

VALUE PROPOSITION FOR BOARD'S DISCUSSION, INPUT & PRELIMINARY APPROVAL

BUSINESS MODEL

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Doctor of Philosophy in Management of Technology and Innovation

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INTRODUCTION

Minimising Costs and Optimising Service Delivery

In light of the three SETAs that were amalgamated into FP&M SETA namely CTFL SETA, FIETA & MAPP SETA it became necessary to review our current business structure.

The key Business Model Drivers are Innovation, Low Risk and High Rewards

SETAs were established to bridge the gap between education and work

- Mandatory Grant Disbursement
- Service Level Agreement
- Discretionary Grant Disbursement
- Learning Programme Development & Implementation
- Quality Assurance
- Sector Skills Planning / Sector Mandate
- Training Layoff Scheme

OUR MANDATE

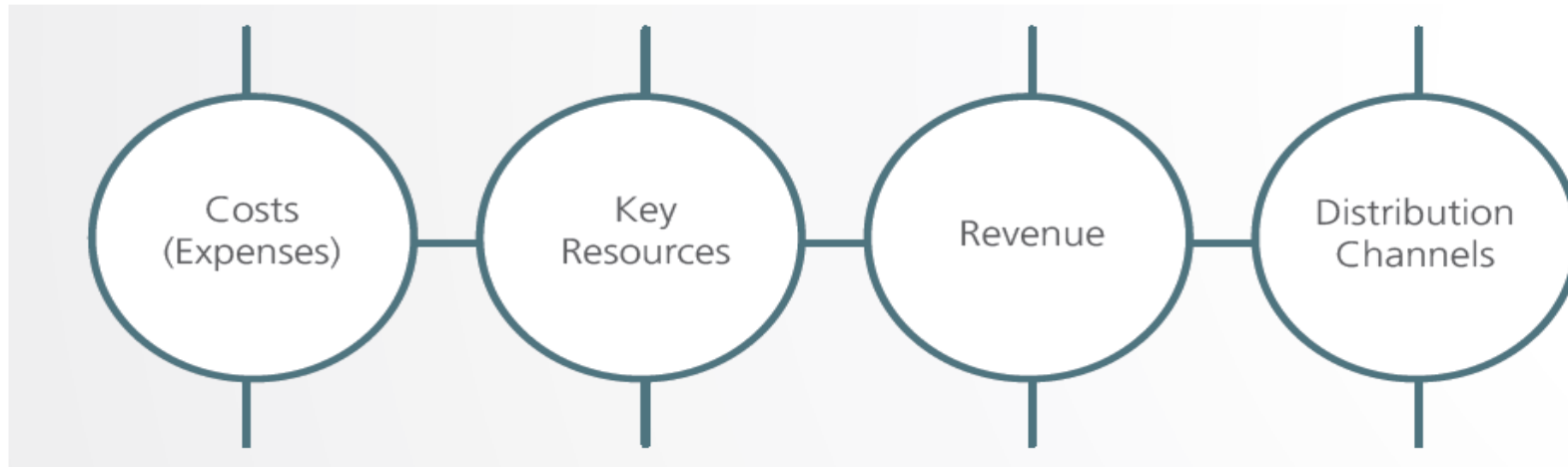
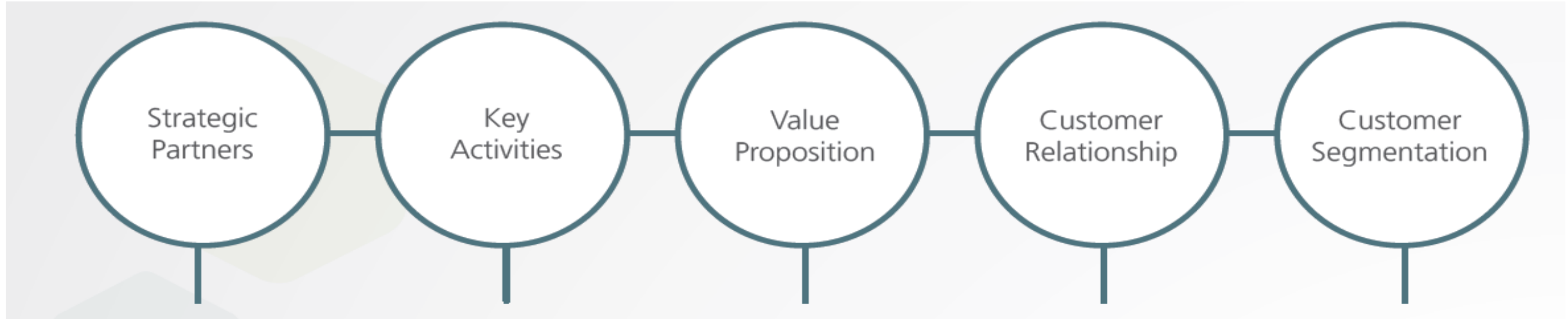
THE FP&M SETA IS RESPONSIBLE FOR THE IMPLEMENTATION OF A SECTOR SKILLS DEVELOPMENT STRATEGY FOR THE FP&M SECTOR AS A WHOLE INCLUDING

Promotion and implementation of the objectives of the National Skills Development Plan (NSDP)

Provision of skills development services to FP&M sector, including:

- Disbursement of mandatory grants linked to workplace skills planning
- Disbursement of discretionary grants for the implementation of learning programmes and sector specific projects
- Quality assurance of learning provision, including qualifications development
- Facilitation of programmes / projects to ensure that people (employed or wanting to be employed in the sector) obtain the critical or scarce skills that are needed to build the capacity of the sector to become economically sustainable and globally competitive

THE FP&M SETAS COMMITMENT TO ITS STAKEHOLDERS



THE FP&M SETAs COMMITMENT TO ITS STAKEHOLDERS

THE FP&M SETA'S OBJECTIVES ARE TO:

To provide skills development services to the clothing, footwear, forestry, furniture, general goods, leather, packaging, print media, printing, publishing, pulp and paper, textiles and wood products sectors

To implement the objectives of the National Skills Development Strategy (NSDS III); To respond to Government's other developmental priorities

To ensure that people obtain the critical or scarce skills that are needed to build the capacity of the sector to become economically sustainable and globally competitive

THE CHALLENGES OF THE PAST – ARE THE STEPPINGSTONES OF THE FUTURE



Based on the business review, it is imperative to improve the organisational performance through application of leading practice, internal training and team work. In addition, innovation and creativity needs to be encouraged to further business interests.



