

**STRATEGIC TRAINING AND DEVELOPMENT
IN PRIVATE SECTOR EMPLOYMENT IN
SOUTH AFRICA**

WITH SPECIAL REFERENCE TO PICK 'N PAY

by

CHANTAL MICAELA MOODLEY

**Submitted in part fulfillment
of the requirements for the degree of**

Master of Business Administration

in the

Graduate School of Business

in the

Faculty of Management Studies

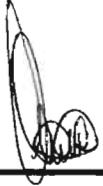
University of Kwa Zulu-Natal

**Supervisor: Dr Yogi Penceliah
Durban, December, 2005**

658-3124 MOO

DECLARATION:

This dissertation is the original work of the author and has not otherwise been submitted in any form for any degree or diploma to any University. Where use has been made of the work of others, such has been duly acknowledged in the dissertation.



08-12-2005

Signature

Date

DURBAN

Place

Reg. No. 9600044

ABSTRACT

This study focuses on the strategic employee training and development initiatives of private sector employment as a means to develop employees in gaining a competitive advantage in the market. This study takes a theoretical and descriptive stance as it draws from the work of authors in the field of human resources and strategic training and development.

There is a strong focus on human relations and the transformation of human resources in South Africa that brings to light practices of human resource management. Furthermore, the concepts training, education and development are defined and discussed as cornerstones to the employee growth process.

Theories, techniques and models are used as a tool in highlighting the needs analysis and designing of training programmes in the South African private sector. Business strategy and its connection to training and development are expanded upon as this topic entails a strong future-oriented approach.

Pick 'n Pay was chosen as a case study as it is a South African company. The company's training and development policies and procedures are discussed, unstructured interviews were conducted with Jackie Suhr who is the Senior Human Resource manager, Ravi Naidoo who is the Area manager at Durban North as well as staff members from Pick 'n Pay. The information gathered will be discussed to evaluate the effectiveness of the company's training and development initiatives as a means to empowering, developing and positively re-enforcing their employees.

ACKNOWLEDGEMENTS

I would like to express my warmest gratitude to the following people and institutions that contributed towards the completion of this study:

- The National Research Foundation (NRF) for their generous funding which enabled me to undertake this study.
- Dr. Yogi Pencelliah for her supervision of this study.
- Human resource division at Pick 'n Pay, with a special thanks to Jackie Suhr (Senior HRM in KZN) and Ravi Naidoo (Area Manager).
- I would also like to dedicate this work to all the members of my family, especially my parents, Mr. Michael and Mrs. Hazel Moodley, whose moral support and encouragement have been invaluable in undertaking this study.
- Last but not least, I would like to thank all the people who provided me with valuable and relevant information that was used in the completion of this study.

Glossary of terms:

ANC	-	AFRICAN NATIONAL CONGRESS
CLMC	-	COMPREHENSIVE LABOUR MARKET COUNCIL
EDTP	-	EDUCATION, DEVELOPMENT AND TRAINING PROGRAMME
ETQA	-	EDUCATION AND TRAINING QUALITY ASSURERS
FET	-	FURTHER EDUCATION AND TRAINING
GET	-	GENERAL EDUCATION AND TRAINING
GNU	-	GOVERNMENT OF NATIONAL UNITY
HR	-	HUMAN RESOURCES
HRD	-	HUMAN RESOURCE DEVELOPMENT
HRM	-	HUMAN RESOURCE MANAGEMENT
IEB	-	INDEPENDENT EXAMINATION BOARD
ITB	-	INDUSTRY TRAINING BOARD
MTA	-	MANPOWER TRAINING ACT
NEDLAC	-	NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL
NQF	-	NATIONAL QUALIFICATIONS FRAMEWORK
NSB	-	NATIONAL STANDARD BODIES
NTB	-	NATIONAL TRAINING BOARD
NTSI	-	NATIONAL TRAINING STRATEGY INITIATIVE
PAC	-	PAN AFRICANIST CONGRESS
RDA	-	RECRUITMENT, DEVELOPMENT & ASSESSMENT RESOURCE
RDP	-	RECONSTRUCTION AND DEVELOPMENT PROGRAMME
RPL	-	RECOGNITION OF PRIOR LEARNING
QM	-	QUALITY MANAGEMENT
QMS	-	QUALITY MANAGEMENT SYSTEMS
RQM	-	REGIONAL QUALITY MANAGER
SA	-	SOUTH AFRICA

SACP	-	SOUTH AFRICAN COMMUNIST PARTY
SAQA	-	SOUTH AFRICAN QUALIFICATIONS AUTHORITY
SDA	-	SKILLS DEVELOPMENT ACT
SETA	-	SECTOR EDUCATION AND TRAINING AUTHORITIES
SGB	-	STANDARD-GENERATING BODIES
SHRD	-	STRATEGIC HUMAN RESOURCE DEVELOPMENT
SHRM	-	STRATEGIC HUMAN RESOURCE MANAGEMENT
SME	-	SUBJECT MATTER EXPERTS
SMME	-	SMALL, MEDIUM AND MICRO ENTERPRISES
T&D	-	TRAINING AND DEVELOPMENT
W&R	-	WHOLESALE AND RETAIL

TABLE OF CONTENTS:

	PAGES
Abstract.....	i
Acknowledgements.....	ii
List of abbreviations	iii
 CHAPTER ONE	
1.1 Introduction and overview of the study	1
1.2 Background to the study.....	1
1.3 Problem statement.....	2
1.4 Research objectives.....	2
1.5 Literature review.....	2
1.6 Research design.....	3
1.7 Limitations to the study.....	3
1.8 Structure of the study.....	4
1.9 Conclusion.....	5
 CHAPTER TWO	
LITERATURE REVIEW	
2. Introduction.....	7
2.1. Transformation of human resources in South Africa	
2.1.1 Human relations.....	7
2.1.2 Historical perspective of human resources in South Africa	10
2.1.2.1 The world of work in pre-industrial South Africa.....	10

2.1.2.2	People and work in the period following the South African industrial revolution.....	10
2.1.2.3	The period following the Republic status.....	12
2.1.2.4	The people that shaped things to come.....	12
2.1.2.5	Labour apartheid decade.....	13
2.1.2.6	Human resource management during a period of transformation politics.....	13
2.1.3.	The origin of human resource management.....	14
2.1.4	Human resource management theories.....	15
2.1.4.1	Theory X and theory Y.....	15
2.1.4.2	Theory Z.....	16
2.1.5	Human resource development.....	17
2.2.	Training, education and development	
2.2.1	The changing work environment.....	18
2.2.1.1	Effective investment in training.....	18
2.2.2	The concepts of training, education and development	19
2.2.2.1	The concept of training.....	19
2.2.2.2	The concept of education.....	20
2.2.2.3	The concept of development.....	21
2.2.3	Purposes of training and development.....	21
2.3	Theoretical perspective of needs analysis and designing of a training programme	
2.3.1	Levels of organisational training needs.....	24
2.3.2	Training needs assessment.....	24
2.3.2.1	Methods of needs assessment.....	25
2.3.3	Models for designing T&D and HRD programmes.....	26
2.3.4	Conducting a situational analysis.....	27
2.3.5	Selecting a solution.....	27
2.3.6	Analysis of constraints.....	28
2.3.7	Analysis of target population.....	28
2.3.8	Type of training strategies.....	29

3.3	T&D - Assessment policy.....	63
3.3.1	Methods of assessment.....	65
3.4	T&D - Staff development policy.....	66
3.4.1	Staff selection, appraisal and development.....	67
3.5	Managing the design, development and delivery of training and development policy.....	68
3.5.1	Research / needs analysis.....	68
3.5.2	Design and development of training programmes....	69
3.5.3	Partnerships/ collaboration with external providers...	70
3.5.4	Planning and Managing skills-training provision.....	71
3.6	T&D - Quality Management policy.....	72
3.7	T&D – Administration policy.....	74

CHAPTER FOUR

	Analysis of findings.....	76
--	---------------------------	----

CHAPTER FIVE

	Research objectives and recommendations.....	79
--	--	----

CHAPTER SIX

	Conclusion.....	83
--	-----------------	----

	BIBLIOGRAPHY	84
--	---------------------------	----

CHAPTER ONE

1.1 Introduction and overview of the study

Environmental, social and technological change as well as globalization can only mean that long term planning is risky but absolutely essential. Outstanding talent management has become a crucial factor in differentiating company performance. In keeping with the aforementioned, this study focuses on strategic training and development in private sector employment with Pick 'n Pay as the case study.

This study provides a discussion on the transformation of human resources in South Africa as well as an explanation of important concepts such as training, education and development. The study further serves to discuss the needs analysis and designing of a training programme as well as an analysis on the aligning of training and development to business strategy as training and development are indispensable tools to Pick 'n Pays organisational success. Policy initiatives of the government such as the role of state departments as executive agencies of education and training policies (Van Dyk 1997: 60) as well as strategic training initiatives (Van Dyk 1997: 64) are analysed in terms of their effect on Human resource development.

This study reviews and assesses Pick 'n Pay's existing training and development initiatives which involves an in depth discussion concerning the company's training and development policies and procedures. There is also an analysis of findings that is followed by recommendations as a way forward into empowering, developing and positively reinforcing employees.

1.2 Background to the study

This study was undertaken as a result of the researcher's interest in the area of human resources and in particular the training and development field. The benefits of this study would be increased employee job satisfaction, enhanced performance

and personal growth which lead to organisational growth which would ultimately manifest in the economic growth of the country. It was the intention of the researcher to undertake an evaluation of the training and development initiatives of a South African company, thus Pick 'n Pay was chosen as the case study.

1.3 Problem Statement

This study examines whether or not the strategic training and development initiatives of a company called Pick 'n Pay is empowering, developing and positively reinforcing their employees by reviewing and assessing the company's existing training and development initiatives.

1.4 Research objectives

1. To evaluate Pick 'n Pays ability to develop a culture of high quality life-long learning for their employees.
2. To evaluate Pick 'n Pay in terms of promoting opportunities for skills acquisition in development initiatives.
3. To evaluate whether or not the training and development initiatives of Pick 'n Pay is empowering, developing and positively reinforcing their employees.

1.5 Literature review

This part of the study focuses on the transformation of human resources in South Africa (Gerber, Nel and Van Dyk 1995: 122) followed by a discussion on the concepts of training, education and development (Van Dyk et. al. 1997: 189). Thereafter there is an assessment of the various theoretical perspectives of needs analysis and the designing of a training programme (Wolmarans and Eksteen 1987: 6); this highlights the importance of conducting a thorough needs analysis as a means to identifying performance gaps and also empowering employees with the necessary skills and abilities to perform their duties effectively.

A discussion on the alignment of training and development to business strategy as a means of ensuring that the training and development process is future-oriented in terms of empowering employees is examined (Luoma 2000: 98). The focus is on ensuring that the company is staffed with a skilled and powerful workforce in its endeavour to achieve target market dominance.

Finally the study provides information regarding the policy initiatives of the South African government that have an impact on strategic training and development (Van Dyk 1997: 60). The focus is on National training initiatives as well as policies and procedures that have a direct impact on private sector employment such as the National Qualifications Framework (NQF) and the South African Qualifications Authority (SAQA) as well as the Skills Development Act.

1.6 Research design

The phenomenon of strategic training and development is perceived as consisting of the interaction of a number of factors that subscribe to divergent ideological discourses based on their underlying values and beliefs (Carrell et. al. 2000: 10).

This study is largely theoretical in nature and draws from the work and findings of various authors in the field of human resources.

A case study approach is used which is based on initiatives and purpose statements by a private sector company, namely Pick 'n Pay as a means to empowering, developing and positively reinforcing their employees through strategic training and development.

1.7 Limitations of the study

This study was only conducted at one branch in Durban. The perception of staff from other branches was not included. A sample size of 15 was used. This does not

incorporate the opinions of the other respondents. Some of the employees were too busy to take the time to participate in the study.

The researcher has uncovered that certain respondents did not want to commit themselves into saying what their training and development process is really like but rather submitted an evaluation that might be an exaggeration of the respondents true feelings towards the process, this could be due to the respondents only wanting to portray the organisation in a positive light. There were only a few respondents in the sample size that may have inclined towards this behaviour.

Most of the theories of training and development that have been discussed in chapter two are from an American perspective and not a South African perspective.

Despite these limitations it is safe to conclude that this study makes a substantial contribution to knowledge regarding whether or not the strategic training and development initiatives of a company called Pick 'n Pay is empowering, developing and positively reinforcing their employees by reviewing and assessing the company's existing training and development initiatives.

1.8 Structure of the study

Chapter 1 outlines the study in terms of providing an introduction as well as an overview of the study; this chapter also provides pertinent information such as the problem statement, research objectives, literature review, research design and limitations to the study.

