SAIBA / SA NEEDS A UNIFIED GOAL

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**SOUTH AFRICA NEEDS SKILLS AND UNRELENTING FOCUS ON BIGGER PICTURE FOR RECOVERY PLAN TO SUCCEED**

In his Economic Reconstruction and Recovery Plan of 15 October 2020, President Cyril Ramaphosa once again placed the emphasis on infrastructure development, job creation, energy security, debt reduction and the fight against corruption, writes Nicolaas van Wyk, CEO of the South African Institute for Business Accountants (SAIBA).

While his bold plans to get the country back on track post-Covid are heartening, they have a familiar ring to them and beg the question: does South Africa have the direction, expertise and skills to ensure success, especially of its R1 trillion infrastructure development plan?

**South Africans need to be on the same page**

The plans to boost the economy will fail unless the country has a unified goal and highly skilled people in place to manage the projects and perform work that requires specialised knowledge and aptitude.

Businesses are suffering in the current economic milieu. South Africa needs a workable economic model to ensure spending is focused and the country avoids getting into further debt. The focus should be on smart spending, with the entire country working towards a common goal.

Right now, South Africa does not have a unified approach. Government vacillates from one issue to the next, taking its eyes off the bigger picture of establishing a thriving economy.

Instead of having a singular, social focus and blaming particular groups - which does not resolve anything – South Africa needs a national agenda. The country needs to look no further than Singapore, Hong Kong and now China for successful examples of how this can be done. While China may not be doing everything right, it has lifted 100 million people out of poverty over a 20-year period.

**Let’s get to 2% of world GDP**

Currently, South Africa contributes a mere 0.9% to the world gross domestic product (GDP). If the country focused on elevating its game and had a goal of contributing 2% to the world GDP, the economy would double or triple in size and many of its social ills would largely self-correct.

Raising the game, however, requires experience, skills and expertise, especially in a world that is becoming increasingly tech-based. The issue of skills was recently raised by the CEO of United Kingdom (UK) software company, Sage, who noted that economies are becoming enormously tech heavy.

In countries such as the UK, there is a dire need for tech savvy people if they are to compete with the likes of the United States. The universities, however, are not producing enough people with these skills. This is a scenario that resonates with South Africa, especially in the accounting sector, which is steadily becoming more technology based.

**Relevant skills needed to support government’s growth agenda**

South Africa already spends 60% of its budget on education and social upliftment, more than any other country on the continent and possibly the world, but it is not equipping young people with the knowledge and skills they need to perform productively in the workplace.

This was driven home recently at a conference where employers pointed out that young people out of university are ill equipped for the workplace, even though they have university degrees.

Essentially, the country pays twice for the same thing. It pays for pupils to get through matric in an acceptable way so they can enter the job market or further their studies. However, many people emerge from matric without the skills to do either.

From a tertiary education perspective, the burden falls on the universities to reinvest in the person for an additional year to ready them for their tertiary studies. But, on completing their degrees, they still emerge with unmarketable skills. This creates an underlying problem: masses of unemployed people with degrees, who feel aggrieved. This, in turn, leads to further social issues, which are compounded by entrenched poverty.

**Fast-tracking work experience for graduates**

So, how can universities add more value, rather than merely follow a traditional Oxford-based education methodology, which belongs to another era?

As a professional body, SAIBA acts as a link between universities and employers. With the advent of Covid-19, SAIBA has witnessed an enormous uptake of technology in the workplace and recognised the need to fast-track work experience for university students and make them more marketable.

In this respect, it is proposing that students attend virtual workplaces while completing their degrees, either during the programme or in their holidays. The work experience will be provided by SAIBA and its technology partners via virtual reality (VR) or augmented reality (AR).

Students can learn how to present themselves to their employers, how to contribute in meetings and how to communicate with clients, amongst others. This will remove the burden from the employer of having to train an individual for six months to a year without them adding any value to the bottom line.

While universities are cognisant of the need to change, they are often bogged down with Department of Education regulations regarding curriculum changes. However, if they don’t change, the tsunami of discontented people in South Africa will grow and the country won’t be able to meet its own skills needs.

Bodies like SAIBA can help. They can help universities remain relevant with VR and AR training and other types of modular or hyper learning (think Matrix protagonist learning to fly a helicopter) to complement theoretical learning.

While this will take some time to get off the ground, South Africa’s immediate skills shortage can be addressed by making the country more attractive to foreigners and expats through the introduction of a different dispensation with regard to visas and tax benefits.

Combining a realigned education process with a unified goal of achieving 2% of world GDP, South Africa will witness a positive knock-on effect, characterised by improved living conditions and reduced societal ills.

**ENDS**