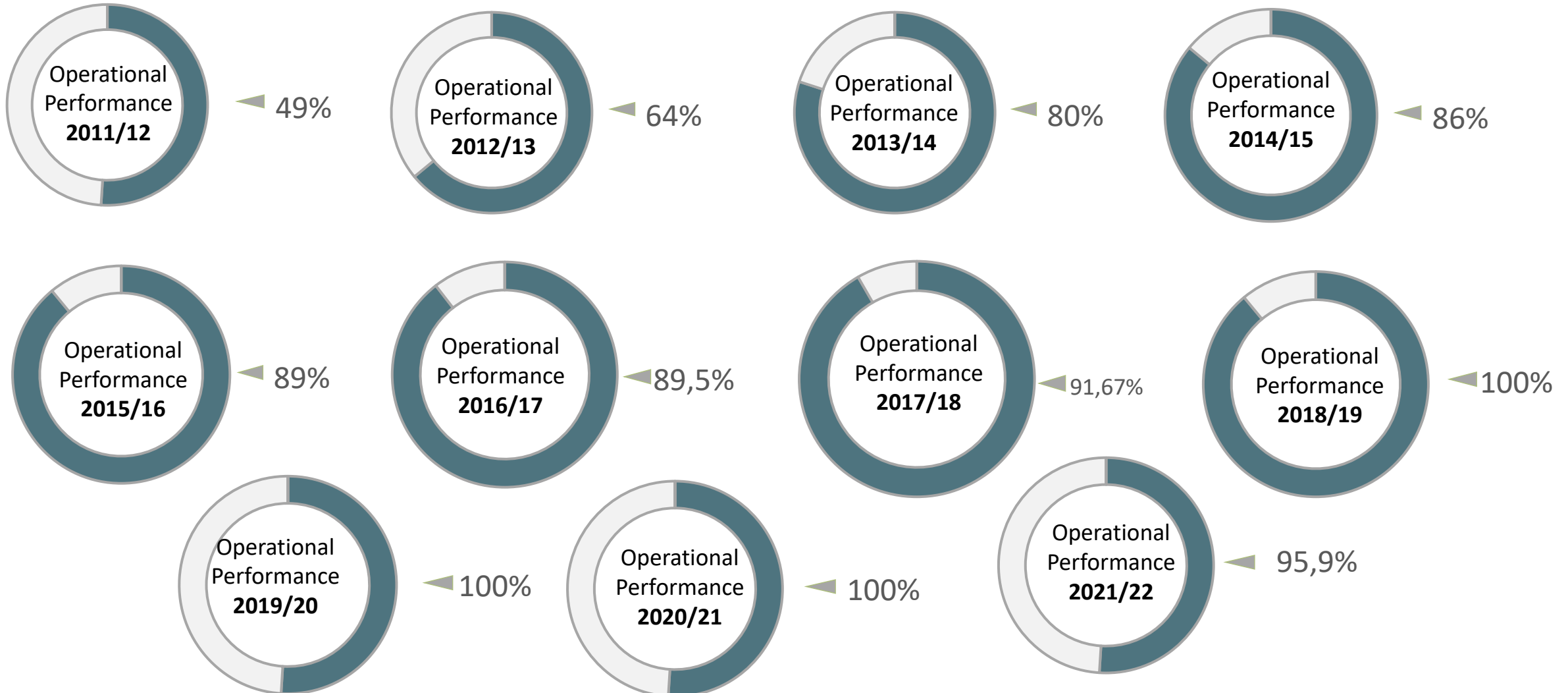
Cumbersome manual processes are tedious and time wasting. The implementation of Management Information Systems and new technology will assist in streamlining business processes.



The existing policies and processes are lacking in efficiency. There is a need to simplify policies and processes to create effectual business operations

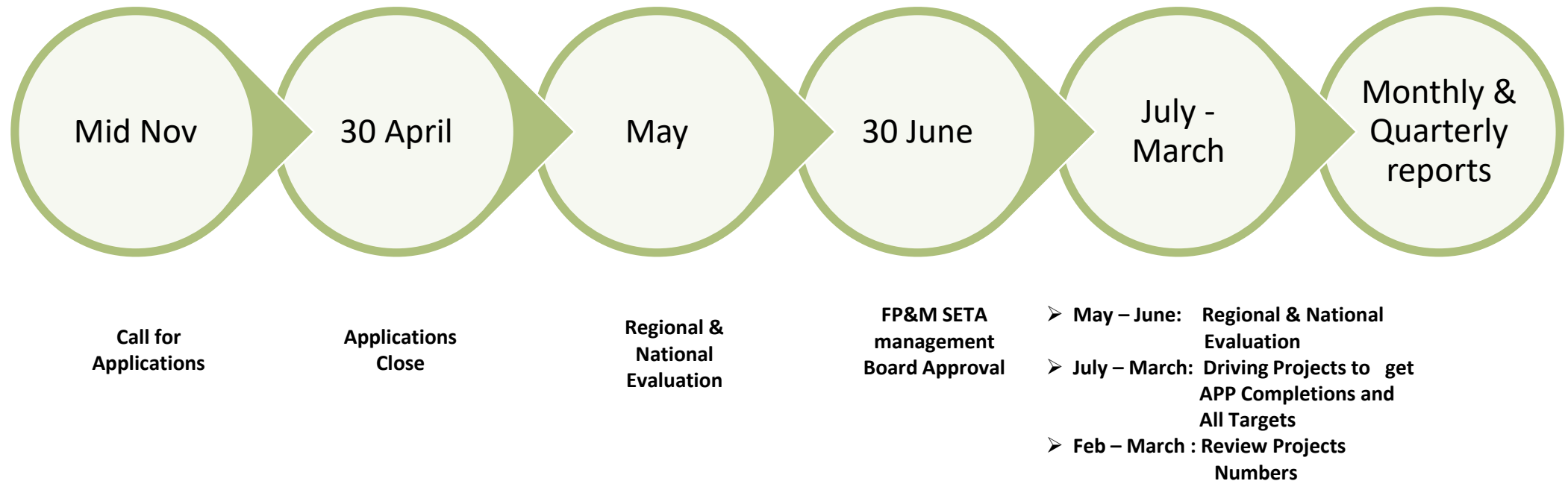
THE CHALLENGES OF THE PAST – ARE THE STEPPINGSTONES OF THE FUTURE

Since its establishment, the FP&M SETA's Annual operational performance has been:



THE CURRENT

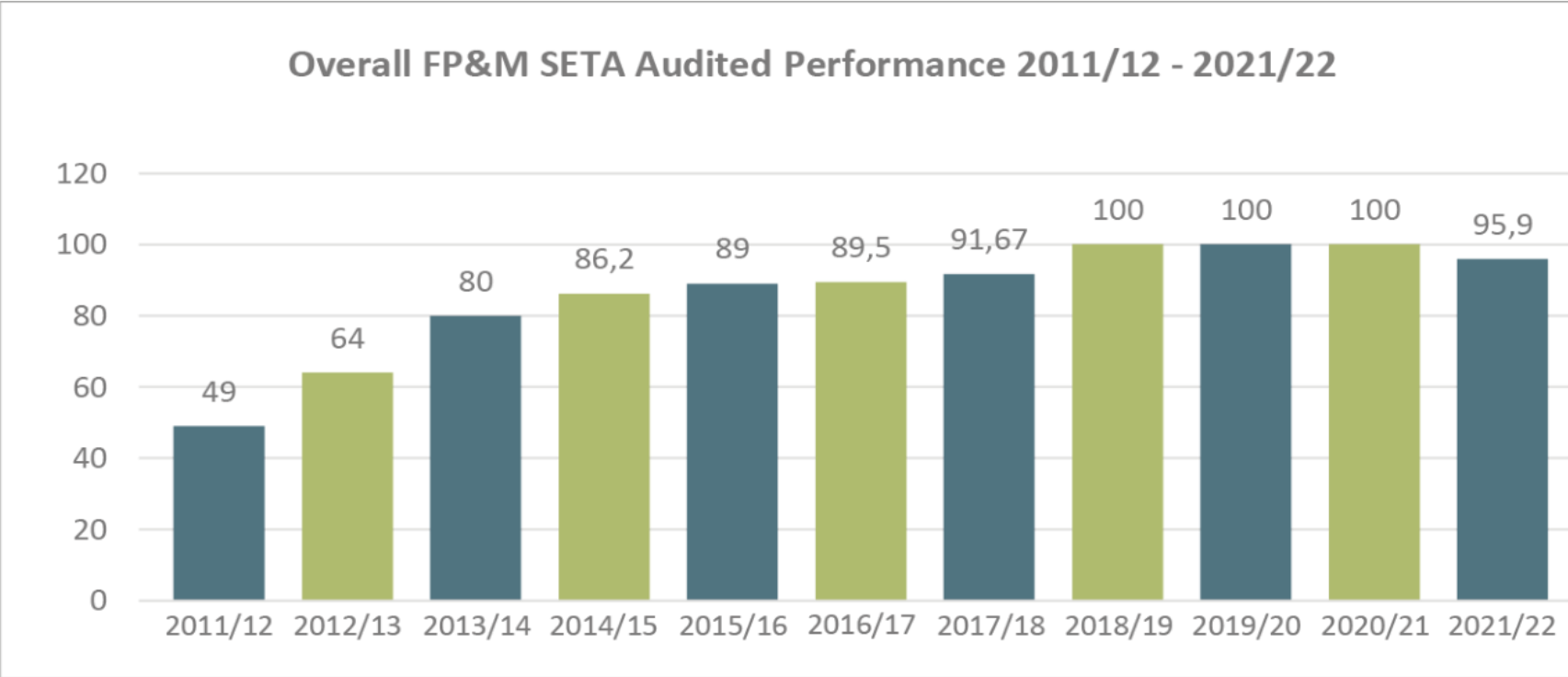
Business “Unusual” Implementation Plan Mandatory & DG Grants Process