Chapter 2 commences with the literature review by focusing on the transformation of human resources in South Africa followed by an explanation of the concepts training, development and education. There is a discussion on the needs analysis and the designing of a training programme that leads to an evaluation on the aligning of training and development to business strategy, which includes an explanation of

organisational strategic intent. The chapter also provides an examination of the policy initiatives of the government that have an impact on Human resource development.

Chapter 3 of the study involves a detailed case study on the training and development initiatives of Pick 'n Pay which includes an examination of the company's profile as well as a discussion on the company's training and development policies and programmes.

Chapter 4 of this study provides an analysis of findings, which encompasses the identification of shortfalls in Pick 'n Pay's training and development process.

Chapter 5 provides a discussion of research objectives to the shortfalls that were identified in the previous chapter.

Chapter 6 provides a conclusion and recommendations to the study.

1.9 Conclusion

This chapter highlighted the background to the study, the problem statement, the research objectives, the literature review, research design, limitations of the study and the structure of the study.

Strategic training and development can be seen as a means to assess and address deficiencies in the organisation, it can also act as a catalyst for change. Many organisations have got to the point of recognizing that training and development is a strategic priority rather than a tactical or knee-jerk response (Mabey, Salaman and Storey 1998: 168). Training and development is an attempt to give the organisation competitive advantage both through the content of such activities and the way in which they are delivered. More organisations are using human resource strategy as a way of integrating their business planning process with organisation wide

development and human resource activities from recruitment through to succession planning (Mabey, Salaman and Storey 1998: 169).

Chapter 2 of this study provides a discussion on various aspects of strategic human resource training and development, these areas of discussion include a historical perspective of human resources in South Africa (Nel, Van Rooyen 1993: 53) as well as aligning training and development to business strategy (Luqma 2000: 98) which as a special focus on strategy being seen as a key link between what the organisation wants to achieve, its objectives and the policies adopted to guide its activities.

CHAPTER TWO

LITERATURE REVIEW

2. INTRODUCTION

This chapter begins with a discussion on the transformation of human resources in South Africa. There is a focus on human relations as well as an historical perspective of human resources in South Africa. Further the concepts of training, development and education are expanded upon followed by a discussion on the theoretical perspectives of needs analysis and designing of a training programme. A discussion on aligning training and development to business strategy follows which focuses on organizational strategy and its relationship with the human resource development strategy. Finally the dissertation discusses policy and procedure initiatives of the South African government that impact on human resource development.

2.1 TRANSFORMATION OF HUMAN RESOURCES IN SOUTH AFRICA

2.1.1 HUMAN RELATIONS

During the 1930s and 1940s, management's attention shifted from scientific management to human relations. Employee productivity was affected not only by the way the job was designed and by the financial rewards, but also by certain social and psychological factors. It was found that employees' feelings and sentiments were deeply affected by working conditions such as leadership style and support from management, and that these feelings have a significant impact on productivity (Gerber, Nel and Van Dyk 1995:122).

It was asserted by authors Carrell et. al. that treating employees with dignity and respect enhanced employee satisfaction and resulted in higher levels of productivity (2000: 9). This led to the implementation of behavioral science techniques in industry, including supervisory training programmes that emphasized support and

concern for the worker. The study of human relations in essence sparked the then emerging trend in human resource management towards the adoption of the human resource approach.

This shift benefited the organization in two significant ways:

- an increase in organizational effectiveness; and
- the satisfaction of each employee's needs.

The human resource approach holds that organizational goals and employees' needs are mutually compatible and that one set need not be gained at the expense of the other (Carrell et. al. 2000: 9). Figure 1 indicates that this can be achieved through a circular approach where greater employee rewards and satisfaction lead to motivation of employees; this results in greater quality and quantity of work, which directly leads to higher organizational productivity and profitability (Carrell et. al. 2000: 10).

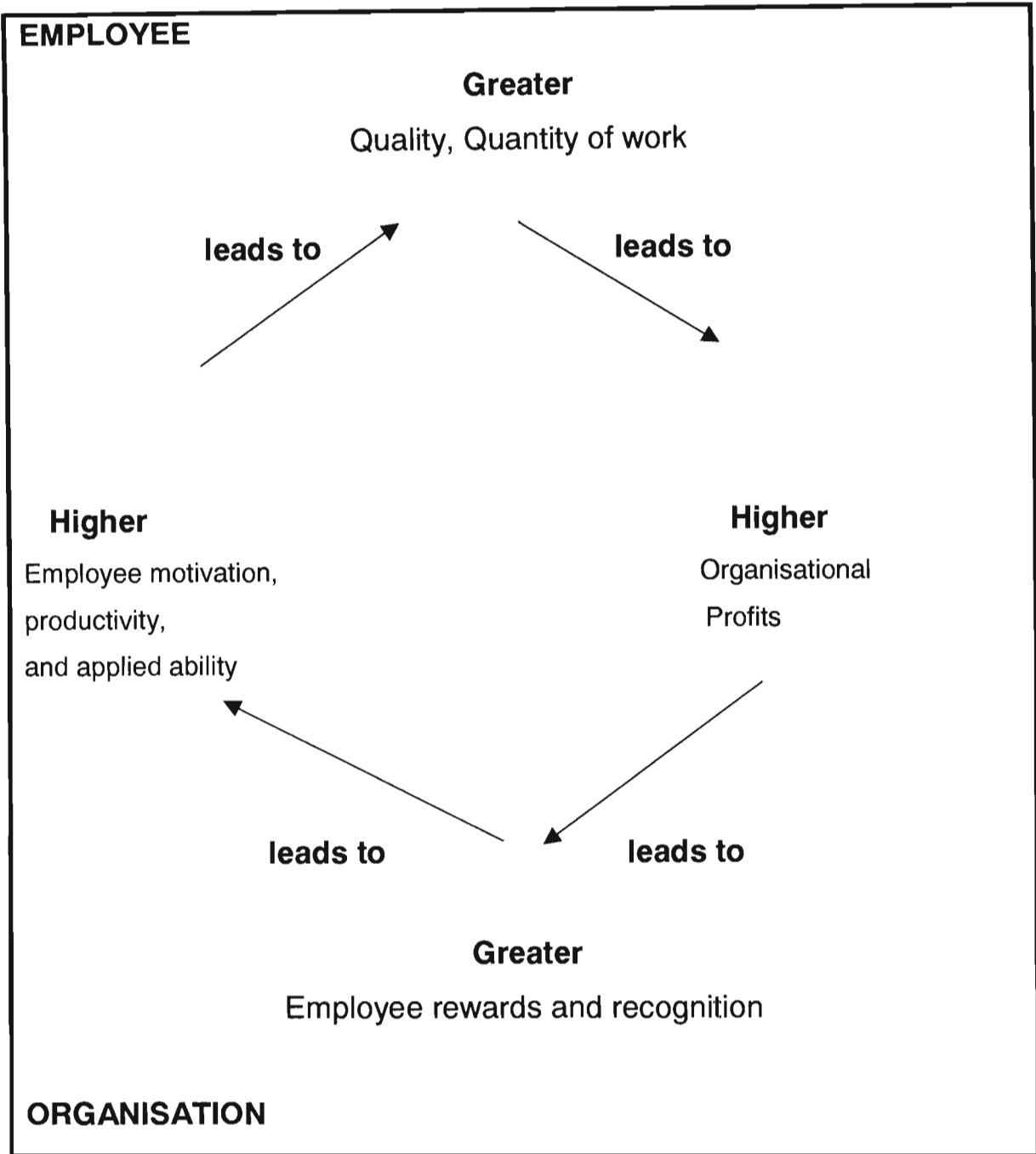


FIGURE 1: THE HUMAN RESOURCE APPROACH

Source: Adapted from Carrell et. al. (2000: 10)

2.1.2 HISTORICAL PERSPECTIVE OF HUMAN RESOURCES IN SOUTH AFRICA (SA)

South Africa has undergone several changes in the world of work; there has been a move from the pre - industrial ages to a more modern approach to human resource management as are practiced presently.

2.1.2.1 THE WORLD OF WORK IN PRE - INDUSTRIAL SOUTH AFRICA

South Africa was chiefly an agrarian society prior to the discovery of diamonds and gold, most of the country's inhabitants were engaged in household and agrarian activities. The San people were probably the first inhabitants in SA who were highly competent and prolific hunters. (Nel, Van Rooyen 1993: 53) As more and more immigrants settled in the Cape after the arrival of Jan van Riebeeck in 1652 to set up a refreshment post, trade between these groups increased. The khoi khoi provided fresh vegetables and fruit. More people were required to build the growing settlement. The basic relationship was thus mainly one of slavery where there was a master and servant.

Slaves, as the property of owners who bought them at auctions, had to obey their masters and work hard without really obtaining anything in return. In these early days there was no form of 'personnel management', Slavery was eventually officially abolished in 1834 and the first real formal regulation of some form of individual employment relationship came into being with Act 1841, which increased the strict legislative and paternalistic nature of 'people management' in South Africa. (Nel, Van Rooyen 1993: 54)

2.1.2.2 PEOPLE AND WORK IN THE PERIOD FOLLOWING THE SOUTH AFRICAN INDUSTRIAL REVOLUTION

With the discovery of diamonds and gold and the accompanying advent of the South African industrial revolution in the late 1860s and the 1870s, life and the world of

work in this country changed dramatically. The need aroused mining and engineering-related skills to mine the diamonds and gold. Other industries such as building, engineering and the railways developed around the mining industry. These skilled people were paid a high wage because of the increasing demand for their services and their know-how. There was thus an increased movement from the traditional activities (mainly agrarian and household) as people entered into formal employment relationships with the growing number of industrial types of organisations. (Nel, Van Rooyen 1993: 55)

The ideas of scientific management (Taylorism) were also 'imported' in the sense that, as mechanization increased, mining employers turned their attention to breaking down their many skilled jobs into smaller, simpler units in order to be able to employ cheaper unskilled and semi-skilled labour to perform these tasks. The unions' strict control was thus the watchword of people-management.

Due to the high cost of industrial action and the rise in collectivism (trade unionism) in South Africa, awareness of the necessity for greater sensitivity toward the needs, welfare and rights of employees gradually increased during the first, third and fourth decades of the 20th century (Nel, Van Rooyen 1993: 62).

The Industrial Conciliation Act 36 of 1937, and the Wage Act 44 of 1937 can be viewed partly as attempts by Government to provide for the welfare and rights for certain groups of workers, and to remove the need to belong to trade unions. Although union membership figures generally kept growing, managers gradually began to realize that people were not the same as other production factors and could not simply be treated and controlled like extensions of the machine. In South Africa, as in other parts of the world, it became clear that people as employees needed some form of special treatment (Nel, Van Rooyen 1993: 62).

2.1.2.3 THE PERIOD FOLLOWING THE REPUBLIC STATUS

Personnel management as a field of study, research and practice in South Africa has already become relatively well established at the time when South Africa attained republic status. On October 1964, all provincial units of the Institute of Personnel Management joined forces to form a single national body, retaining the name South African Institute of Personnel Management. (Nel, Van Rooyen 1993: 64)

According to Swanepoel and Erasmus, in their book entitled Human resource management, theory and practice (1998: 67), the emphasis was on individualism rather than on collectivism, and there had been a gradual movement towards the human relations approach. Racism was a dominant force and was rigorously controlled in the South African workplace. Two trends emerged:

- A dawning realization of the need for more of a 'human resources approach'; and
- A gut feel that collectivism (trade unions) would become more prominent.

