



SSACI NEWS

The newsletter of the Swiss-South African Co-operation Initiative

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This newsletter aims to keep SSACI's partners informed about what the Initiative is doing, and why.

It seeks to give sponsors and project implementers a better understanding of one another's perspectives.

It highlights issues in the fields of education, training and skills development that effect SSACI's work.

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Ready for Business

SSACI-sponsored Students at the Business Skills and Development Centre



In October 2001, SSACI agreed to sponsor 75 students through a course in business administration and entrepreneurship run by the Business Skills & Development Centre in Cape Town. Each trainee is given six months' full-time training in business administration and entrepreneurship, and then serves a six months' internship with a local firm in order to acquire practical, on-the-job experience. Thereafter, trainees are assisted either to set up their own micro-enterprises or to find jobs in existing companies.

The first 35 SSACI-funded trainees completed their internships in September. Since then, 10 have launched own micro-enterprises and most of the remainder have found employment elsewhere. Amongst the formerly-unemployed graduates of this first cohort are:

- Boyce Mkukwana, who buys bread wholesale from a local bakery and retails it to early-morning commuters at a profit of R1,30 per loaf. In three months, Boyce made enough profit to

buy a cell-phone franchise.

- Vanessa Maseti, who has established a successful dressmaking business, specialising in ladies' skirts and jackets.
- Nandipha Busakwe, who creates ethnic jewellery from natural materials, including olive pips that she buys in bulk from a nearby olive oil factory. She makes an average profit of R25 on each item, of which she sells enough to generate a liveable income.
- Babalwa Bangelo, who runs a successful hairdressing salon from her home. Starting from scratch, she has in three months made enough money to fit out a room in her home as a properly-equipped salon.

The second cohort of 40 SSACI-funded trainees will finish their internships in January. Inspired by the successes of the first group, any of them have expressed a desire to start their own micro-enterprises.

Key Lessons from Vocational Training Programmes Around the World

Vocational training projects play an important role in Swiss development co-operation around the world, accounting for about 16% of funds spent on foreign development during the 1990s. From a critical assessment of experiences to date, a team of analysts led by Prof. Rolf Arnold of the University of Kaiserslautern drew the following key lessons about vocational training as a means to reduce poverty:

- **Vocational training is more than just teaching occupational skills.** It is becoming increasingly important to develop the trainees' non-technical competencies, as well as their job-specific technical skills. Such non-technical competencies include social and interpersonal skills that promote co-operation and participation, problem-solving, understanding the culture of the workplace, and knowing how to acquire further knowledge independently.
- **Training programmes should be flexible and differentiated.** They need to be adapted to local conditions, giving particular attention to the interests, views and expectations of potential employers and employees. Thus, there can be no standardised or definitive programme applicable to all situations. Instead, training methods and curricula should be oriented to particular target-populations and the realities of their social and economic environments. Narrowly-defined concepts of specific occupations or specialised industrial processes should not be allowed to limit the content of training programmes, which should instead concentrate on *areas of economic activity* within which trainees can generate an income from the basic skills they have just acquired, while progressively adding to them. An example of such an activity-area would be the building of low-cost houses, which requires a range of skills such as bricklaying, plastering, tiling, plumbing and electrical wiring, at levels of proficiency below that of a master artisan or tradesman.
- **The needs of small and medium enterprises should be taken into account.** Training should not focus solely – or even primarily – on the technology of sophisticated, large-scale industrial processes but should be geared instead to the mean level of the intended users. In developing countries such as South Africa, this often means the intermediate-level technology of small and medium-sized enterprises.
- **The informal sector should also be included.** To produce benefits for the bulk of the population in most developing countries, it is necessary to implement programmes that include the informal as well as the formal sectors of the economy. This means that training must aim to increase people's productivity even in the relatively unstructured and under-resourced work-environments characteristic of the informal sector, and must train people for self-employment.
- **Training should be linked to employment opportunities.** When the main objective is to create income and survival prospects for the poorer sections of the population, training programmes should be closely linked to the labour- and skills-needs of the local economy. Wherever possible, training should feed directly into economic growth areas as these offer the best prospects for stable employment and further career advancement.
- **Training programmes should, as far as possible, be implemented by local personnel.** This is for obvious reasons of both cost and social policy.