NB: Open window, currently the SETA has a business and strategic projects

OVERALL FP&M SETA PERFORMANCE 2011/12 – 2020/21

SETA FUNDED AND INDUSTRY FUNDED ACHIEVEMENTS (AUDITED)



Over the years since 2011,

161,329

individuals have encountered
FP&M SETA at different stages
of their career journey.



Among these are approximately

94,573

learners who entered FP&M
SETA's occupationally directed
programmes.



and approximately

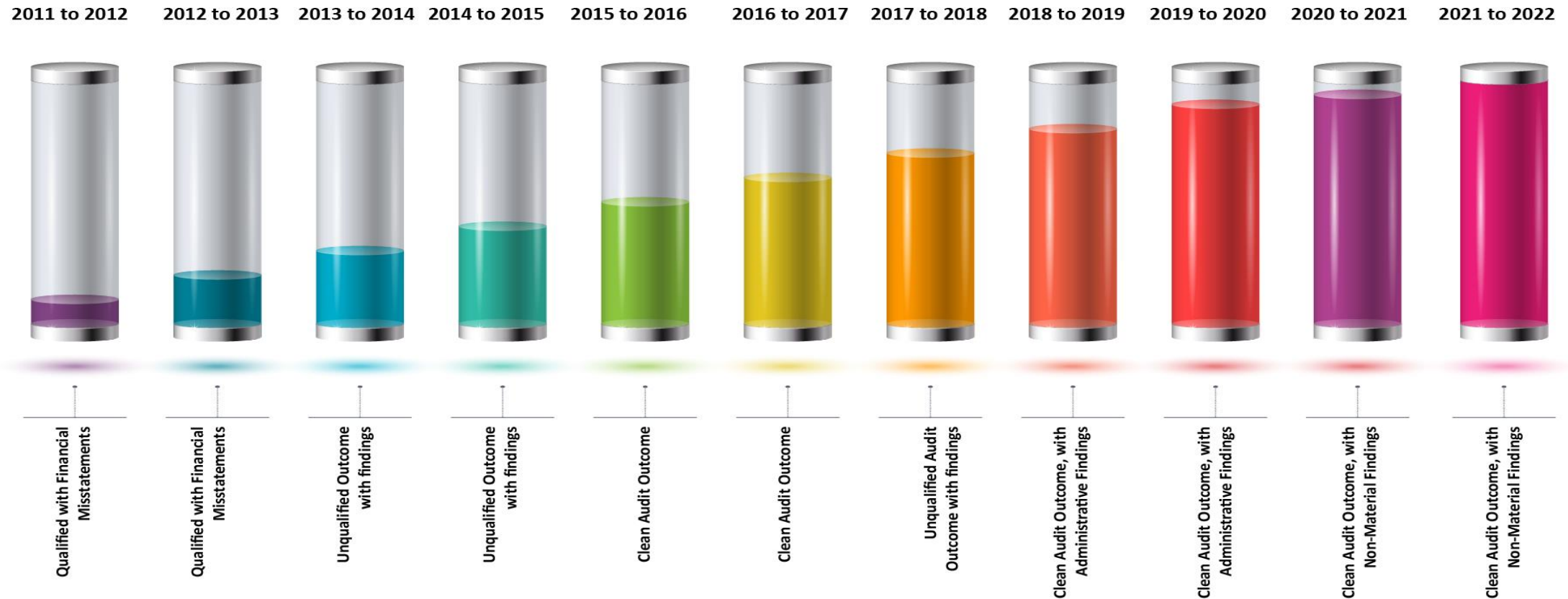
66,756

learners who have successfully
completed occupational
qualifications.

AUDIT OUTCOMES

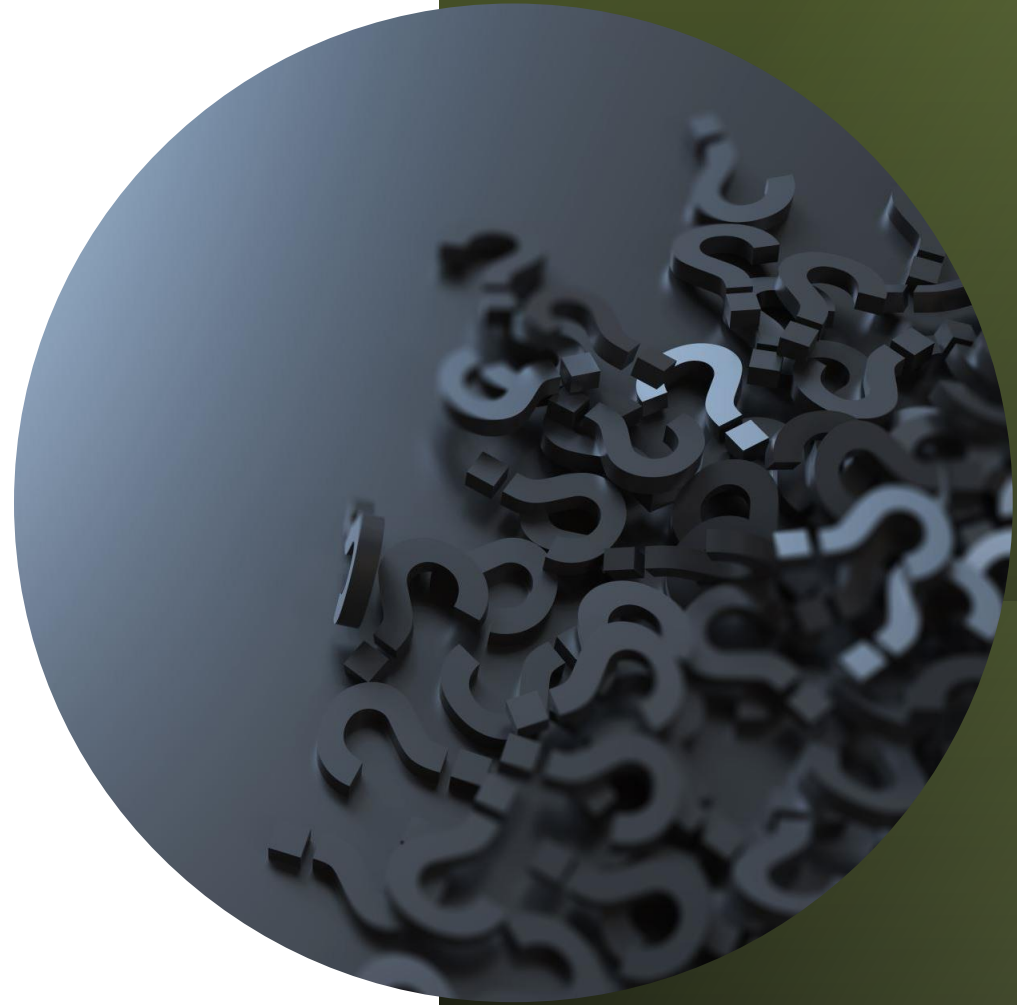
The FP&M SETA received its **sixth unqualified clean audit-opinion** in the 2021/22 financial year, which is testament to our pursuit of total compliance, good corporate governance and service delivery.