2.1.2.4 THE PEOPLE THAT SHAPED THINGS TO COME

By the end of the sixties, with the majority of workers being black, it was clear that the face of work, people and personnel management had to change. African workers had been suppressed and too strictly controlled for far too long, particularly by means of legal restrictions in keeping with the preceding two decades of apartheid rule. (Lombard 1978: 10)

After the 1976 strikes in the Witwatersrand, it again became apparent that labour legislation in South Africa, as far as it concerned the collective bargaining rights of black workers, was totally inadequate and needed to be completely updated. Following on the publication of the White Paper on Part One of the Wiehahn

Commission report in 1979, the remainder of the report, and the subsequent changes in South Africa's labour legislation, irreversible changes took place in the control of work and personnel management in South Africa. The concept of human resources had by this time also come to be used more often. (Lombard 1978: 12)

2.1.2.5 LABOUR APARTHEID DECADE

The South African government's acceptance, in principle, of the Wiehahn Commission's recommendation that racialism no longer be a consideration in the South African labour dispensation gave rise to a new era of human resource management in South Africa where black employees were no longer excluded from the statutory labour machinery of the country. However, the individual dimension of personnel management in South Africa also matured to some extent during the eighties, particularly as far as certain traditional functional areas of personnel management were concerned. Attention was being paid to a whole range of aspects. During the first five years of the eighties, aspects which were emphasized in journal articles included manpower planning, selection, training and development, organisational development, career planning, manpower information systems and especially black advancement and labour productivity. (Lombard 1978: 13)

2.1.2.6 HUMAN RESOURCE MANAGEMENT DURING A PERIOD OF TRANSFORMATION POLITICS

On 2nd February 1990, South Africa's newly elected State President FW De Klerk announced the government's intention of trying to resolve South Africa's sociopolitical problems through negotiations with all stakeholders, thus effectively turning around the world of every South African who could now support political parties like the African National Congress (ANC). The South African Communist Party (SACP) and the Pan Africanist Congress (PAC) set the stage for major transformation in the country and the idea of a new 'South Africa' and a 'Post apartheid era' echoed throughout the land. Gradually the nature of industrial

relations also began to show signs of a need for change. From the early 1992 representatives of business and labour engaged in bilateral negotiations with the aim of setting up a National Tripartite Economic Forum, which included representatives of the government. (Nel, Van Rooyen 1993: 66)

In 1994, with a change in government came a change in the Human resources field. With the introduction of the new constitution, '**The Basic Conditions of Employment Act**' and the '**Labour Relations Act**', the face of human resources in South Africa changed dramatically. New concepts such as the strategic human resources management, with emphasis on the skills development process, were the order of the day. (Nel, Van Rooyen 1993: 66)

2.1.3 THE ORIGIN OF HUMAN RESOURCE MANAGEMENT

The concept and practices of human resource management are widely held to have evolved out of the prior area of personnel administration, which has its roots in the Human resource approach. The essence of this revolutionary process is that employees were now viewed as a valuable resource rather than a cost to be minimized. According to Beaumont (2001:9), if employees are managed rather than administered effectively from a strategic point of view this will contribute significantly, (*ceteris paribus*, all things remaining equal) to organizational effectiveness and this will be a source of competitive advantage to the organisation concerned.

To some analysts human resource management represents a very specific way of managing people at work. Human resource management was a very distinct approach to people management; furthermore human resource management has specific characteristics based on the belief that:

- It is essentially the quality of organisations' human resource which makes the difference between those who are more and those who are less successful and that all employees as resources have to be developed and valued.

- Human resource management decisions have long-term business-related implications and therefore have to be the concern of all management.
- Human resource management is essentially unitaristic and thus individualistic as opposed to collectivistic. (Storey 1992:35)

2.1.4 HUMAN RESOURCE MANAGEMENT THEORIES

Several studies after the Second World War revealed how assumptions about workers' attitudes and behaviour affect managers' behaviour. Jones et al (2000:55) stated that theory X and theory Y approach was developed by Douglas McGregor (1960:15) (Table 1). McGregor (1960:15) proposed two different sets of assumptions about how work attitudes and behaviour dominate the way managers think and affect their behaviour in organisations.

2.1.4.1 THEORY X AND THEORY Y

Theory X

According to Jones et al (2000:56), concerning the assumptions of Theory X the average worker is lazy, dislikes work and will try to do as little as possible. It is held that workers have little ambition and wish to avoid responsibility. To keep employees' performance at a high level the manager must supervise them closely and control their behaviour by means of a 'carrot and stick' approach.

Theory Y

In contrast, theory Y assumes that workers are not inherently lazy, do not naturally dislike work and, if given the opportunity, will do what is good for the organisation.

According to this theory, the characteristics of the work setting will determine whether workers consider work to be a source of satisfaction or punishment and managers do not need to closely control worker behaviour in order to make them perform at a high level because workers will exercise self control when they are

committed to organizational goals. (Jones 2000:56) The implication of Theory Y, according to McGregor, is that ‘the limits of collaboration’ in the organizational setting are not limits of human nature but of management ingenuity in discovering how to realize the potential represented by its human resources. It is the managers’ task to create a work setting that encourages commitment to organisational goals and provides opportunities for workers to be imaginative, and to exercise initiative and self-direction. (Jones 2000:56)

THEORY X:	THEORY Y:
- The average employee is lazy, dislikes work, and will try to do as little as possible.	-Employees are not inherently lazy, given the chance they will do what is good for the organisation.
- To ensure that employees work hard managers should closely supervise employees.	-To allow employees to work in the organisation’s interest managers must create the correct work setting.
- Managers should create strict work rules and implement a well-defined system of rewards and punishments to control employees.	- Managers should decentralize authority to employees and make sure that employees have the necessary resources to achieve organisational goals.

TABLE 1: THEORY X VERSUS THEORY Y
Source: Adapted from Jones et. al. (2000: 56)

2.1.4.2 THEORY Z

In the 1980s Professor William Ouchi who was interested in differences between work settings in Japan and the United States took the management approach inherent in theory Y one step further (Ouchi 1983:24). In the United States National culture emphasized the importance of the individual and workers’ views of their jobs from an individualistic perspective, workers behaved in ways that would benefit them

personally. Ouchi noted that many U.S. managers adopted Theory X rather than the Theory Y assumptions. Ouchi suggested that U.S. companies could capture many of the advantages that Japanese companies enjoyed by combining various characteristics of the Japanese, who believe in lifelong employment, and U.S. management systems. (Ouchi 1983:25)

This combined approach to management that he called Theory Z. Ouchi proposed that type Z organisation workers were guaranteed long- term (but not life time) employment, so that the fears of layoff or unemployment were reduced. In other words individuals are recognized and rewarded for individual performance in which achievements can be recognized. This approach also ties into the concept of Human resource development. (Ouchi 1983:25)

2.1.5 HUMAN RESOURCE DEVELOPMENT

Human Resource Development is an extension of training and development with a specific orientation towards organizational learning designed to improve skills, knowledge and understanding. Human resource development has a more holistic origin, which focuses on the interplay of global, national, organizational and individual needs.

According to Blake (1995:117) the field of Human resource development defies definition and boundaries. The field keeps growing; it continues to spread beyond where it was yesterday, not just domestically, but worldwide.

One of the features of recent years has been a greater emphasis on the term 'learning' in organisational and national vocabularies. According to Walton in his paper entitled strategic Human resources development (Financial Times, 1991:16) the trend has been a shift in HRD terminology from training and development towards learning and development. The swing towards learning has been followed by an interest in knowledge as a means of developing human and intellectual capital as a source of sustainable competitive advantage in an information age.

2.2 TRAINING, EDUCATION AND DEVELOPMENT

2.2.1 THE CHANGING WORK ENVIRONMENT

It is common knowledge that South Africa lacks highly skilled human resources. The state is constantly seeking ways to alleviate one of our most important national problems, which is illiteracy. The focus of Human resource development at the macro level is therefore crucial for the economic prosperity of South Africa. Education and training are the most powerful levers for improving both individual opportunity and institutional competitiveness in countries worldwide. (Van Dyk et al 1997:189)

The impact of economic, technological, social and political factors has transformed the world of work. According to Van Dyk et al (1997:189) the movement of technology, goods, capital and the location of production and, to a lesser extent, labour across national borders, has led to the rapid globalization of the world economy.

2.2.1.1 EFFECTIVE INVESTMENT IN TRAINING

Improving the job skills of the workforce has attracted considerable amounts of funds in developing and developed countries. Unfortunately the results of much of the investment in skills training have been disappointing; according to Middleton et al. (1993:43) the causes of poor results in training investment are complex and vary from country to country. Inefficient administration has reduced the returns in public training investments, and governments are not always mindful of economic policies that distort the incentives to organisations and individuals to invest in skills. It is imperative that companies invest in training and development if the desired result is market dominance and the gaining of competitive advantage.

2.2.2. THE CONCEPTS OF TRAINING, EDUCATION AND DEVELOPMENT

The concepts training, education and development are defined by different authors. To understand the Human resource development (HRD) process the concepts will be defined hereunder:

2.2.2.1 THE CONCEPT OF TRAINING

According to Swanepoel and Erasmus (1998:75), employee training is job-related learning that is provided by employers for their employees. The main aim is the improvement of the employees' skills, knowledge and attitudes so that they can perform their duties according to set standards.

Nadler's (1982:134) definition of training as, "learning related to the present job" narrows the gap between what individuals know or can do and what they should know or should do. According to Rothwell and Kazanas (1994:78) training relates to performance and they describe performance as 'the result of a pattern of actions learned to satisfy the objective according to some set standard'. It is not the same as behaviour, which is observable action. Performance is equated with results; behaviour is equated only with actions taken if this relates to managerial behaviour.

Rothwell and Kazanas (1994:78) state that job performance consists of three interrelated elements: the individual, the activity and the context. Individual performance is influenced by ability and motivation. To improve the individual's performance, change must occur for the individual, the activity, the context or some combination of the three.

Training is a learning experience in that it seeks a relatively permanent change in an individual that will improve his or her ability to perform on the job. (De Cenzo & Robbins 1994:255)

Warren (1979:2) suggests that the mission of training is to bring about the behaviour changes required to meet the company's goals. It is seen as an essential component of the organisation and is considered a major management tool to develop the full effectiveness of the organisation's most important resource - its people. However, Warren (1979:8) also suggests that if the training function is to perform this task correctly, the behaviour change brought about by training must be measurable in terms of the organisation's requirements. Consequently training must be result-orientated; it must focus on enhancing those specific skills and abilities to perform the job. It must also be measurable and it must make a real contribution to improving both goal achievement and the internal efficiency of the organisation.

2.2.2.2 THE CONCEPT OF EDUCATION

Employee education in the organisational context concerns the preparation of an individual for a job different to the job he or she currently holds. (Nadler 1982:135) Employee education usually refers to the preparation of employees for higher-level jobs or for possible changes in the future. In many organisations it is also termed employee development. Education in the general sense refers to the broad educational process covering preschool, primary, secondary and tertiary education; this usually occurs outside the organisation, except for adult literacy, life skills and numeric training which normally occur within the organisational context.

According to Van Dyk et al (1997:117), education is concerned with the development of sound reasoning processes to enhance one's ability to understand and interpret knowledge. It is defined by Cremin as 'the deliberate systematic and sustained effort to transmit, evoke or acquire knowledge, attitudes, values, skills and any learning that results from the effort intended or unintended' (International Encyclopedia of Education 1994, vol. 11). Education refers to a process of deliberately and purposefully influencing and shaping the behaviour of children and adults. Education has become a vital aspect in all spheres of South African life. Both state and private companies see the need for addressing the education crisis in the country and are

determined to make a contribution in this respect. Educating South Africa's youth and adults equips them with the tools they need for the future.

2.2.2.3 THE CONCEPT OF DEVELOPMENT

In contrast to the training, which is job-related, and education, which is the preparation of an employee, for different jobs, employee development is a broad term that relates to training, education and other intentional or unintentional learning and which refers to general growth through learning. It can be seen as a process by which employees obtain the necessary experience, skills and attitudes to become successful leaders in their organisation. (De Cenzo and Robbins 1994:255)

De Cenzo and Robbins (1994:255) suggest that development focuses on future jobs in the organisation. As the individual's career progresses, new skills and abilities are required. Development refers to development possibilities within a job position for a specific employee, with reference to the employee's personal growth and personal goals (Gerber and Van Dyk 1995:49). It is important to note that training, education and development do not form part of a continuum. Employee development can also take place through the process of training and education. It must, however, be emphasized that in this case it does not refer to the job context but that its activities vary widely, and are not constrained by the relationship to a present or future job.

