance against set targets;
- c) a review of documents provided by other stakeholders involved with HWSETA's programmes; and
- d) Qualitative interviews with selected stakeholders from among learners, Skills Development Facilitators (SDFs), sector councils and associations' representatives and training providers.

Findings

The study assessed HWSETA projects and programmes using the following evaluation criteria:

- Effectiveness
- Relevance
- Efficiency
- Sustainability
- Contribution
- Lifelong learning
- Harmonisation
- Adequacy of training
- Impact
- Appropriateness of design

- Appropriateness of resource
- Reach

The key findings are summarised in the tables below:

Assessment Criteria	HWSETA impact assessment linked to NSDS I and II learning programmes
Effectiveness	HWSETA has generally and consistently outperformed the targeted outputs set out in the NSDS II. For instance in 2010/11 HWSETA had trained 34% more SDF's then the set target.
Relevance	Programmes/ qualifications funded by HWSETA are relevant to the sector and do respond to national priorities. This is illustrated by the increase in demand for learnerships within this sector.
Efficiency	A review of the financial statements presented in Annual reports show that overall HWSETA's supported programmes are efficiently run. However, at the start of the 2005 period, funds provided were not enough to achieve the targets sets. The expenditure picked up due to increase in demand for HWSETA support and budget increased accordingly.
Sustainability	Many institutions do not rely on HWSETA but their own funding. However as noticed when SETA funding was reduced the number of enrolled learners declined. For example, between 2005-2006 the number of enrolled learners decreased from 6742 to 2330.

HWSETA learner's employment pathways and learning pathways
The reasons a learner enrolls for a particular course will have a bearing on the path they will choose. For instance the majority of learners had expected to gain employment after completing a programme, while others indicated that they did not expect to be employed in the same position or host company as the labour market was slower than the number of graduates entering. Others believed that having a learnership was still not enough to provide the experience required for jobs.

Assessment Criteria	HWSETA impact of skills programmes on learners and employers
Effectiveness	The review shows that there has been a significant contribution towards the sectors targets for the number of people who have to go through skills programmes in the sector. Although there was a decline 2005/6 due to delays in the implementation of learnerships and MoA's which were received late from employers.
Lifelong learning	Approximately 83% of research participants indicated that their participation in the skills programmes has helped create a culture of life-long learning within their respective organisations.
Harmonisation	Harmonisation and co-ordination of skills development in the health and welfare sector is weak as found in the review. The HWSETA skills development partners (donors, NGO'S, private organisations and other government agencies) work independently because of the modalities they employ.
Adequacy of training	Training opportunities are concentrated in better resourced provinces such as Gauteng, Kwa- Zulu Natal and Western Cape. It was also found that the curriculum was not robust enough.

HWSETA evaluation of Return on Investment (ROI)
<p>The concept of calculating the ROI of skills development is premised on three assumptions. Firstly the skills development should improve an individual's economic productive ability through his/her systematic acquisition of knowledge and skills. Secondly learners invest money and time to acquire such knowledge and skills and lastly ROI measures how much a student's investment adds value to his human capital post-graduation.</p> <p>At a private individual learner level computation of the ROI to the individual typically assumes that he/she pays full-tuition without receiving any financial aid. In such a scenario, the method of calculation includes individual costs (such as earnings forgone while attending college, tuition, fees, school-related expenses) as well as individual returns typically calculated as marginal earning compared to a benchmark or wage income post qualification over a number of years.</p> <p>Without clear definition of the benefits and how they are measured, relevant tracking is likely to be insufficient and ad hoc, after the fact determination becomes inaccurate. However, for purposes of this report, Training ROI is essentially a financial metric of the value of training against costs. It is a ratio of net benefits to costs, expressed as a percentage.</p> <p>The table below is an example of the ROI for a Social Auxiliary Worker:</p>

	1 year	5 Years
Total Benefit	205 800	1 256 430
Investment	80 000	80 000
Net Benefit	125 800	1 176 430
ROI (%)	257	1571
	One Rand invested creates R2.57 benefit in five year one	One Rand invested creates R15.71 benefit in five year five
	NB: Investment has not changed	

Assessment Criteria	HWSETA evaluation of strategic grants
Relevance	The skills development programmes and projects implemented through Discretionary Grants is relevant to the priorities as enunciated in the SSP for the HWSETA as well as the objectives of the NSDS II. The skills development programmes and projects implemented via Discretionary Funding are responsive to the scarce and critical skills priorities defined by the health and social development sector. Discretionary Grant funding for skills development also enables participating stakeholders and employers to select and apply for programmes that are most relevant to their needs.
Effectiveness	HWSETA has effectively performed against the output targets set for Skills Development programmes and projects.
Contribution	Discretionary Grants have made a significant contribution to the achievement of skills development targets set by the HWSETA. The level of Discretionary Grant funding has historically been such that without it, target achievement would have been much more muted across most KPIs.
Sustainability	The funding through the Discretionary Grant window is sustainable given that the HWSETA has managed to consistently increase its cash and Discretionary Grant reserves thus making it possible for the HWSETA to maintain its funding of skills development initiatives through this platform.