Fourth consecutive Clean Audit Opinion from AGSA



VALUE PROPOSITION

Due to emerging market changes, it has become imperative to review and adjust current operating model to remain agile and responsive, hence this proposal



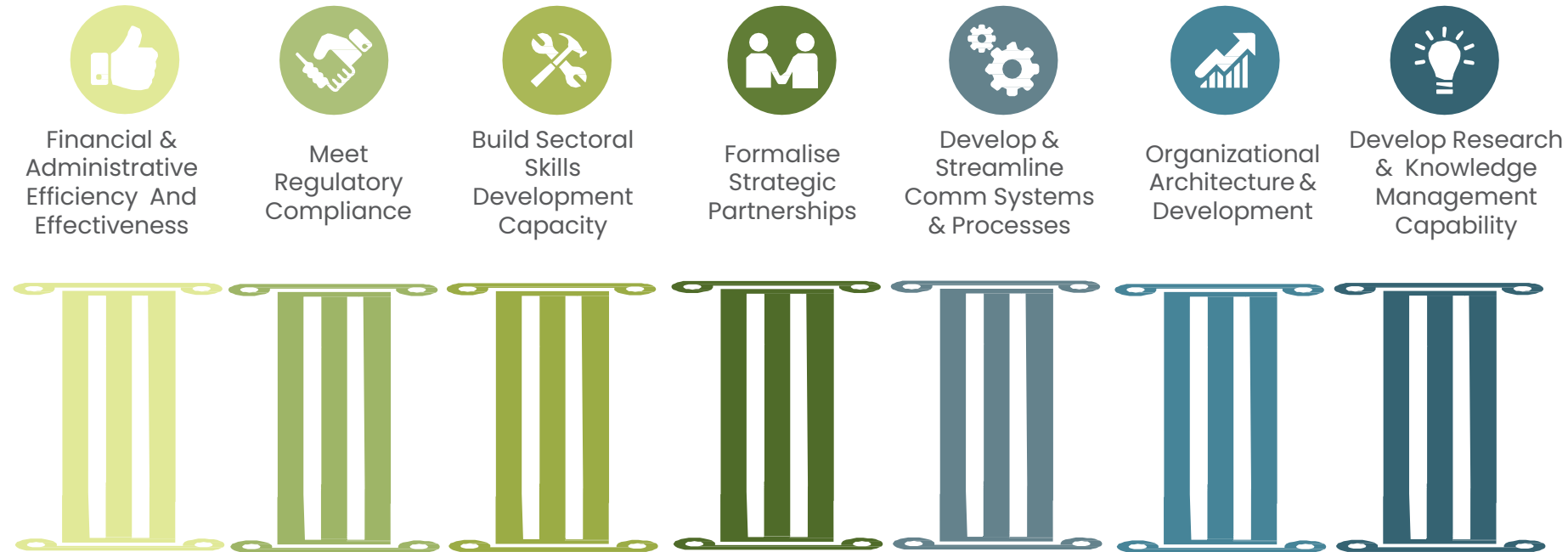
THREE STRATEGIC ACTIONS BUSINESS DASHBOARD



Key: STRATEGIC SCORECARD

1	Does not meet minimum industry expectations	
2	Does not satisfy industry expectations	
3	Satisfies industry expectations	
4	Above Average	
5	Achieved – World Class	

FP&M SETA STRATEGIC PILLARS



The strategic pillars inform and underpin the strategic plan, aligned to the NSDP

BACKGROUND – Current Model

The current model offers the following amongst others:

- The current model caters for the following:
 - ✓ Focused operations management – support SETA strategic projects that will contribute to the sub-sectors growth
 - ✓ Migrate from a SPRAY approach to FOCUSED and strategic, value adding initiatives by following a 20/80 project identification and support principle
 - ✓ Annual based bursaries/ National Student Financial Aid Scheme (NSFAS)
 - ✓ Open funding window
 - ✓ Fixed funding window
- Bursaries, Artisans, Learnerships and Internships
- Open Funding Model
- Fixed Funding Model

These offerings have resulted in the following:

- Reduction of errors
- Quality work delivery, done timeously
- Improved performance
- Evaluation will be done regionally, nationally, recommendation to CEO, Project & Finance and Board approval





BACKGROUND – ENVISAGED MODEL

While the new model is envisaged to respond to market changes, it also intends to align to DHETs 10 MEGA PSETA including the following:

- ✓ Technological changes
- ✓ Innovation
- ✓ Economic Reconstruction and Recovery Plan
- ✓ Hydrogen Economy
- ✓ Artificial Intelligence
- ✓ NSFAS
- ✓ etc.

DHET – 10 MEGA PROJECTS IDENTIFIED BY THE PSET



Establish HESI (Higher Education Science & Innovation System)



Highly articulated PSET System: (Massive expansion of the College System)



Necessity for a comprehensive Student Funding Model



PSET Infrastructure :

- A new Student Accommodation Model, and
- R11bn contribution by NSFAS.



Vaccine Development in the period of Pandemics



Hydrogen Economy:

- Platinum group of metals
- Hydrogen Society Road map



Artificial Intelligence



Strong Foundation for the mainstreaming of the Decadal Plan



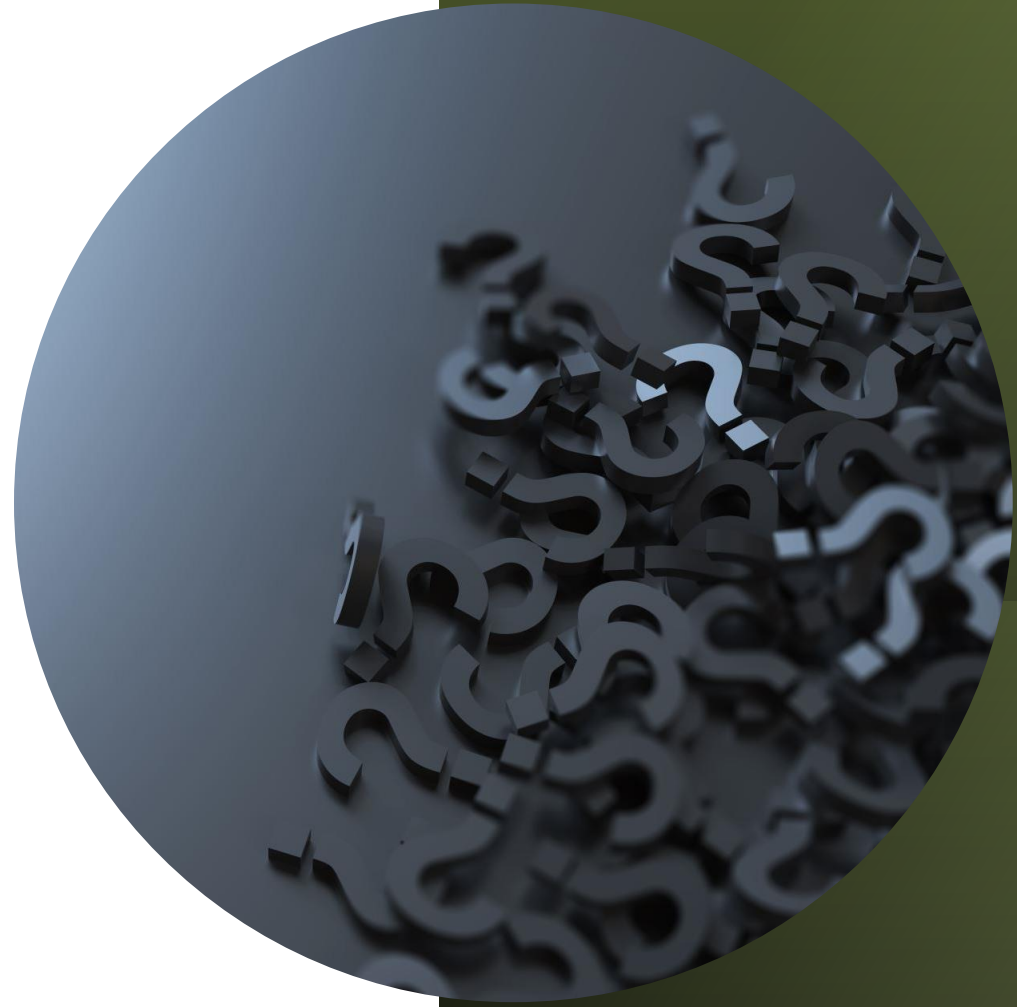
A new University of Innovation & Science (Ekurhuleni)



Centre for the Study of Pandemics

THE SUCCESS OF MOST OF THESE PROJECTS WILL DEPEND UPON US, WORKING TOGETHER AS ENVISIONED IN OUR WHITE PAPER FOR POST SCHOOL EDUCATION AND TRAINING & OUR NATIONAL PLAN FOR POST SCHOOL EDUCATION AND TRAINING (DHET).

OBJECTIVE



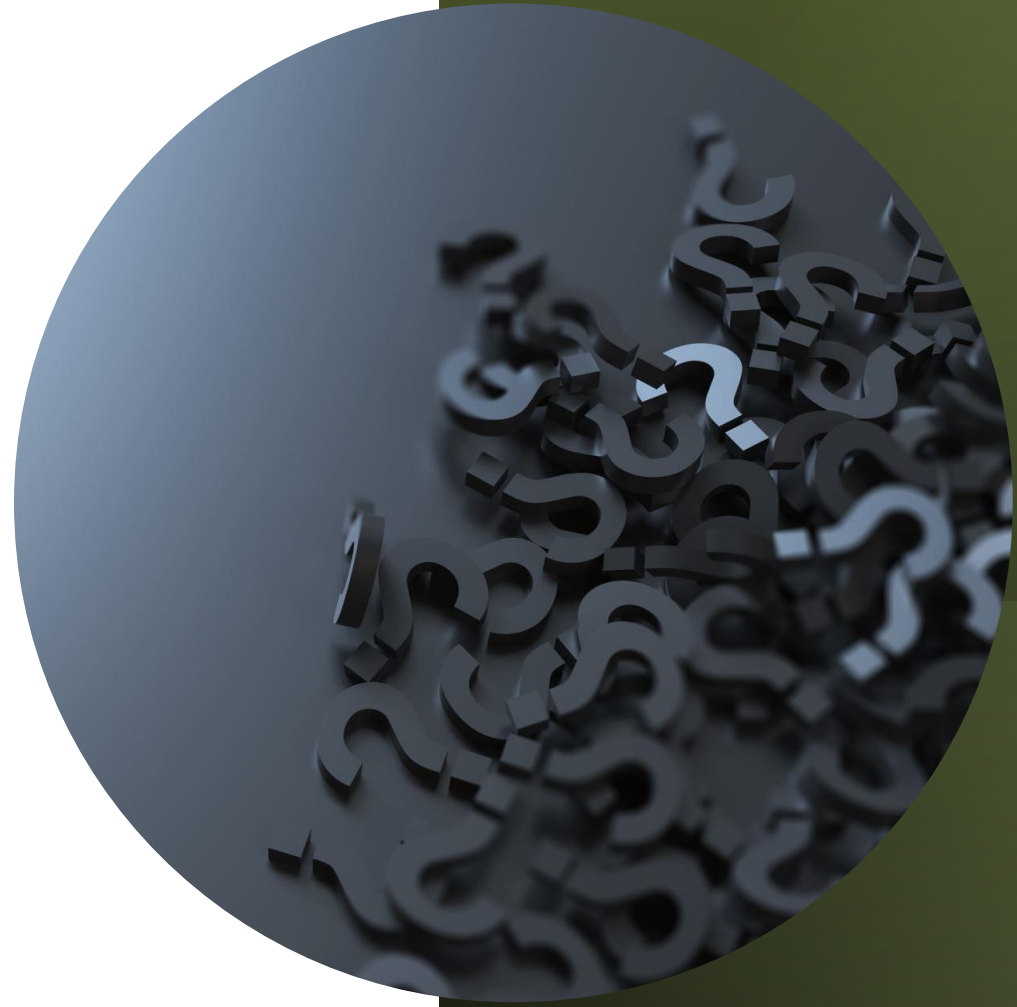


OBJECTIVE

Proposal intends to seek input and approval for the revision of the current business model, in relation to:

- Funding Window
- Approval and implementation process
- Multiple Year Projects

METHODOLOGY



METHODOLOGY

Policies

The methodology used in evaluating the policy is depicted below:



The following policies transcripts / reviewed:

- Mandatory Grant
- Discretionary Grant
- Monitoring and Evaluation
- MoA Standardisation
- Code of Conduct with Organisational Values
- Stakeholder Needs
- Stakeholder Engagement Sessions (Research)
- 5-Cs Approach

FINDINGS

Registration

The total Registration were 291.