2.2.3 PURPOSES OF TRAINING AND DEVELOPMENT (T&D)

There are various purposes of training and development as human resources is one of the most important components of a successful organisation. In order for employees to be effective and efficient in their duties and responsibilities it is of paramount importance that they be adequately equipped with the necessary skills and abilities to perform at their optimum. This can only lead to greater productivity and profitability in the workplace. The main purposes for T&D within the organisation are as follows:

a) Improves performance:

Employees who perform unsatisfactorily because of a deficiency in skills are prime candidates for training although training cannot solve all problems of ineffective performance; a sound training and development programme is often instrumental in minimizing these problems. Sometimes a new or newly promoted employee does not possess the skills and abilities required to be competent on the job. There are three reasons why this happens. These are:

- no selection device is able to predict success or failure all the time and training is also necessary to fill the gap between the new employees' predicted and actual performance; (Grobler 1996:54)
- managers knowingly hire and promote employees who need training to perform at standard levels. When the number of job openings exceeds the number of applicants, management has little choice but to hire or promote an applicant with few or no job skills to remedy the lack of skills through training;
- management hires employees who possess the aptitude to learn and then trains them to perform specific tasks. (Grobler 1996:54)

b) Update employee's skills:

Employees in all areas must always be aware of technological advances that will make their organisations function more effectively. Technological change means that jobs change. Employee skills must be updated through training so that technological advances are successfully integrated into the organisation. (Grobler 1996:54)

c) Avoid managerial obsolescence:

Managerial obsolescence can be defined as the failure to keep pace with new methods and processes that enable employees to remain effective. Rapidly changing technical, legal and social environments have affected the way managers perform their jobs, and management personnel who fail to adapt to these changes become obsolete and ineffective. (Grobler 1996:58)

d) Solve organisational problems:

The company is expected to attain high goals in spite of personal conflicts, vague policies and standards; inventory shortages labour absenteeism and turn over organisational problems are addressed in many ways. Training is one important way to solve many of these problems. (Grobler 1996:59)

e) Orientate new employees:

During the first few days on the job, new employees form their initial impressions of the organisations and its managers. These impressions may range from very favourable to very unfavourable and may influence their job satisfaction and productivity. The orientation process can reduce the difficulties that are encountered by new employees through effective socialization programmes. (Grobler 1996:59)

f) Prepare for promotion and employee succession:

An important way to attract, train and motivate personnel is through a systematic programme of career development. Training enables an employee to acquire the skills needed for a promotion, and it eases the transition from the employee's present job to one involving greater responsibilities. Organisations that fail to provide such training often lose their most promising employees. (Grobler 1996:59)

g) Satisfy personal growth needs

Most front line employees are achievement orientated and need to face new challenges on the job. Training and development can play a dual role by providing activities that result in both greater organisational effectiveness and increased personal growth for all employees (Grobler 1996:59).

2.3 THEORETICAL PERSPECTIVE OF NEEDS ANALYSIS AND DESIGNING OF A TRAINING PROGRAMME

2.3.1 LEVELS OF ORGANISATIONAL TRAINING NEEDS

Every organisation, irrespective of its structure, has certain needs, which must be satisfied to ensure that the organisation is economically viable and continues to grow.

Wolmarans and Eksteen (1987:6) differentiate between three levels of training needs:

- Macro level training needs:

Macro level needs refer to needs of national and even international interest.

Examples are needs resulting from technological developments, and the increasing need for skilled labour and managerial staff.

- Meso level training needs:

The second type of needs is the meso level needs. Such needs refer to the specific requirements of the organisation concerning a large group of employees. This may include aspects such as the organisation's mission, its strategy and values.

- Micro level training needs:

This is a third type of need and refers to a need, which exists for just one person or for a very small amount of employees.

2.3.2 TRAINING NEEDS ASSESSMENT

In order to carry out a meaningful analysis it is essential that a systematic approach be used. A variety of approaches, models and techniques for establishing needs are described in this chapter. The advantages of using models are that they provide direction and focus in the process (Laird 1978:48).

2.3.2.1 METHODS OF NEEDS ASSESSMENT

According to Zemke and Kramlinger (1984:25), a considerable number of techniques are available for establishing training needs. The methods chosen by the organisation depend on the nature of the proposed cause, the amount and type of information needed, and the ability of the designer of the training. In this chapter common techniques used for conducting needs assessment will be briefly discussed:

a) Attitude survey and questionnaire study:

The survey and questionnaire study is probably the most widely used information-gathering technique; it has the advantage that it can expedite a task, need or organisational analysis and can be used very successfully at macro, micro and meso levels. Surveys and questionnaire studies can reach a large number of people in a short time, they are relatively inexpensive, they give opportunity of expression without fear of embarrassment and yield data that can be easily summarized and reported. (Zemke and Kramlinger 1984:25)

b) Individual Interviews:

The interviews are very popular and versatile and are considered to be the most common information-gathering technique.

Some of the advantages of interviews are:

- Respondents can explain in a spontaneous way and in their own words what they see as their needs;
- Two-way communication leads to respondents obtaining insights into their own problems. (Zemke and Kramlinger 1984:26)

c) Advisory committees:

The use of advisory committees is a common approach to needs assessment. As proposed by Tracy (1984:63), information can be gathered from committees at various levels of management and functional specialists or representatives from

organisational levels for the purpose of identifying, discussing and setting priorities for training needs.

2.3.3 MODELS FOR DESIGNING T&D AND HUMAN RESOURCE DEVELOPMENT PROGRAMMES

The designer of training and development and human resources development programmes has a variety of conceptual models, which can be explored in the development of programmes, which are based on the systems approach. (Knirk and Gustafson 1986:23)

The following are models that are critical in designing T&D programmes:

a) Instructional development model:

The instructional development model comprises three stages and nine factors. Provision is made for a definition stage, a development stage and an evaluation stage. The definition stage according to Knirk and Gustafson (1986:23) requires the identification of the problem, the analysis of the setting and the organisation of management. The development stage entails the identification of objectives, the specification of methods and media, the construction of prototypes, the analysis of results and the implementation of the system.

b) Nadler's critical events model:

Nadler (1982:12) developed a critical events model, which is an example of an open model, for the design of training programmes. The name of this model refers to the critical steps that must be followed in designing an effective training programme. The Nadler model makes provisions for nine events that work hand in hand.

This phase of training design is vital to the success of any training programme. It entails a proper analysis of all aspects relating to the particular training situation. It includes a situational analysis and organisational needs assessment, the collection and analysis of job data, and the definition of target population and learner needs.

2.3.4 CONDUCTING A SITUATIONAL ANALYSIS

A situational analysis is conducted to assess the unique requirements of the situation where there is a perception that everything is not what it should be. It entails an examination of those aspects that may have a bearing on the situation as well as those aspects that may have a bearing on the design of the training programme. (Wolmarans and Eksteen 1987:18)

The perception that everything is not what it should be can be based on one or more of the following indicators: (Wolmarans and Eksteen 1987:18)

- Low morale and unhappiness in the workplace.
- Targets not being met.
- Absenteeism.
- Qualitative and quantitative standards are not being achieved.

It is evident that not all the above problems can be attributed to inadequate training. Such problems need to be addressed in order to determine whether training is necessary or not. (Wolmarans and Eksteen 1987:18)

2.3.5 SELECTING A SOLUTION

After assessing the type of problem, the designer of training or of instruction must decide whether the problem needs to be addressed by training or not. Should the decision be in favour of training, the training designer has the following options to consider:

- Using existing courses:

It may be that an existing course, which may be relevant to the solution of the problem, is already available at other organisations.

- Adapting existing courses:

There may also be a possibility that a course already exists within the organisation, which addresses the training need.

- Designing a new course:

A new course is designed only when this is a real training problem. (Wolmarans and Eksteen 1987:20)

2.3.6 ANALYSIS OF CONSTRAINTS

It is highly unlikely that a training designer would operate in an organisation in which no constraints were imposed upon him or her, particularly in the event of having to design a new course. The type of constraint or restriction may be one or more of the following:

- Funds:

It is evident that the development of a new course will require a considerable amount of funding for the procurement of books and other material.

- Personnel:

The design and development of a meaningful and cost-effective training programme requires the utilization of capable personnel who should be specialists in their respective fields.

- Time:

Time is almost always a significant constraint. The time required to develop a new course is often underestimated, especially if the design of the course is subject to scientific testing and evaluation before it is implemented. (Wolmarans and Eksteen 1987:20)

2.3.7 ANALYSIS OF THE TARGET POPULATION

The designer of training needs to have a clear description of the target group for which the course is to be developed.

The following factors need to be taken into consideration, according to Wolmarans and Eksteen (1987:21).

- size of the group, gender, language, qualifications and previous training; and
- career and type of work, prior knowledge and skills.

2.3.8 TYPES OF TRAINING STRATEGIES

There are a large number of instructional strategies available from which the designer of the training can select. The common methods used in the selection of an appropriate strategy:

- The lecture :

This is the most commonly used instructional method. The lecture is defined by Tracy (1984:247) as a semi-formal discourse in which the instructor presents a series of facts, concepts, or principles. The instructor can also explore problems and explain relationships.

- The Case Study Method:

The case Study Method is an in-depth group study of a simulated real-life or fictitious situation.

- The In-Basket Exercise:

The in-basket exercise consists of a simulation of a number of documents, files and matters that must be placed by the candidates in order of importance.

According to Van Dyk et al (1997:165) discussions among various role players on what type of measure and strategies should be implemented to address the country's social and economic problems inevitably lead to the question: what should come first – growth or development? It was found by Van Dyk, (1997:165) that growth and development are interlinked in the sense that one strengthens the other. According to an ANC publication (1994) on the Reconstruction and Development Programme (RDP), growth is commonly seen as the priority that must precede development. It is important that the company is meticulous in the needs analysis phase so as to address the problems and rectify identified gaps in performance so that the company can maintain productivity and profitability and the workforce is able to carry out their duties and responsibilities effectively and efficiently.

2.4 ALIGNING TRAINING AND DEVELOPMENT TO BUSINESS STRATEGY

2.4.1 ORGANISATIONAL STRATEGY

According to Luoma (2000: 98) organisational strategy can be defined as 'a decision or series of decisions made by or on behalf of an organisation or an organisation's sub-unit which determines its minimum to long-term objectives, priorities and overall direction; and which repositions the organisation in relation to its changing external environment, including competitive pressures and the availability of resources.

Strategy can be seen as a key link between what the organisation wants to achieve, its objectives and the policies adopted to guide its activities.

These definitions emphasize:

- Decisions
- Change
- Policies and objectives
- Medium to long-term perspective
- Environment
- Positioning
- Competitive pressures
- Managing resources (Luoma 2000: 98)

2.4.1.1 ORGANISATIONAL STRATEGY AND HRD STRATEGY

The organisations that consider HR development at a strategic level usually see it as a key to implementing business strategy in a proactive way. Luoma (2000: 98) sees this as a 'needs driven approach', where the purpose of the HR development strategy is to identify and remedy skills deficiency in relation to the organisational strategy.

Luoma (2000: 98) defines a second approach to HR development strategy which is an 'opportunistic approach' where the impetus is external rather than internal. This would include applying leading ideas to the development of the organisation in a

more general way, rather than specifically in relation to meeting the current business objectives. Such ideas could include content and method; for example developing non-employees who perhaps work for suppliers or who are contracted to the organisation.

The abilities developed may indeed be relevant in achieving business objectives, but they may also be relevant in developing abilities and behaviours, which may be the source of future competitiveness. This may also be a way of achieving culture change and facilitating the strategy process itself by constructing it as a learning process. In this approach the learning potential of all employees will be emphasized, and the HRD strategy may meet reactive needs in its implementation of business strategy but may also be proactive in influencing the formation of future business strategy. (Luoma 2000: 99)

The third approach to the strategy link suggested by the author is based on the concept of organisational capability as the key to sustained competitive advantage, the resource-based view of the organisation. This approach is proactive in that it focuses on the desired state of the organisation as defined in its future vision. Within this will come the interest in anticipatory learning, which has been attracting some interest; future needs are predicted and development takes place in advance. (Luoma 2000: 99)

2.4.2 PORTER'S GENERIC STRATEGIES

Porter (1990:92) argued that there are three fundamental ways in which firms can achieve a sustainable competitive advantage. For Porter this would influence the choice of the following 3 grand strategies:

1. **Cost leadership strategy:**

Is a strategy characterised by the organisation achieving competitive advantage by becoming the lowest cost producer in its industry.

2. A differentiation strategy:

Refers to a strategy where the organisation intends to be unique in its industry along some dimensions that are widely valued by buyers.

3. A focus strategy:

This is based on the choice of a narrow competitive scope within an industry; the organisation selects a segment or group of segments in the industry and tailors its strategy to serving them to the exclusion of the others. (Porter 1990:92)

2.4.3 STRATEGIC INTENT

Hamel and Prahalad (1989:64) believe that strategic intent envisages a desired leadership position and establishes a simple and focused criterion by which the organisation will chart progress towards its achievement. Strategic intent captures the strategic essence of winning and is also stable over time. According to Hamel and Prahalad, 'in battles for global leadership', one of the most critical tasks is to lengthen the organisations attention span. Strategic intent provides consistency in short-term action while leaving room for reinterpretation as new opportunities emerge (Hamel and Prahalad 1989:64).

2.4.3.1 THE HIERARCHY OF STRATEGIC INTENT

The concept of strategy is not dependent upon a single-minded and expansionist view of where one is going. Miller (1991:45) goes further and explains that the conceptual hierarchy for seeking and setting adopts the following sequence:

- A broad vision of what the organisations should be.
- The organization's mission
- Specific goals
- Strategic objectives.

It is noticeable from this formulation that strategy is downstream from vision. Strategy becomes the process adopted for getting the organisation from here to there.