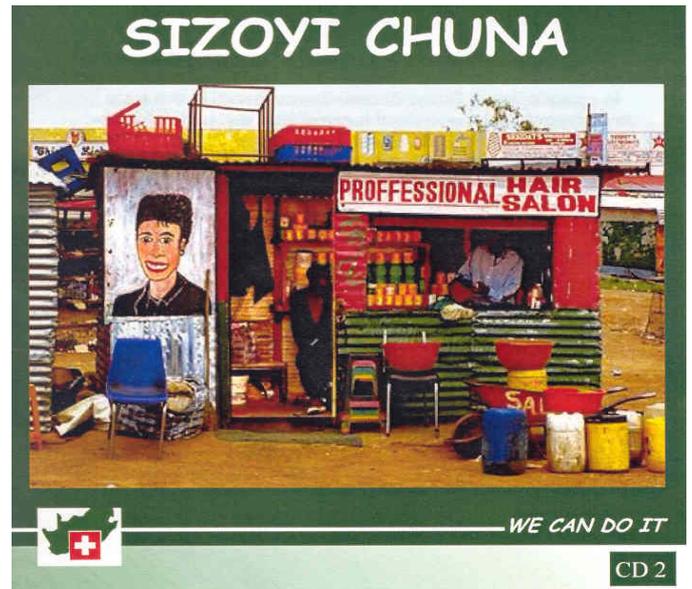
SSACI has taken account of all these principles. All of our vocational-training projects include a substantial life-skills component in addition to the "hard", technical skills component. A broad spectrum of vocational skills is covered by our various projects, ranging from whole-qualification, tertiary-level courses in technical professions to entry-level, short courses in manual trades. All SSACI-funded courses are intended to prepare trainees for immediate employment on graduation, followed by a lifetime of professional self-development. For this reason, SSACI focuses on industries and sectors of the economy that show long-term growth prospects and are generating jobs accessible to new entrants into the labour market, who typically have relatively-low skill-levels and little or no previous work experience. In addition to a substantial technical-skills training component, SSACI-funded projects must also comprise a strong post-training support programme during which graduates are assisted to find work, either within existing firms or through their own enterprises. Particular attention is paid to preparation for self-employment, while the development of SMMEs is another important focus area for SSACI funding. A further requirement of all SSACI-funded training projects is that they be sustainable beyond the period of SSACI funding, either by generating their own income to finance further training or by being accredited as learnerships that can be funded from the National Skills Fund through the various Sector Education and Training Authorities.

Focus on a Project: abc-Ulwazi

One of the most innovative projects sponsored by SSACI is the use of community radio stations to promote micro-enterprises run by young people in the tourism and hospitality industries. This project is the brainchild of Prof John van Zyl of abc-Ulwazi, a not-for-profit organisation that aims to strengthen community radio stations in South Africa and further the use of radio in education and development. Since its establishment in 1995, abc-Ulwazi has grown into the country's leading producer of educational radio programmes and the most important training institute for community radio stations.

The SSACI-funded project is creating business and job opportunities for unemployed people by using local community radio stations and a co-ordinated on-site training programme to promote community-based tourism in twelve selected areas around the country. Implementation of this project has involved:

- Production by abc-Ulwazi of a series of twenty-six 10-minute radio programmes under the title "Sizoyi Chuna!" (Zulu for "We can make it happen!"). Each episode in the series comprises a real-life success story about someone who has set up a successful local tourism or hospitality business, expert commentary on important lessons to be learned from that experience and useful information on where to get help in setting up one's own business.
- Broadcasting of the series over a period of three months by twelve community radio stations, selected for their coverage of areas with tourism potential around the country
- Training of the radio station managers in how to "localise" the content of the series through phone-ins and discussion programmes.
- On-site training in small-business development for prospective entrepreneurs close to each of the twelve stations. This training is being conducted by the Business Consulting Group, who specialise in micro-enterprise development in rural areas. The curriculum includes such topics as:
 - Identifying and developing business opportunities
 - Finding out what tourists want, and how you can provide it
 - Registering with your local tourist authority
 - Ensuring health and safety standards in your tourism or hospitality enterprise
 - Linking with other tour operators and service-providers
 - Producing cultural and entertainment events
 - Organising excursions
 - Catering and shop-keeping



The attractive CD cover for abc-Ulwazi's series of radio programmes on micro-enterprise opportunities in community-based tourism

By the end of November 2002, all twelve participating stations had broadcast the full series of programmes and training of prospective entrepreneurs was well under way. Encouragingly, some of the trainees had already started generating incomes from their business ideas.

While the ultimate test of this project's success will be the number of successful enterprises that it engenders, an interim evaluation by external consultants has already found that:

- The series caught the attention of the target audience, who understood the message of the programmes very well.
- Interest in business opportunities in tourism had been generated throughout the communities served by the radio stations and many people were now seeing tourism as a real source of employment.
- The series had motivated a number of listeners to start small businesses as tour guides, photographers, caterers, performing artists and manufacturers of ethnic-style clothing.
- The business training was practical and of a high standard. One participant said that, since joining the group, she had "experienced a tremendous growth in business".

Participating radio stations will be able to monitor and publicise success stories arising from this project. Meanwhile, it has already attracted some attention from media analysts, and features in an article written by Dr Jo Tacchi of the University of Queensland for the next edition of the prestigious international journal, "*Development Media*".

Statistical Summary of SSACI Projects
(December 2002)

Total Rand-value of all projects	R 25'032'800
Total number of youths to be enrolled for training	1'874
Number currently enrolled	1'105
Number of youths completed training	185
Average age of trainees	22
% male: female trainees	55:45
Number of ex-trainees placed in full-time employment	110
Number of ex-trainees in post-training support phase	65
Number of viable new businesses created to date	18

Summary of Income vs Expenditure to Date

Income	Expenditure
SDC - R 11'480'000	Disbursed to projects- R 13'000'000
Corporates (received) - R 8'989'000	SSACI operating costs- R 1'276'000
Corporates (due) - R 1'065'000	R 14'276'000
Interest - R 823'000	
R 22'357'000	

**Five Good Reasons Why Corporate Donors Should Continue
Contributing to SSACI:**

1. SSACI is addressing an urgent national need (i.e. youth unemployment)
2. The matching grant from SDC doubles the value of corporate donations
3. SSACI's funding programme is focused, efficient and effective
4. SSACI has very low operating costs (less than 5% of its income)
5. Donations to SSACI are tax-deductible.