The registration for Gauteng was 93

The registration for KwaZulu Natal was 70

The registration for Cape Town was 28

The stakeholder registered after 18 April were 100

Attendees

The total for attendees was 84

The attendees for Gauteng were 28

The attendees for KwaZulu Natal were 13

The attendees for Cape Town were 10

The stakeholder attended which registered after 18 April were 33

The total for attendees In Conversations with the CEO – 84

The total for attendees Forestry SA Session – 33

CONVERSATIONS WITH THE CEO OF FP&M SETA Workshops

Dr Felleng Yende

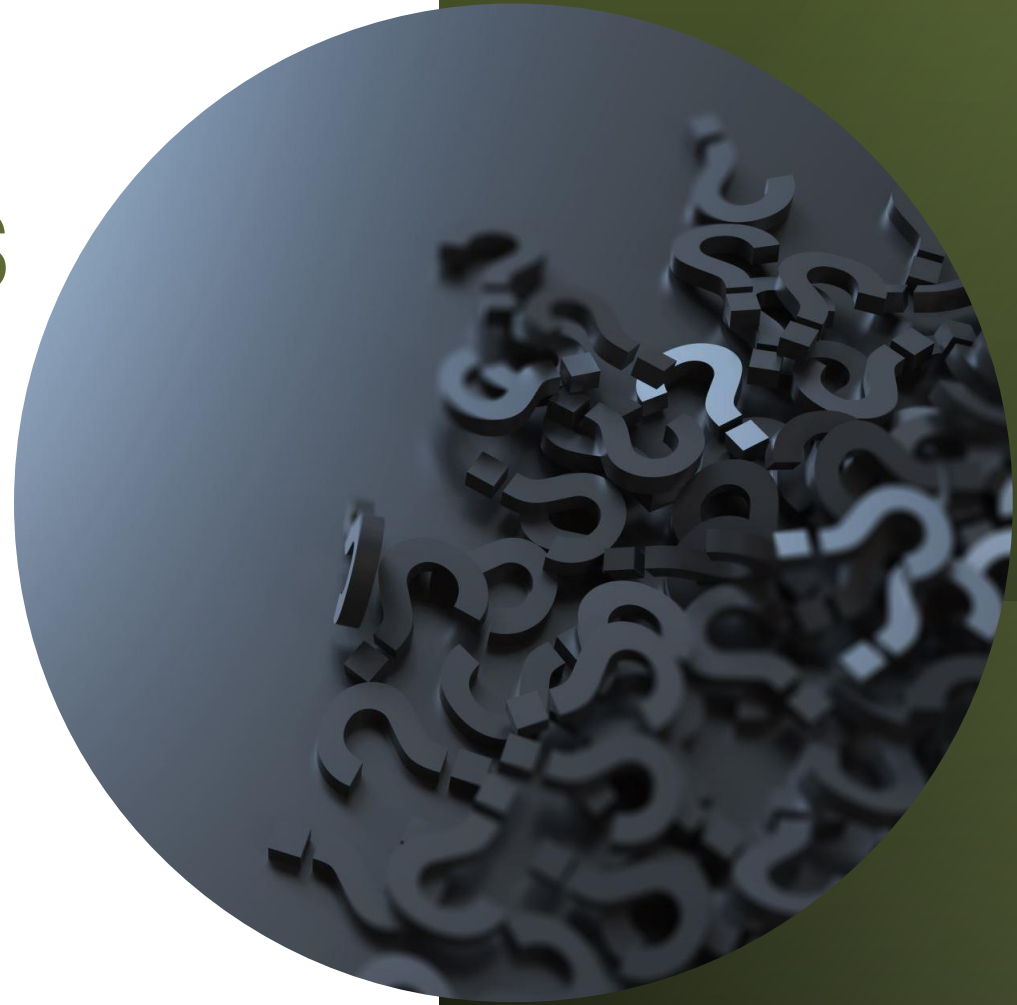
Dr Felleng Yende,
CEO of the FP&M SETA, will conduct consultative workshops.
Agenda: Setting goals and objectives, Performance, MG, DG, Service, Innovation and Way forward.

For All Stakeholders
Please click [here](#) to register

Dates updated W CAPE KZN GAUTENG
21 APRIL 2023

Virtual (online)
10am-12pm

SURVEY QUESTIONS AND GENERAL FINDINGS



FP&M SETA SYSTEMS & POLICIES FULLY ALIGNED TO SECTORAL VALUE CHAIN STRATEGIC PARTNERSHIPS –

Poll Overview

☐ Discretionary Grant Applications & Multiple Funding Windows

- Timelines for DG applications are aligned to WSPs/ATRs timeframes, as regulated by the SETA Grant Regulations, which are out of the SETA's control – Does this work for you : Y/N
- More than one funding window?? SETA's have already adjusted their internal policies to allow for more than one funding window – open & closed funding windows – Does this help – Y/N

☐ Annual vs Multi-year Projects

- FP&M SETA DG budget does make provision for multi-year projects that are well-aligned to SETA's strategic objectives – Would the introduction of Multi year projects help, in sectoral strategic projects?

☐ WSP and ATR Systems and Templates

- The FP&M SETA has made every effort to ensure that templates are user-friendly and meets the requirements of POPIA. If EXCEL Uploads are done properly once, especially employee information, only updates are required going forward – Is the WSP Template User Friendly – Y/N

☐ Sectoral Value Chain Strategic Committees

- The Masterplan of our sub-sectors must inform the ToR of these committees. The FP&M SETA welcomes any forum where sector and SETA representatives can meet and discuss strategic value chain matters that will positively grow our industries and increase employment of our youth

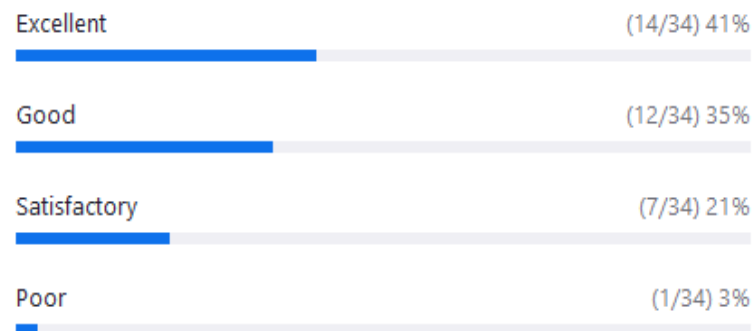
FEEDBACK FROM In Conversations with the CEO Session

Poll 1 Seta Performance

Poll ended | 1 question | 34 of 34 (100%) participated

1. What is your overall rating of the SETA performance and service delivery over the last 5 years? (Single Choice) *

34/34 (100%) answered

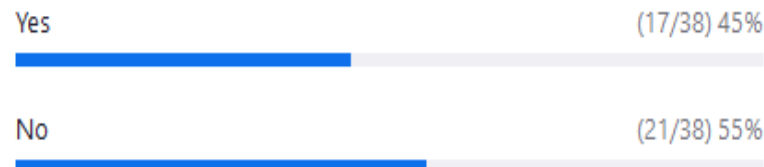


Poll 3 SSA Assistance

Poll ended | 1 question | 38 of 38 (100%) participated

1. Do you know that FP&M SETA has SSA to assist with the completion of your Mandatory grants ? (Single Choice) *

38/38 (100%) answered

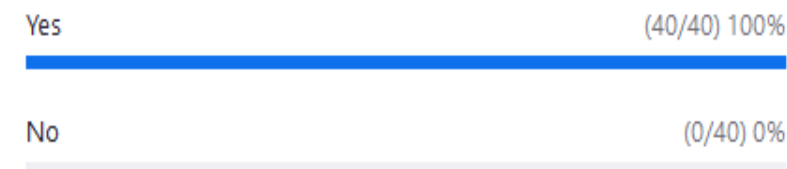


Poll 2 Audit outcomes and SETA Management

Poll ended | 1 question | 40 of 40 (100%) participated

1. In your view of audit outcome do you feel that the seta give you assurance in terms of how the SETA is managed (Single Choice) *

40/40 (100%) answered

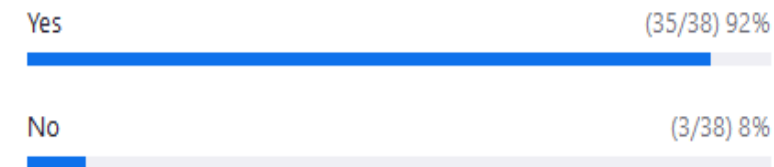


Poll 4 Multiple Funding Windows

Poll ended | 1 question | 38 of 38 (100%) participated

1. SETA's have already adjusted their internal policies to allow for more than one funding window – open & closed funding windows Dose this help? (Single Choice) *

38/38 (100%) answered



FEEDBACK FROM In Conversations with the CEO Session

Poll 5 Multiple Projects window

Poll ended | 1 question | 40 of 40 (100%) participated

1. Would the introduction of the multi year projects help in sectoral strategic projects? (Single Choice) *

40/40 (100%) answered

Yes (38/40) 95%

No (2/40) 5%

Poll 7 Qualification Development

Poll ended | 1 question | 18 of 18 (100%) participated

1. Should occupational qualification tranche payment be extended to accommodate the QCTO delays in approvals of the QASA addendum? (Single Choice) *

18/18 (100%) answered

Yes (16/18) 89%

No (2/18) 11%

Poll 6 Does Annual Strategic Conversation Help?