One of the big challenges for leaders of organisations is to provide a sense of direction and focus for the organisation's activities. Ideally, strategic direction involves creating a situation in organisations where the present is being driven by the future, rather than simply being seen as an extrapolation from the past. In changing times there is a greater need for clarity of business direction in the most stable times the *status quo* needs to provide employees with guidance as to what is expected of them. If employees are to be able to contribute their skills in the most effective way in order to realize business aims, it helps if people know what these aims are. People need to know what they are expected to do and why. (Miller 1991:46)

Some organisations make clear their medium-term aspirations through vision and mission statements. In the absence of any vision, people often gain their understanding of where the organisation is going from statements about its purpose from statements of business values and other broad ways of indicating what the organisation is about and where it is heading. In some organisations, the business direction is made clear in strategic imperatives and the business plan. (Miller 1991:46)

2.4.4 CORE COMPETENCES AND STRATEGIC CAPABILITIES

Strategic success is dependant upon the development of a limited number of core competencies, which are resource, which provide the organisation with a distinctive and sustainable competitive advantage. Hamel and Prahalad (1989: 76) propose four criteria for deciding whether a resource can be perceived as a core competence:

- value creation for the customer;

- rarity compared to the competition;
- Non-limitability; and
- Non-sustainability.

For many organisations the only true source of sustainable competitive advantage that meets the above criteria is the people who work in the organisation, with their knowledge and skills. A core competency can operate at business unit or functional level. Strategic capability is a related concept that specifically applies to the ability of an organisation to be an effective competitor by leveraging its resources and core competencies speedily and effectively to where they are needed.

Building a shared vision is only one of the activities that contribute to an articulation of the governing ideas for the enterprise. The others are its purpose or mission and its core values:

- **Vision** is the picture of the future we wish to create.
- **Purpose or mission** is the why question (why do we exist?). For some organisations this demonstrates how they seek to contribute to the world in some unique way in order to add a distinctive sense of value.
- **Core Values** tells us how we wish to act in a way that is consistent with our mission along the path towards achieving our vision. Organisation's values might include integrity, openness, honesty, freedom, equal opportunities, leanness, intent and loyalty. These values characterise the organisation as it pursues its vision. (Miller 1991:46)

2.4.5 FIT-WITH-BUSINESS STRATEGY

In the 1980s various thinkers such as Fombrun, Tichy and Devanna (1994: 85) argued that what was important was a tight external fit between the external business strategy and HRD. This contingency approach suggests that for any particular organisational strategy there will be a matching HR strategy.

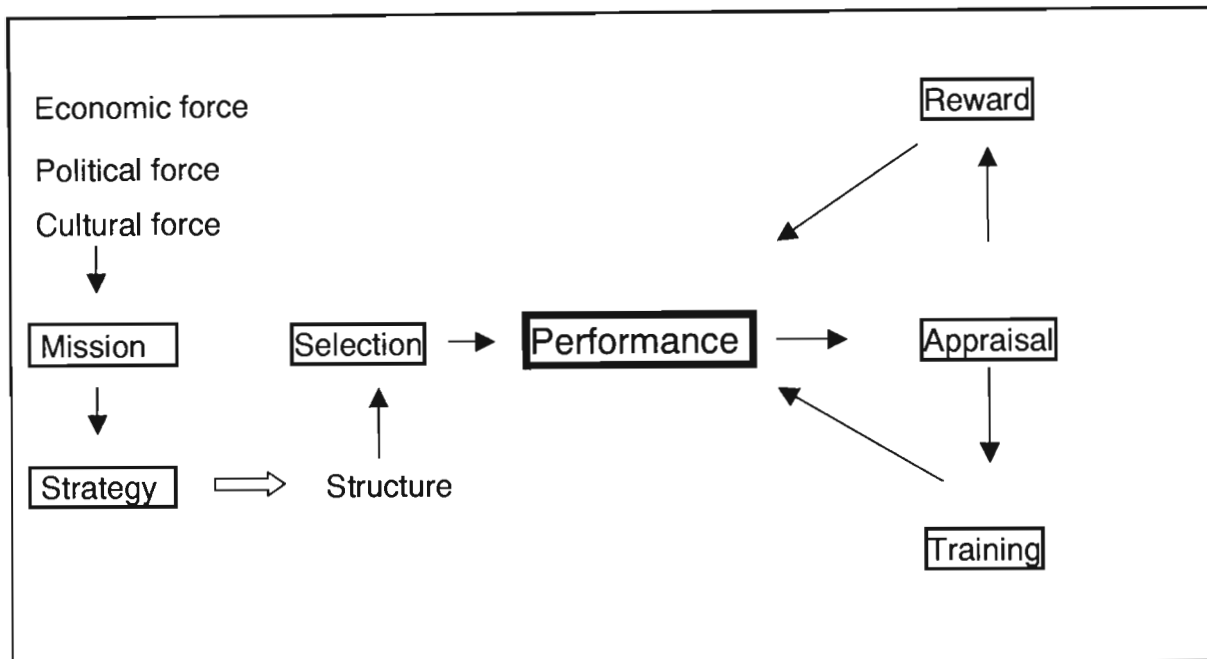


FIGURE 2: THE HUMAN RESOURCE CYCLE AND FIT-WITH-BUSINESS STRATEGY:

Source: Adapted from Fombrun et al, (1994) and Holbeche (2002: 14)

The belief that the closer fit between business strategy and organisational function will result in organisational effectiveness have been challenged in recent times. The challenge relates to the lack of empirical evidence that this close strategic fit will automatically lead to improved effectiveness

Recent studies claim to have found a statistical link between 'bundles' of HR policies and business performance. These bundles of HR practices need to be internally consistent and depend on organisational logic in context. Thus, while individual aspects of 'best practice' are useful for benchmarking purposes, the approaches used must be congruent to the organisations state of development if the real benefit is to be felt (Holbeche 2002: 14).

2.4.6 TRAINING, DEVELOPMENT AND BUSINESS STRATEGY

According to Holbeche (2002:17), benchmarking is often used to identify organisations considered to be 'best in class' on particular aspects of their strategy or implementations. Training and development benchmarks often focus on the amount of money invested in training and development activity. Training and development is strongly aligned to the strategic leadership and planning processes of the business. The primary focus of such training is on creating readiness and flexibility through training supervisors, managers and executives since it is these individuals who set the tone for the rest of the organisation.

Typical of the 'best practice' benchmark organisations is that they:

- Create a systematic link between business strategy and the training and development system. Training and development targets are reviewed annually to ensure that they are still on track with changing business requirements.
- Training and development executives take a full part in the strategic planning process ensuring that they are still on track with changing business requirements.
- Information support system is also integrated into the strategic planning process. Links between training and development activity and the business strategy depend on whether training is an integral part of the HR strategy and whether it is fully aligned to business needs. Depending on the type of competitive strategy in use, different analytical links can exist. Strategies focused on realizing strategic intent are likely to lead competency definitions that help the organisations to compete effectively.

Poole (1990: 112) suggests that according to research core elements in the development of competitive advantage in respondent organisations were:

- management development
- career development

- The development of high potential employees
- Support for continuous training and retraining.

2.5 POLICY INITIATIVES OF THE GOVERNMENT IMPACTING ON TRAINING AND DEVELOPMENT

2.5.1 THE ROLE OF STATE DEPARTMENTS AS EXECUTIVE AGENCIES OF EDUCATION AND TRAINING POLICIES

The state carries out its role in human resources development and more particularly training through various ministries and state departments, each with a specific portfolio responsibility. The Department of Education and Labour are the two departments mainly responsible for human resources development. (Van Dyk 1997: 60)

The different roles of the Department of Education and Labour can be explained by distinguishing in broad terms between two distinct, but also to some extent, overlapping areas of HRD, education and training that fall within the ambit of public education and training institutions, on the one hand; education and training that fall within the ambit of the labour market; this can be considered as an imaginary marketplace where labour is bought and sold. The first-mentioned area falls within the portfolio responsibility of the Ministry of Education while the second-mentioned area, the labour market, falls within the portfolio responsibility of the Ministry of Labour. (Van Dyk 1997: 60)

The demarcation of responsibilities between the two departments, as explained above, is, however, not cast in stone but is the subject of ongoing scrutiny, from a conceptual as well as operational point of view. Consideration should be given to the formation of a single Ministry of Education and Training. The model (figure 3) currently applied in South Africa, as mentioned above, is not necessarily a universal

model. In Germany for instance, policy issues relating to workplace education and training fall within the portfolio responsibility of the Federal Ministry of Economics.

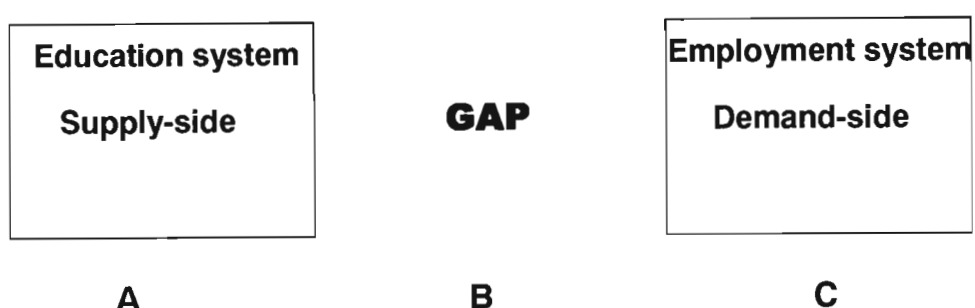


FIGURE 3: A GRAPHICAL REPRESENTATION OF THE EDUCATION AND TRAINING MARKET

Source: Adapted from Van Dyk et. al. (1997: 61)

Three distinct, although not necessarily watertight, segments of the education and training market can be identified and are depicted in figure 3. Segment A represents the education system that can also be regarded as the supply side of the market. Learners in the education system are involved in the initial education and training, be it at primary, secondary or tertiary level. Education and training are primarily provided by the public education and training institutions that are either fully or partially funded or managed by the national or provincial education departments. Segment C represents the employment system that could also be regarded as the demand side of the market. It covers the whole spectrum of gainful employment including wage employment and self-employment. Employers are primarily responsible for the skills development in this segment of the market. Employers manage the education and training that are most work-based. (Van Dyk 1997: 62)

Segment B in figure 3 depicts the mismatch between the supply side and the demand side of the education and training market. The low employment capacity of

the South African Economy results in a growing number of people who end up in the gap between the education system and the employment system. (Van Dyk 1997: 62)

2.5.1.1 THE ROLE OF THE DEPARTMENT OF LABOUR:

Training, within the realm of the labour market, is in terms of the constitution, a national competence and is assigned to the Ministry of Labour to form an integral part of its portfolio responsibility. The role of the Department of Labour in training should be seen against the background of the responsibilities of the ministry and the department with regard to the labour market in its totality.

The Ministry and the Department of Labour was formed directly after the National elections in 1994 to replace the former Department of Manpower.

The Ministry committed itself in the programme of action to achieve the following objectives:

- To ensure the implementation of the National training strategy initiative's recommendations in respect of:
 - an integrated approach to education and training;
 - developing a National Qualifications Framework (NQF) and the South African Qualifications Authority (SAQA) in conjunction with the Department of Education;
 - restructuring of Industry Training Boards (ITBs);
 - development of appropriate funding boards;
 - enhanced education and training within the labour market programmes.
- To address the question of the governance of education and training in respect of the location of responsibility within the ministries concerned;
- To re-orient national training and human resources development policy towards the RDP policies and processes. (Van Dyk 1997: 63)

2.5.1.2 STATUTORY INSTITUTION RELATED TO THE DEPARTMENT OF LABOUR IN RESPECT OF TRAINING POLICIES AND ISSUES

The most important body that impacts directly on the development of training policy and is attached to the Ministry of Labour is the National Economic Development and Labour Council. (Webster 1995: 25)

National Economic Development and Labour Council (NEDLAC):

South Africa went through a long period of instability prior to the present socioeconomic progress and political democracy. For decades employers and government dominated the economy and politics. There was limited participation by individuals and organized labour in economic policy and political power.

Corporatism, according to Webster (1995: 25), is a policy and style that entails consultation and negotiation beyond the parliamentary players to unions, employer associations and other interest groups. (Webster 1995: 26)

2.5.2 STRATEGIC TRAINING INITIATIVES

2.5.2.1 A NATIONAL TRAINING STRATEGY FOR SOUTH AFRICA

If a country wishes to experience economic growth and to utilize its citizens as effectively as possible, a national training strategy is of utmost importance.

Subsequent to the publication in 1994 of the national training strategy initiative document and debate, the government's White paper on Education and Training in 1995 was published and the South African Qualifications Authority Act No 58 of 1995 was passed on 4 October 1995. (Van Dyk 1997: 64)

The objective of SAQA is to provide for the development and implementation of the NQF and to establish the South African Qualifications Authority. The SAQA board, with 29 members representing different sectors, for example, education and training providers, non-governmental organisations, trade unions and industry is responsible for establishing the NQF. (Van Dyk 1997: 64)

Principles:

Various principles form the basis of the National training strategy.