Assessment Criteria	HWSETA evaluation of socio-economic impact
Relevance	To the extent that skills development programmes have been implemented by the HWSETA in direct response to scarce and critical skills and other strategic priorities, such programmes are deemed to be relevant for purposes of the ultimate positive socio-economic outcomes and impacts that are expected. The extent of relevance in terms of socio-economic impact is difficult to gauge given that these socio-economic impacts have not been specifically defined.
Effectiveness	If effectiveness is defined as the extent to which the HWSETA has achieved the targets it has set for itself under the NSDS II plan period, then the HWSETA can be adjudged to have been effective in a general sense. However, since the specific socio-economic impacts have not been defined, achievement in this respect cannot be assessed directly.
Contribution	This assessment suggests that socio-economic contribution requires that learners successfully complete their programmes and are successfully placed in terms of employment. The review shows that there are some areas, especially in social development, where placement is elusive and a number of learners who successfully completed their programmes, for example, in social auxiliary work are still unemployed a year or two after completion.

Recommendations

Based on the findings reported above, the following summary of recommendations are made:

- a) Future impact assessment studies should be conducted as longitudinal impact studies over a period of programme duration that allows following trainees/learners from baseline entry to completion of programme after collecting baseline data to evaluate the change/impact that would have taken place.
- b) The HWSETA should, in consultation with other relevant key stakeholders, and especially such sector departments as Labour, Health, and Social Development reflect on and agree the kinds of outcomes and impacts that specific programmes should contribute to, and importantly, when and how these will be measured;
- c) And instruments, based on evidence and proven record of delivering innovation and research excellence.
- d) Establish a permanent "Outcome evaluation panel" that includes partners to monitor and evaluate the added value, impact of the HWSETA funded programmes.
- e) The MOA and SLA between the HWSETA and its various stakeholders should as a corollary then define the outcomes and the impacts that are anticipated on the basis of the implemented programmes;
- f) Follow up of learners to establish the impacts and outcomes agreed above should become a standard item in the Research, Monitoring and Evaluation Unit's programme of action assisted by training providers, employers and external service providers;
- g) Issues of ease of contact and communication between HWSETA and its stakeholders should be addressed through the establishment of standards relating to the timing and frequency of contact from HWSETA to stakeholders and vice versa;
- h) Standards should also be set for turnaround times for such matters as responses to requests, resolution of bottlenecks, disbursements, processing certificates after inspections;
- i) Commitments to the standards referred to above should be made at MOU stage –this should also be used to manage stakeholder expectations in terms of the services from HWSETA;
- j) Induction of learners should be comprehensive enough so as to manage expectations.

- k) ETQA to review qualifications regularly.
- l) Advertising through Expression of Interest limits coverage of respondents HWSETA could use WSP applications. This can also be used to identify scarce skills required in the industry.
- m) HWSETA support funding model has to be reviewed, it can include funding mentorship programmes as opposed to learnership (fund the employer and not the learner only to encourage absorption after completion of programme.)
- n) MoAs to be tripartite, these should include, HWSETA, Training provider and employers.

Practical Implications

Monitoring should be part of all projects and programmes as they are implemented. The monitoring process should aim to monitor learners, providers, and employers to gauge programme and projects performance. This would also reduce the need to conduct impact studies as a continuous monitoring strategy would be in place. This is not to say impact studies should not be conducted; however through monitoring processes the necessity to conduct impact studies would not be required so often, perhaps they could be conducted every five to ten years. Both impact studies and monitoring is necessary as they add value and insight in their own unique ways. Better co-ordination between stakeholders and a quicker turnaround time amongst HWSETA and stakeholders will go a long way to improve the relationship between HWSETA and its stakeholders.

Originality/ Value

The value add of this study is that the impact of the HWSETA programmes and projects was measured to establish if such programmes and projects changed the lives of the programme and project participants. The study illustrated the appreciation for projects and programmes by individuals. The increase in demand for programmes shows that there is a need for such programme and projects and the HWSETA should continue making such programmes available to the public. There are lessons learnt such as better planning and clearer definitions of programme and project outcomes before implementation in order to effectively measure the impact of such programmes and projects at the later stage.