Poll ended | 1 question | 17 of 17 (100%) participated

1. Do Annual Strategic Conversations with the CEO work? If not please leave a comment in the chats on what more can we do to improve (Single Choice) *

17/17 (100%) answered

Yes (17/17) 100%

No (0/17) 0%

Poll 8 Turn Around Time

Poll ended | 1 question | 16 of 16 (100%) participated

1. Does the SETA staff still adhere to the 72 hours turn around time? If not leave a comment in chats which division (Single Choice) *

16/16 (100%) answered

Yes (11/16) 69%

No (5/16) 31%

FEEDBACK FROM In Conversations with the CEO Session

Poll 9 WSP template

Poll ended | 1 question | 20 of 20 (100%) participated

1. Is the WSP template user friendly (Single Choice) *

20/20 (100%) answered

Yes (15/20) 75%



No (5/20) 25%

Poll 11 DG Application Process

Poll ended | 1 question | 21 of 21 (100%) participated

1. Is the DG application process on the system user friendly (Single Choice) *

21/21 (100%) answered

Yes (17/21) 81%



No (4/21) 19%

Poll 10 WSP Application Process

Poll ended | 1 question | 17 of 17 (100%) participated

1. Is the WSP application process on the system user friendly (Single Choice) *

17/17 (100%) answered

Yes (13/17) 76%



No (4/17) 24%

Poll 12 ORAM Application Process

Poll ended | 1 question | 17 of 17 (100%) participated

1. Is the ORAM application process user friendly? (Single Choice) *

17/17 (100%) answered

Yes (11/17) 65%



No (6/17) 35%

GENERAL FINDINGS Cont...

WSP System Simplification

More support with WSP Applications

LMIS system is not user friendly

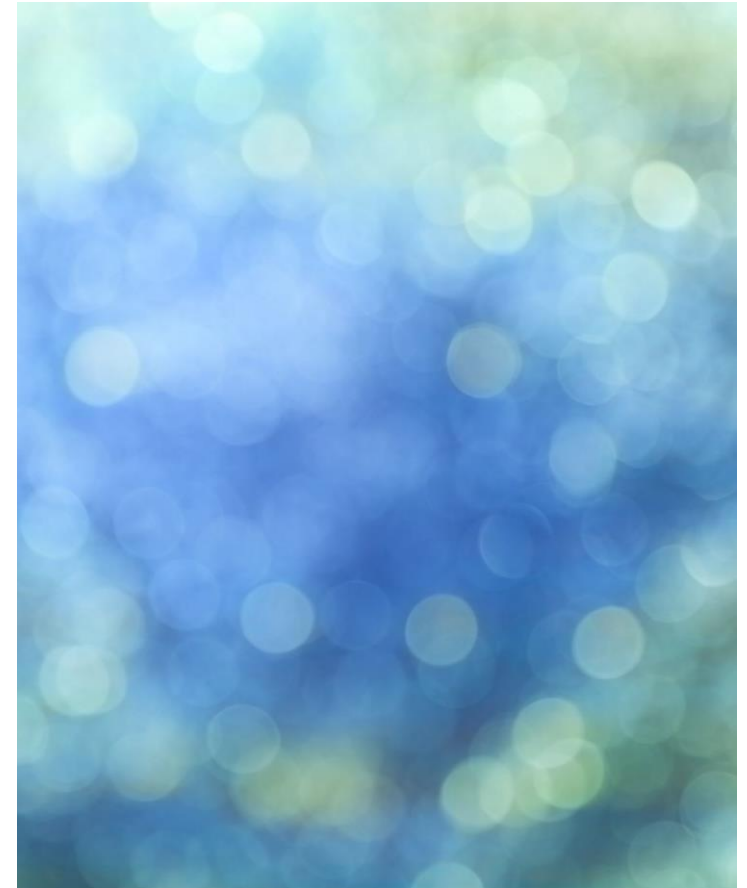
Communicate feedback of sessions

More Regional Roadshows
To Include DHETS
Legislation Changes

Strengthen PR /
Communication

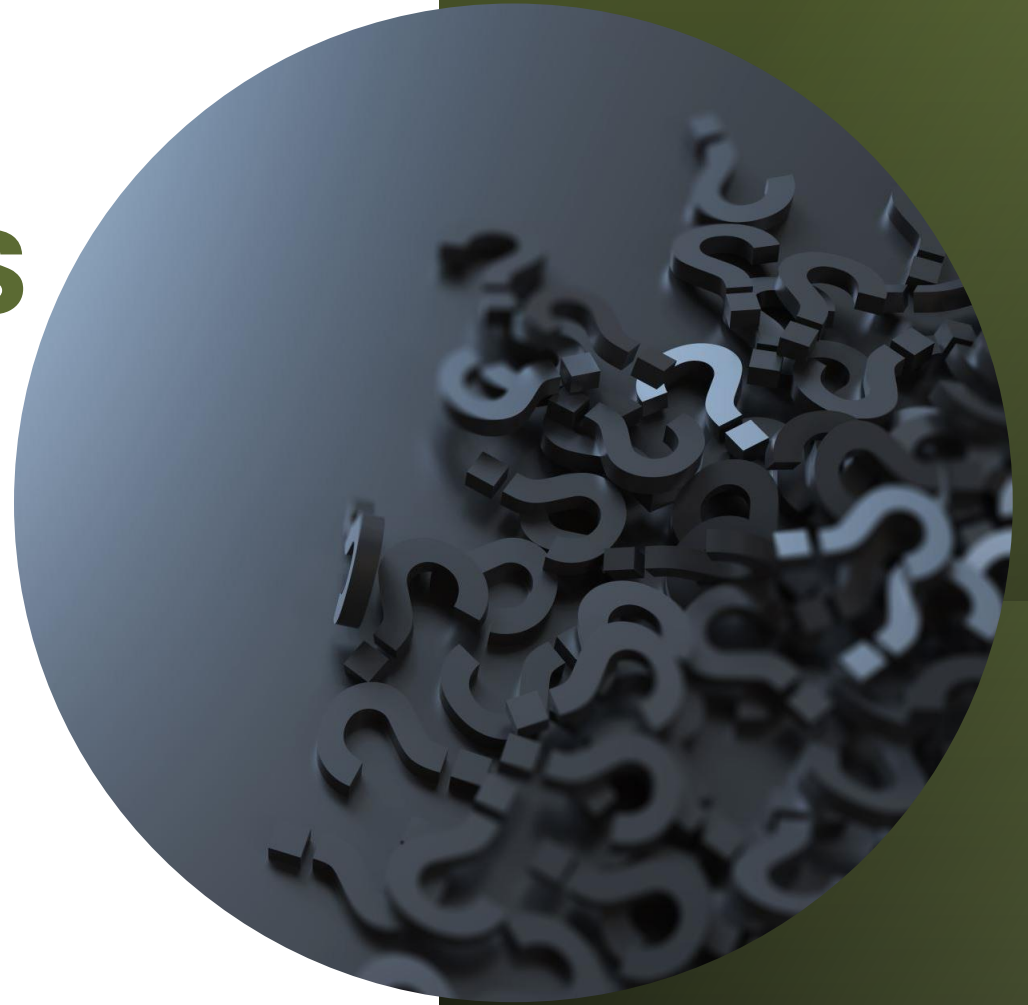
Forestry Value Chain Committee -
will require one member of the
FP&M Seta as a representative on the
committee