These principles are outlined below:

- Education and training should form part of a system of human resource development that provides for the establishment of an integrated approach to education and training.
- Such a strategy should remain relevant to national development needs.
- The strategy should have international and national credibility.
- It should adhere to a coherent framework for principles and certification.
- It should be expressed in terms of a nationally agreed framework and internationally accepted outcomes standards.
- The strategy should provide for participation in planning and coordination by all significant stakeholders and should be legitimate.
- Access to appropriate levels of education and training should be provided for all prospective learners in a manner, which facilitates progression.
- The National training strategy should provide for learners, on successful completion of accredited prerequisites, to move between components of the delivery system. (Van Dyk 1997: 66)

Based on the aforementioned factors, a core set of principles for the development of a new national training strategy was developed stating that the education and training must empower the individual, improve quality of life and contribute towards development targets in the national economic plan through a National Qualifications Framework (NQF). The National Qualifications Framework forms the starting point of the strategy that specifies learning in terms of nationally and internationally accepted outcomes. This will make it possible to adopt an integrated approach to education and training and will empower the individual. (Van Dyk 1997: 66)

2.5.2.2 NATIONAL QUALIFICATIONS FRAMEWORK (NQF)

The NQF is a totally new approach to education and training in South Africa.

There are three major challenges, which face South Africans in the field of Education and Training: (Swanepoel and Erasmus 1998: 108)

- An equitable system of education and training which serves all South Africans well. Such a system will need to accommodate those people who are in conventional schools, colleges and training programmes. It will also need to find ways to include the learning needs of the many South Africans who have not enjoyed formal education and training.
- In order to achieve significant levels of economic growth and to become internationally competitive, the quality of education and training will have to be greatly improved. The present level of education and training is inadequate for meeting these needs.
- The perception has to be removed that education and training are not linked. Education and training have been separated, both by the way they are organized and by the way society thinks about them. These challenges prompted interested parties to find solutions that would enable the country's education and training systems to provide a productive and skilled workforce matched to the needs of employment. The answer was found in an approach that makes education and training more flexible, efficient and accessible. Eventually this led to the National Qualifications Framework. (Swanepoel and Erasmus, 1998: 109)

It is hoped that the NQF will prevent learners from being locked into one learning compartment. The NQF will allow learners to move among various areas and levels of learning taking with them recognized credits for the learning that has already taken place. (Swanepoel and Erasmus, 1998: 109)

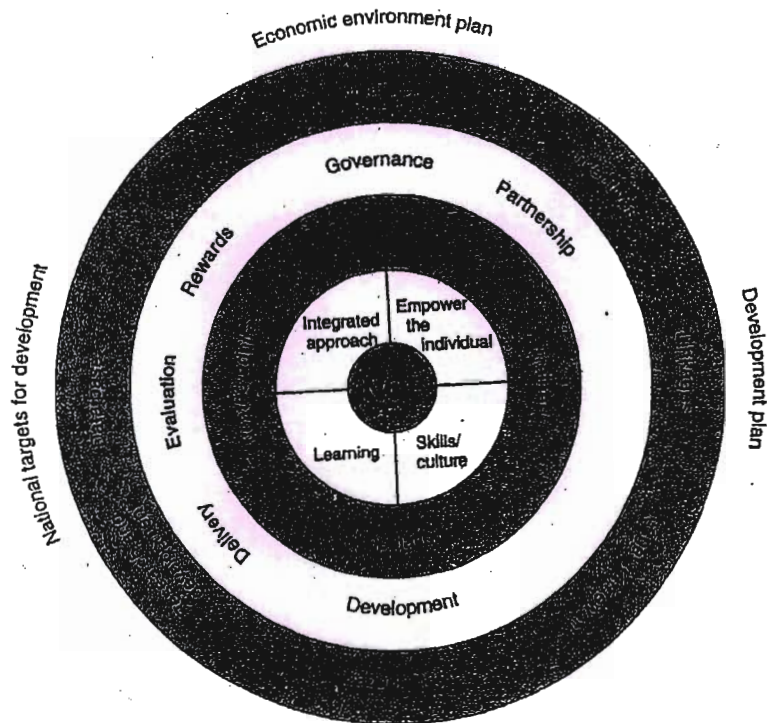


FIGURE 4: NATIONAL QUALIFICATIONS FRAMEWORK

Source: Adapted from the National Qualifications Framework Act. Swanepoel and Erasmus (1998:108)

Figure 4 shows that the NQF consists of a framework with eight levels and three identified bands. The first is General Education and Training (GET) with 2 sub-sectors, namely formal schooling and Adult Basic Education, culminating in Level 1. The qualification is the same as nine years of compulsory schooling and equivalent to the present grade 9 at school. The second band is the Further Education and Training band (FET) comprising levels 2 to 4. Here a large number of sectors can provide education and training. Level 4 is equivalent to grade 12 (standard 10) of schooling. The third band is the Higher Education and Training band and comprises level 5 to 8. (Swanepoel and Erasmus 1998: 110)

PAST	FUTURE
• No national standards	• Registered national standards
• Varying quality	• National quality management systems
• Focus on inputs	• Focus on outputs
• Learners rated against each other	• Learners assessed against standard
• Ad-hoc reporting	• National record of learning database
• Examinations	• Contextual assessment
• Institution-centred	• Learner centred
• One-chance education	• Lifelong learning
• Non-recognition of prior learning	• Recognition of prior learning
• Academic or vocational streaming	• Multiple learning pathways

TABLE 2: THE PAST AND THE FUTURE

Source: Adapted from Swanepoel and Erasmus (1998: 110)

Moving from the past to the future (Table 2), (Swanepoel and Erasmus 1998: 110) will require a new mindset or paradigm shift among education and training providers. It will also affect the way scholars, students at higher educational institutions and employees in the workplace learn and continue to learn. The concept of lifelong learning is also introduced in the sense that different forms of learning, for example, part-time, full-time, in-company training and experience, could be recognized and credits awarded and registered with the NQF. The NQF will be the foundation for people to achieve national qualifications through formal and informal learning and in the process, contribute to the government's aims of equality, quality and access to opportunities and the redress of past inequalities. As illustrated in figure 4, the NQF could provide the integrating factor for education and training. (Swanepoel and Erasmus 1998: 111)

It is expected that NQF will ensure the development of partnerships between the state, business, labour and other stakeholders and the linking of national structures

for employment and labour to education and training. Subsequent to the suggestion made by the NTB task team, the South African Qualifications Authority Act 58 of 1995 was published. The aim of the Act was to provide for the development and implementation of a National Qualifications Framework and to establish the South African's Qualifications Authority. (Swanepoel and Erasmus 1998: 111)

Objectives of the NQF:

In terms of the Act the objectives of the NQF are as follows:

- To create an integrated national framework for learning achievements;
- To facilitate access to and mobility and progression within education, training and career paths;
- To enhance the quality of education and training;
- To accelerate the reparation of past unfair discrimination in education, training and employment opportunities;
- To contribute to the full personal development of each learner and the social and economic development of the nation at large. (Swanepoel and Erasmus 1998: 111)

Benefits of the NQF can be described a follows:

- It is a consistent approach to education and training with an emphasis on meeting quality standards and practices;
- There will scope for industry and formal education to set their own standards but with the emphasis on national qualifications;
- In the process, training and nationally based qualifications will be available. Industries which have never offered national training opportunities will be able to do so;
- Learning will be able to take place on the job;
- The training industry will be better equipped to compete on the international market and overseas workers will be able to have their qualification assessed for equivalence against South African qualifications registered with the NQF (Swanepoel and Erasmus 1998: 112).

2.5.2.3 SOUTH AFRICAN QUALIFICATIONS AUTHORITY (SAQA)

Section 3 of the SAQA Act 58 of 1995 provides for the establishment the South African Qualifications Authority, which consists of a chairperson appointed by the Minister of Education and various members of an executive office.

The SAQA Act of 1995 provides for the development and implementation of a National Qualifications Framework (NQF). The NQF is a key strategy for human resource development in the Reconstruction and Development Programme which facilitates the NQF process, basically removes unnecessary constraints to entry and progression within the learning system and creates rigorous processes of quality control and quality enhancement. (Swanepoel and Erasmus 1998: 112)

The South African Qualifications Authority is established as a juristic person. SAQA'S jurisdiction covers all education and training and therefore its membership reflect the widest cross - section of education and training sectors. (Swanepoel and Erasmus 1998: 112)

The functions of SAQA are to oversee the development and the implementation of the National Qualifications Framework as well as:

- The refinement of the proposed structure of the NQF in terms of levels of learning, including 'levels of description', which will specify the nature of the national qualifications at each level;
- Working out procedures for the facilitation and registration of the bodies which will actually set learning standards in the fields, and other bodies which will undertake the accreditation of monitoring and auditing bodies;
- Formulate and publish policies and criteria for the registration of bodies responsible for establishing education and training standards or qualifications;
- Accept responsibility for the control of the Authority's finances.
- Advise the Minister on matters affecting the registration of standards and qualifications (Swanepoel and Erasmus 1998: 112).

2.5.2.4 EDUCATION AND TRAINING QUALITY ASSURERS

Provision is made by SAQA to accredit Education and Training Quality Assurers (ETQAs). ETQAs will ensure that learning providers maintain the quality of registered unit standards and qualifications and will have the following functions: (Swanepoel and Erasmus 1998: 113)

Providers that have been accredited will deliver courses provided that:

- The provider is a body in good standing;
- The units offered address the learning outcomes of the relevant unit standards;
- Course materials are of a high standard;
- Internal assessment and moderation procedures are adequate and carried out by trained personnel.

An on-going monitoring of providers will take place in terms of general matters that is an ETQA will:

- Consider applications from providers for extended validation to extend provision of courses/units into a new area or field;
- Monitor internal assessment (e.g. by sampling);
- Support and advice providers failing to meet required standards. (Swanepoel and Erasmus 1998: 113)

The assessment of learners is also monitored, that is, an ETQA will:

- Accredit providers to conduct their own examination and/or assessments against unit standards and qualifications registered with the NQF, or conduct such examination;
- Ensure that assessments for qualification integrate learning from the relevant unit standards, and meet the requirements of the level descriptors.

Figure five illustrates the various bodies that are involved in standard setting and provides a brief description of each (Swanepoel and Erasmus 1998: 113).

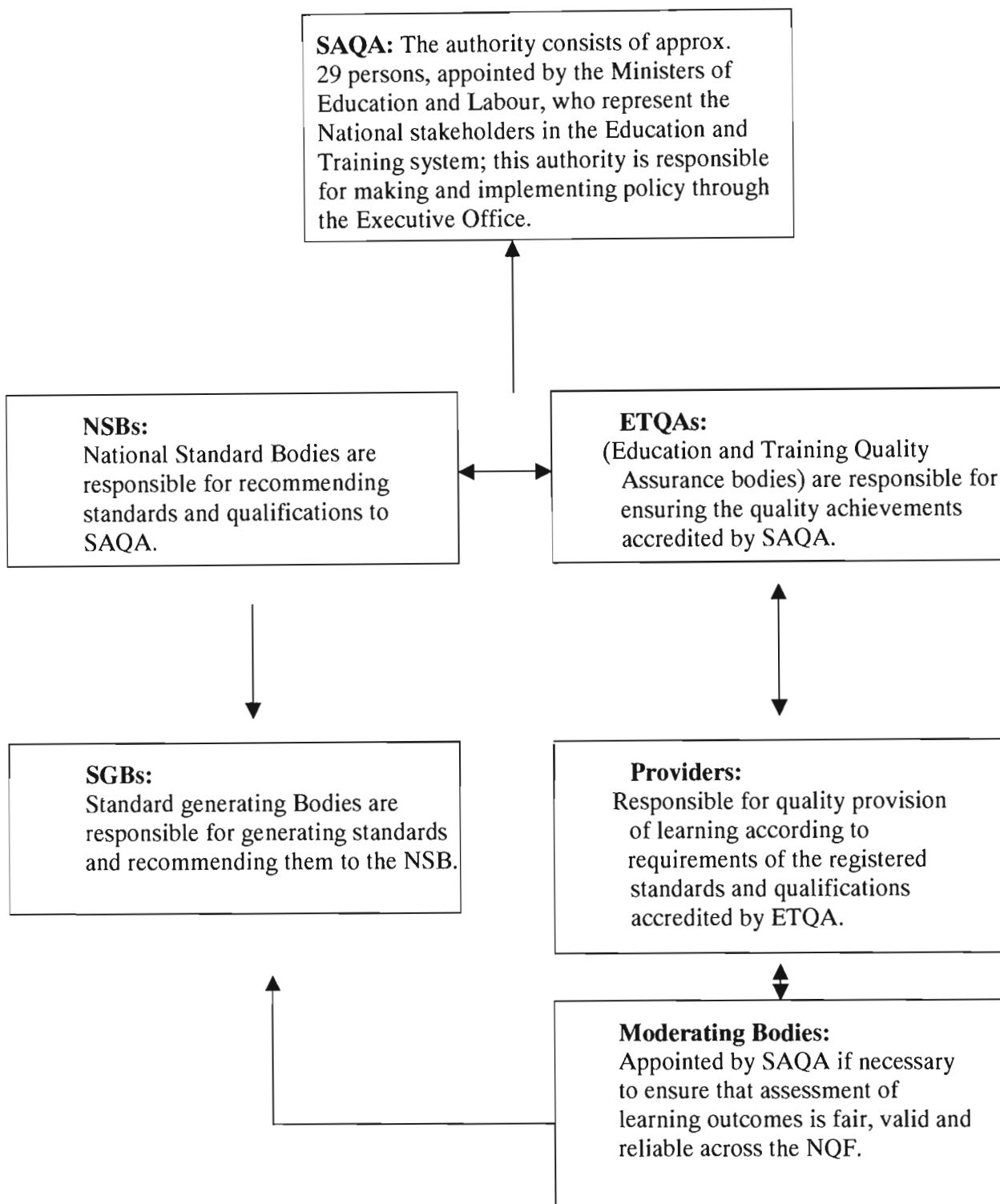


FIGURE 5 SAQA: STANDARDS SETTING AND QUALITY ASSURANCE:

Source: Adapted from the National Qualifications Framework: SAQA, Swanepoel and Erasmus (1998: 113)

2.5.3 NATIONAL SKILLS DEVELOPMENT STRATEGY

The National Skills Authority has prepared a National Skills Development Strategy that sets out certain priorities for Skills Development for South Africa. (National Skills Development Strategy: 2000) (Swanepoel and Erasmus 1998: 113)

The government's commitment to promote active labour market policies is demonstrated in the Skills Development Act, 1998, and the Skills Development Levies Act, 1999. These two Acts introduce new institutions, programmes and funding policies designed to increase investment in skills development. There are two over-riding priorities that this legislation seeks to address.

The National Skills Authority proposes the following mission statement:

"To equip South Africans with the skills to succeed in the global market and to offer opportunities to individuals and communities for self-advancement to enable them to play a productive role in society". (Swanepoel and Erasmus 1998: 114)

To fulfill this mission five objectives have been identified to drive the national skills strategy. They are as follows:

- To develop a culture of high quality life-long learning;
- To foster skills development in the formal economy for productivity and employment growth;
- To stimulate and support skills development in SMME's;
- To promote opportunities for skills acquisition in development initiatives;
- To assist new entrants into employment in the labour market.

These objectives will determine the priorities for the Sector Education and Training Authorities (SETA). The objectives also address priorities which government, employers, trade unions and the wider community can focus on to eradicate the low skills base in South Africa. (Swanepoel and Erasmus 1998: 113)

The five objectives:

The above-mentioned objectives are now discussed.

Objective 1: Developing a culture of high quality lifelong-learning:

Life-long learning is one of the key principles of the South African Qualifications Authority; it recognizes that individuals should have opportunities for self-improvement at any stage of their lives, be they employed, unemployed or seeking a job first. Building a culture means changing current negative attitudes and encouraging employers and individuals to accept skills development as an investment rather than a cost. (Swanepoel and Erasmus 1998: 114)

The new levy-grant system is designed to provide incentives to employers to train employees. Workplace plans have been introduced to encourage workers and staff to take staff development issues seriously.

Objective 2: Fostering skills development in the formal economy for productivity and employment growth:

The skills development strategy seeks to encourage employers to see people as the key to growth. The introduction of Workplace Skills Plan is the vehicle to align skills development with both business growth strategies and equity plans. Employers accessing skills development grants will signal and indicate their involvement in, and compliance with, the legislation. (Swanepoel and Erasmus 1998: 114)

Objective 3: Stimulating and supporting skills development in SMME's:

Less than 72 percent of all private sector enterprises in South Africa employ four people or fewer. International experience suggests that the most potent source of new jobs is likely to be in the small enterprise sector.

Skills development is one component of the strategy to stimulate business start-ups and the growth of small enterprises. Small businesses need access to credit business support and advice and assistance in product development and marketing and exporting.



The Department of Labour will work closely with the Department of Trade and Industry and other Departments and their agencies to stimulate small business development. (Swanepoel and Erasmus 1998: 115)

Objective 4: Promoting opportunities for skills development in social development initiatives: In his address to the nation at the opening of the 2000 session of Parliament, President Mbeki spoke of the need to integrate development initiatives to maximize their impact. Such development interventions are those that improve the quality of life of the poor that secure basic services and infrastructure that laid the foundations for rising standards of living through access to new forms of income generation.

To achieve this objective, cooperation between government departments, development agencies and non-governmental organisations at national, provincial and local levels will be required. It will also require the expertise to plan and organise social developments projects in such a way that skills development is integral to the activity so that people have the opportunity to acquire qualifications that are accredited within the National Qualifications Framework, thus laying the foundations for life-long learning. (Swanepoel and Erasmus 1998: 115)

Objective 5: Assisting new entrants into employment in the labour market:

There are many groups within South Africa that might make eloquent claims to be treated as priorities. The National Skills Authority believes that those leaving school merit special consideration and support for a number of reasons:

- Young people represent the future labour force and equipping them with skills is essential for a well-functioning labour market,
- A high proportion of the unemployed are young and nearly half of all unemployed people have nine or more years of education. Not to build on this foundation is wasteful in human and economic terms.

The development of support programmes for young people will also involve improvements in information and access to guidance and placement services. These are matters that the Department of Labour, supported by the National Skills Authority is pursuing. (Swanepoel and Erasmus 1998: 116)

Young people are not the only new entrants to the labour market; key beneficiaries of the skills development strategy should be women and people with disabilities. Their skills strategy will actively seek effective ways to enhance the employment prospects of women. Similarly, more active measures will be required to ensure that people with disabilities are provided with job opportunities, either through sheltered or supported employment or placement in the open labour market. (Swanepoel and Erasmus 1998: 116)

2.5.3.1 THE SKILLS DEVELOPMENT ACT 97 OF 1998 (SDA)

The Skills Development Act (97 of 1998) was signed by the President of the Republic of South Africa on 20 October 1998 and the following laws were repealed (Van Dyk 1997: 90):

- The Manpower Training Act (56 of 1981);
- The Guidance and Placement Act (62 of 1981);
- The Local Government Training Act (41 of 1985);
- Sections 78 to 87 of the Telecommunications Act (106 of 1996).

Purposes of the Act:

Section 2 of the Act set the various purposes of the Act and they are:

- To develop the skills of the South African workforce;
- To increase the levels of investment in education and training in the labour market and to improve the return on investment.
- To use the workplace as an active learning environment, to provide employees with the opportunities to acquire new skills, to provide

employment opportunities for new entrants to the labour market to gain work experience;

- To employ persons who find it difficult to be employed,
- To encourage workers to participate in leadership and other training programmes;
- To improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through education and training in and for the workplace;
- To assist work-seekers to find work, retrenched workers to re-enter the labour market and employers to find qualified employees; and
- To provide and regulate employment services. (Van Dyk 1997: 90)

The following institutions are established by the Skills Development Act (97 of 1998), namely (Van Dyk 1997: 91);

- The National Skills Authority
- The National Skills Fund
- A Skills Development Levy Grant scheme as stipulated in the Skills Development Levies Act;
- A skills development-planning unit. (Van Dyk 1997: 91)

2.5.3.2 NATIONAL SKILLS AUTHORITY

The main functions of the National Skills Authority are as follows (Section 5 of the Act):

- To advise the Minister of Labour on a National Skills Development policy and strategy, guidelines on the implementation of the National Skills Development strategy, the allocation of subsidies from the national skills fund and any regulations to be made;
- To liaise with SETAs and the national skills development policy;
- To report to the Minister on the progress made in the implementation of the National Skills Development Strategy. (Swanepoel and Erasmus 1998:117)

a) Sector education and training authorities (SETA)

Establishment of Sector Educational and Training Authorities (SETAs) described in chapter 3 of the Act states that the Minister of Labour may establish a Sector Education and Training Authority with a constitution for any National economic sector.

SETA's have various functions, of which the most important of which are to:

- Develop a sector skills plan within the framework of the national skills development strategy;
- Implement its sector skills plan by establishing leaderships, approving workplace skills plans, allocating grants in the prescribed manner to employers, education and training providers and workers and also monitoring education and training in the sector. (Van Dyk 1997: 91)

Training and development of employees: macro level perspective:

- Promote leaderships by identifying workplaces for practical work experience; supporting the development of learning materials; improving the facilitation of learning; and assisting in the conclusion of learnership agreements.

Registered learnerships agreements within a week of their establishment liaise with the National Skills Authority on:

- the National skills development
- the National skills development strategy;
- sector skills plan.

SETA may consist of members representing organized labour, organized employers including small business, relevant government departments, any interested professional body and any bargaining council with jurisdiction in the sector.

SETA may establish chambers in its sector and must have a constitution. SETA is financed from the skills development levies collected in its sectors, the money paid

to it from the National Skills Fund, grants, donations and bequests made to it income earned on services rendered in the prescribed manner and money received from any other source. The money received from SETA must be paid into a bank account at any registered bank. (Van Dyk 1997: 91)

b) Learnerships:

Learnerships are described in chapter 4 of the Act and a SETA may be established if, firstly, the learnership includes practical work experience of a specified nature and duration, Secondly the learnership should lead to a qualification registered by the South African Qualifications Authority and be related to an occupation. Lastly the intended learnership should be registered with the Director-General in the prescribed manner. (Van Dyk 1997: 93)

Learnership agreements are agreements entered into for a specified period between a learner, an employer or a group of employers and a training provider. The employer has the responsibility to employ the learner for the period specified in the agreement and is to provide specified practical work experience. Furthermore the employer is expected to release the learner to attend the education and training specified in the agreement.

The learner has the responsibility to work for the employer and to attend the specified education and training. The training provider must provide the education and training specified in the agreement and the learner support specified in the agreement. If a learner is in the employment of the employer who is party to the learnership agreement concerned when the agreement was concluded, the learner's contract of employment is not affected by the agreement. If the learner was not in the employment of the employer party to the learnership agreement concerned when the agreement was concluded, the employer and learner must enter into a contract of employment. (Van Dyk 1997: 93)

c) Skills development planning units and labour centres:

The Act (Chapter 6) makes provision for the establishment of the Skills Development Planning Unit. The main functions of this unit are to research and analyse the labour market in order to determine skills development needs and to assist in the formulation of the national skills development strategy and sector skills development plans. (Van Dyk 1997: 94)

Labour centres additional institutions established by the Act. The main functions of labour centres are to provide employment services for workers, employers and training providers in both urban and rural communities. Labour centres also register work-seekers. In addition, they register vacancies and work opportunities.

d) Financing skills development:

The National Skills Development Fund (Chapter 7 of the Act) must be credited with the following

- 20 percent of the skills development levies as stipulated in the Skills Development Levies Act;
- the skills development levies collected and transferred to the fund;
- money appropriated by Parliament for the fund; fourth, donations to the fund; and lastly,
- money received from any other source.

The money in the fund may be used only for the projects identified in the National Skills Development Strategy as National priorities or for other projects related to the achievement of the purposes of the Act as the Director-General deems necessary. (Van Dyk 1997: 94)

2.5.3.3 SKILLS DEVELOPMENT LEVIES ACT 9 OF 1999

The purpose of the Skills development Levies Act 9 of 1999 (Department of Labour 1999) is to provide for the imposition of a skills development levy. The most important aspects of the Act are set out below:

Levy to be paid:

In terms of section 3 of the Act every employer is required to pay a skills development levy and the South African Revenue Service will be the National collection body.

Every employer has to pay a levy at a rate of one percent of an employee's total remuneration. Pensions, supranuations or retirement allowances are excluded in terms of section 2(5) of the Act. (Erasmus and Swanepoel 1998:118)

Exemptions from the Act:

The following categories of employers are exempted: (Payroll Administration Manual, 2000: 11-9)

- Any public service in the national or provincial government.
- Any employer whose remuneration to all of its employees during the following 12 month period does not exceed R250 000.00 and who is not required to apply for registration in terms of the Fourth Schedule to the Income Tax Act 32 of 1994;
- Any religious or charitable institution which is exempted from income tax;
- Any national or provincial public entity that receives 80 percent or more of its funds from Parliament.