Requested for sector specific
engagements to be arranged with
stakeholders to discuss the challenges
facing that specific sector and
outlining sector priorities



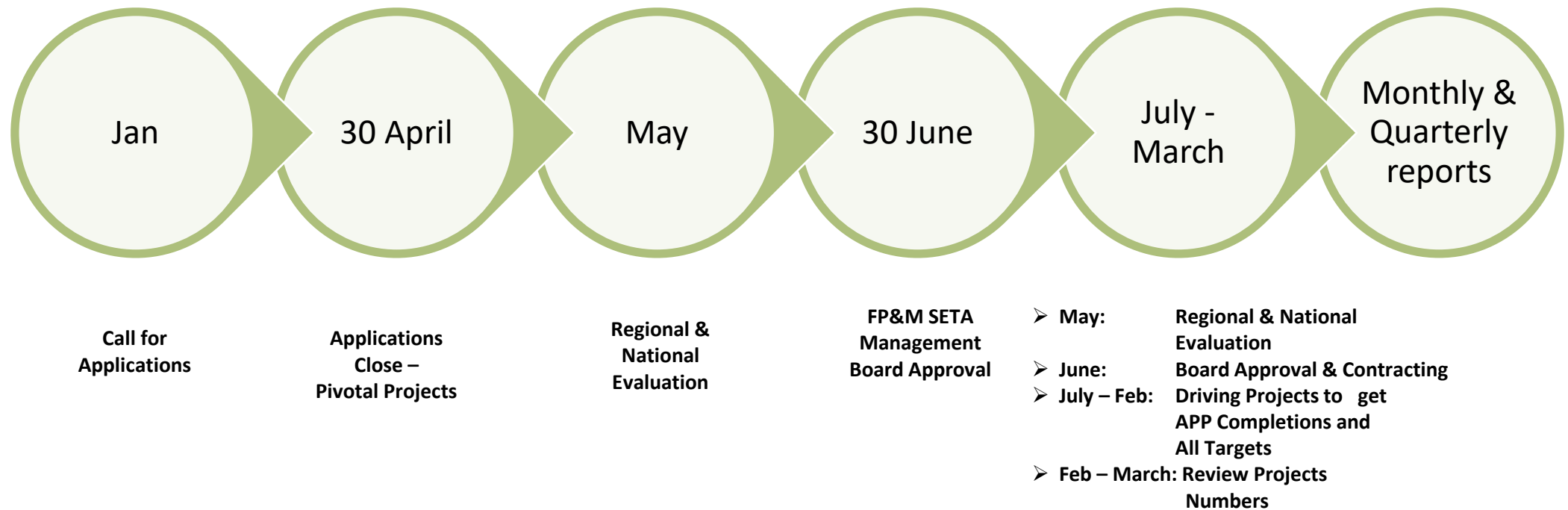
RECOMMENDATIONS

FP&M SETA BUSINESS MODEL



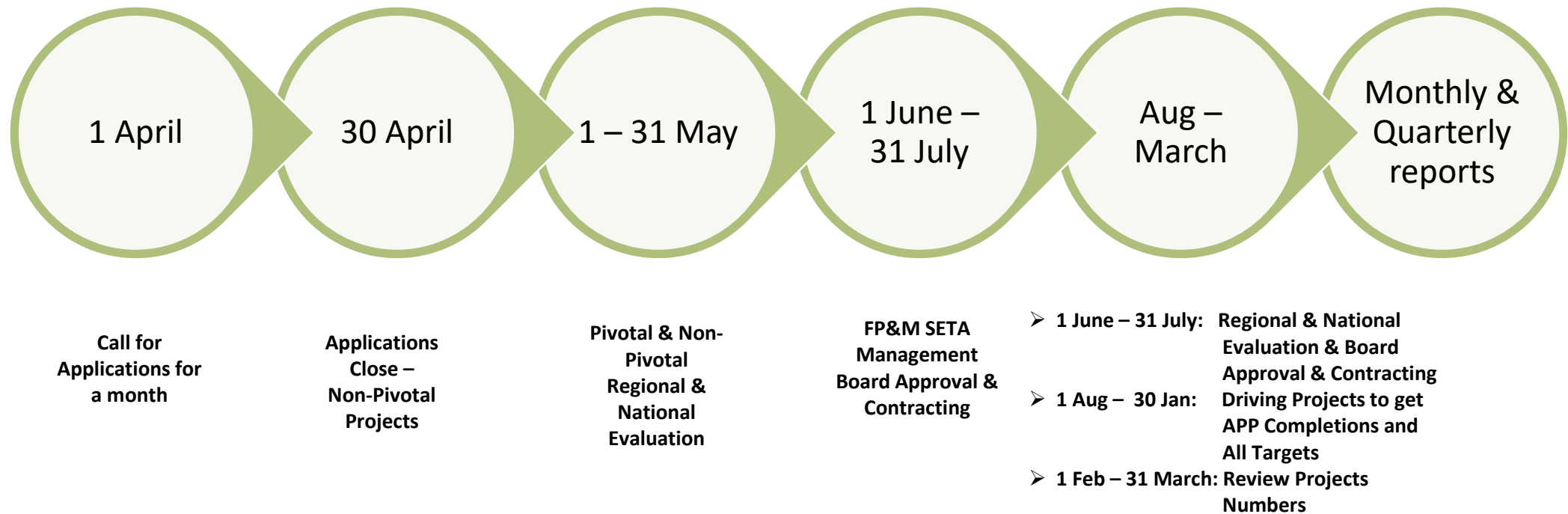
RECOMMENDATIONS

Mandatory & DG Grants Process – PIVOTAL PROJECTS



RECOMMENDATIONS – CONTINUED

Mandatory & DG Grants Process – NON-PIVOTAL PROJECTS



RECOMMENDATIONS CONT...

WSP System Simplification

Deployment of SDPs to support especially large companies and feedback report submitted in the office of the CEO, within 3 days of completing the work

Trouble shooting LMIS and IT Department to report back on enhancements not later than September 2023


Face to Face Regional Roadshows for information sharing including DHET's Legislation Changes

Strengthen PR / Communication

Representation of SETA Staff on Industry Committees such as Forestry Value Chain Committee – on industry request

CONCLUDING REMARKS

Following the Business Model conversations and stakeholder feedback, business model is revised to respond to stakeholders / industry.



Addressing the emerging needs will assist in the SETA being agile and responsive and therefore, supportive to industry changing needs.



This report will be circulated to industry for final input and Board's final approval.

[Click Here to Provide Comments](#)

Thank
you