Registration for payment of duty:

Employers who are liable to pay the levy must apply to the Commissioner of the South African Revenue Services to be registered and indicate the jurisdiction of the

SETA to which they belong; the employer must also register with the SETA. (Van Dyk 1997: 95)

Payment of levy to commissioner and refunds:

An employer has certain responsibilities towards a SETA (Chapter 2 of the Act); of payment of the levies discussed is the most important. A labour inspector appointed in terms of section 63 of the Basic Conditions of Employment Act, 1997 is regarded as an inspector for the purpose of this Act for the collection of levies by a SETA or its approved body. An inspector may, without warrant or notice at any reasonable time, enter any workplace or any other place, which is not a home, where an employer carries on business or keeps records. The purpose would be to enforce compliance with the Act. An Inspector may only enter a home with the consent of the owner or occupier or with an authorized warrant. (Van Dyk 1997: 96)

SUMMARY:

This chapter has focused on the transformation of human resources in terms of the transition from the pre-industrial age to modern day. There was a discussion on the concepts of training, education and development. There was also a discussion on the theoretical perspectives of needs analysis and designing of a training programme that included an examination of the levels of training needs and the needs assessment process. Thereafter there was a discussion on the alignment of training and development to business strategy, as human resource development is essential in building sustainable competitive advantage. Training can help in the creation of a more productive, skilled and adaptable workforce. Organisational strategy as well as the concept of strategic intent was examined. Finally the chapter was concluded with a discussion on policy initiatives of the government that has impacted on T&D in private sector employment. The roles of state departments were discussed followed by an examination of the national strategic training initiatives as well as the various departments that have had an impact on the training and development process.

CHAPTER THREE
CASE STUDY
TRAINING AND DEVELOPMENT STRATEGY
OF PICK N PAY

3.1 GROUP PROFILE

The Pick 'n Pay Group are one of Africa's largest and most consistently successful retailers of food, clothing and general merchandise. Pick 'n Pay is a family-controlled business. Four small stores were purchased in 1967 and the Group was listed on the Johannesburg Stock Exchange (JSE) in 1968 as Pick 'n Pay Stores Limited.

Over almost four decades they have built a truly sustainable business. The growth and success of Pick 'n Pay is attributed to two fundamental principles:

- an unwavering belief in consumer sovereignty; and
- the application of the "four legs of the table" principle.

These principles were put into practice at foundation level and continue to be the cornerstone of the business. Pick 'n Pay believe that in the application of these fundamentals they are, in effect preparing themselves for sustainability. (Pick 'n Pay-www.picknpay.co.za)

The "four legs of the table" principle follows a simple analogy. The business is a table supported by four legs on top of which the consumer sits. Each leg needs to be equally strong in order for the table to remain balanced and upright.

The four legs of the table are:

- people;
- administration;
- merchandise;
- social responsibility.

Each leg is equally important to the success and continued sustainability of the business. Each requires, and has received, equal focus and management support. Sustainable businesses have an important role to play in building sustainable communities. This responsibility should be embraced; not only is it a philanthropic way to thinking, but it is also an act of enlightened self-interest.

The more economic freedom pervades South African society, the more scope there will be for growth in the retail market. It is no surprise that Pick 'n Pay's view is the same as it was at its inception: big business must work together towards securing the economic security and social well being of generations to come. They are a truly South African company and have always operated in the best interest of their staff and communities. As a company, Pick 'n Pay behave instinctively according to an entrenched value system and they truly believe that they have a positive impact on the lives of all South Africans. (Pick 'n Pay- www.picknpay.co.za)

Mission

Pick 'n Pay's mission statement is as follows,

We serve;

with our HEARTS we create a great place to be;

with our MINDS we create an excellent place to shop.

Values

Pick 'n Pay's vision is as follows,

We are passionate about our customers and will fight for their rights;

we care for and respect each other;

we foster personal growth and opportunity;

we nurture leadership and vision and reward innovation;
we live by honesty and integrity;
we support and participate in our communities;
we take individual responsibility;
*we are all accountable at **Pick 'n Pay**. (Pick 'n Pay - www.picknpay.co.za)*

Customer Profile

With dynamic international growth, Pick 'n Pay is South Africa's leading grocery retailer and is one of the largest and most consistently successful retailers of food, clothing and general merchandise. Since 1967, Pick 'n Pay have been dedicated to superior customer service, convenience, shopping efficiency, breadth of inventory, and employee growth.

The nature of business

The group operates through three divisions: the Retail Division, the Group Enterprises Division and Franklins Australia, each with their own Managing Director and Management Boards. The Retail Division manages Pick 'n Pay branded businesses. These comprise: Hypermarkets, Supermarkets, Clothing Stores, Family Franchises, Mini Market Franchises, Butcheries and Auto Centres.

Chairman: Mr. Raymond Ackerman

"Building a successful business is 90% guts, 10% capital". This is the firm belief of Mr. Raymond Ackerman, founder of what is today the most successful retail supermarket chain in South Africa. It is hard to believe that there was a time in Mr. Ackerman's career when life was a struggle and business was hard work, but as with most success stories, a great deal of perseverance and effort was required. Mr. Ackerman firmly believes that his staff is as important to his business as his customers; he believes that you should take time to mix with them and listen to them. Mr. Ackerman's closing advice is: "*If you can dream it, you can do it.*" (Pick 'n Pay - www.picknpay.co.za)

3.2 PICK 'N PAY TRAINING AND DEVELOPMENT STRATEGY

The mission statement of Pick 'n Pay is to achieve and maintain excellence in the field of human resource development, through the implementation of a quality-assured system of training and development. This system is underpinned by Pick 'n Pay's values which foster personal growth, nurture leadership, and is aligned with the principles of the NQF.

For the past 35 years, the management approach of Pick 'n Pay has been based on a strongly decentralized structure. The organisation believes that this kind of structure allows individual operating units latitude in developing practices and procedures that are tailored to their widely differing customer needs. These decentralized practices and procedures have, however, always been based on national principles and guidelines.

Pick 'n Pay have always been a people's company and there is a clear understanding in the company that "**our people make the difference**". It is an underlying value of the company that they foster personal growth and opportunity. It is on this basis that Pick 'n Pay have a long history of training and developing its staff. To ensure that this training was as meaningful to staff as possible and relevant to the work they did, the company always sought to deliver more than rote training. Initiatives such as the recognition of courses by external bodies such as Technikon South Africa were intended to add value to the learning of staff.

Standards-based assessment is assessment that is designed to show what learners understand they can do, and they can apply what they have learnt. In order to achieve this, learners must understand the purpose of assessment and the methods of assessment can develop reflective and self-analytical skills.

Assessment must be formative (part of the learning process, and separated from it), be continuous so as to be diagnostic and or/remedial, show process analysis and be transparent (criterion referenced) and self-referenced (not norm referenced).

Standards-based assessment allows the learner to demonstrate complex learning that integrates knowledge, skills and values with understanding and the ability to apply this across new and different contexts (applied competence). Standards based assessments is intended not only to ensure that assessments take place using internationally competitive forms of measuring the competence of the staff, but also that assessments is a productive part of their learning and development. The introduction of a standard based training, development and assessment system into Pick 'n Pay will form part of an integrated system of Human Resource Development. (Pick 'n Pay T&D- Strategy manual)

3.3 T&D - ASSESSMENT POLICY

Pick 'n Pay have various assessment processes that play an important role in the development of their staff. The aim and objective of the assessment policy is to align assessment of staff with world best practice, the requirements of SAQA at the NQF and to regulate the processes and procedures of assessments within Pick n' Pay. This is to ensure that a high quality of assessment which supports and ensures that the development of their people is consistently achieved. The assessment is done at the end of all classroom programmes, on the job training, Adult basic education and training (ABET) and pre-assessment of learners, thereafter methods of assessments are expanded on to ensure that the areas of development are identified and that shortcomings are brought to light concerning employee performance. This will now be discussed in detail as it is presently being practised in Pick 'n Pay (Pick 'n Pay T&D- Assessment policy manual):

1. Classroom programmes

- Pick n' Pay will strive towards having an assessment at the end of all classroom training programmes linked to national unit standards.
- All new programmes developed will be required to have an appropriate assessment at the end of the course.

On completion of a training course, the trainers are required to submit a report detailing the number of successful assessments versus the number of people attending the course within three months of completion of the course.

2. On-the-job training

- Assessments will only be conducted by assessors who have been recognized as assessors for specific on-the-job modules;

Assessors must be experts in the area in which there will be assessing. There must be an incumbent in a position that has been identified and linked to each programme, e.g. Budget and Expense modules can only be assessed by an incumbent Accountant, Chief Accountant, second Accountant, Line General Manager, and Regional Line Manager.

3. Adult basic education and training (ABET)

- Learners will only be allowed to attempt an Independent examination board (IEB) exam once they have successfully completed the mock exams and/ or projects set by the facilitator in conjunction with the National ABET co-ordinator.
- Before a learner registers with the IEB to write the exam, he or she must receive the written authority of the National ABET co-ordinator.

4. Pre-assessment of learners

Where a Human Resource Practitioner or Line Manager believes that a potential learner does not have the learning assumed to be in place to attempt the standard(s) but meets the requirements as set out in Selection of Learners, an appropriate test can be administered. Should the test indicate that the potential learner does not have the learning assumed to be in place, he or she should be referred to the appropriate resource to develop the requirements before being allowed to attempt the standard(s). (Pick 'n Pay T&D- Assessment policy manual)

3.3.1 METHODS OF ASSESSMENT

It is policy of this organisation to ensure that assessments are conducted using appropriate methods according to the requirements of the learner, the organisation and the standards being assessed. The outcomes of a particular unit standard to be measured will determine the particular method(s) of assessment to be used. A range of assessment methods will be used to ensure that sufficient evidence is gathered in the most appropriate and practical manner to allow the assessor to make an accurate decision concerning a learners competence, and to ensure that the evidence gathered is valid, authentic and current. (Pick 'n Pay T&D- Assessment policy manual)

These methods will be identified in each assessment guide, and will include but are not limited to:

- structured interviews, both individual and panel;
- written knowledge tests
- written assignments/projects;
- on-the-job observation of performance;
- role play/simulation of performance

Recognition of prior learning (RPL)

Recognition of Prior Learning underpins the NQF principle of denying access to education and training of individuals because of a lack of formal qualification. Pick n' Pay is committed to the principle of RPL as a fundamental part of aligning training and development with the requirements of the NQF and Skills Development.

Feedback and Counselling

Feedback of assessment results is a very important part of the assessment process that must include counselling. Feedback should be seen as part of the learning process, and approached accordingly. Feedback sessions must be used as an

opportunity to identify further goals and training opportunities, or to explore issues that may cause poor performance during assessments.

Feedback must be given as soon as possible after the assessment has been completed. Results of an assessment must be communicated to the learner within the period of time specified in the assessment process and procedures document.

Re-assessment

Learners attempting a standard or qualification will be given fair opportunity to meet the requirements of each standard. Where learners are found not yet competent against a standard, they must be re-assessed as soon as they feel ready.

Owing to the resource-intensive nature of unit, standard-based assessment, a learner will have 3 opportunities to attempt a summative assessment. This assessment policy and its related processes and procedures have been designed to ensure that learners are only put forward for summative assessment when they are suitably prepared.

Pick 'n Pay also promote a culture of fairness in their training and development process in the form of appeals. A process of moderation is also used to assess the quality of assessments. Management of off-site assignments also helps increase the quality of training being offered. (Pick 'n Pay T&D- Assessment policy manual)

3.4 T&D - STAFF DEVELOPMENT POLICY

Pick 'n Pay aims, through the training and development of its staff, to foster behaviour among staff that creates a positive attitude, enthusiasm, loyalty and commitment to the goals, objectives and mission of the company. Fundamental to this is the role of the trainers in the organisation, and therefore the management of quality standards in their selection is critical. (Pick 'n Pay T&D- Staff development policy manual)

There are three groups of trainers within Pick 'n Pay: classroom, on-the-job (subject matter experts or SMEs) and ABET trainers. These will now be elaborated on:

1. Classroom trainers

- All trainers must have attended the 'train the trainer' course, which is mapped to the National Certificate in EDTP Practices;
- Trainers must also have attended any 'train the trainer' course that has been developed specifically for any individual course they are running e.g. management with Intent. If this is not possible they must have observed the course being trained by an experienced trainer;
- Trainers must be experts in the areas they will be training.

2. On the-job-trainers

- Trainers must be experts in the area they will be training;
- Trainers must be an incumbent in a position that has been identified and linked to each programme;
- They must have completed the modules for which they will be Subject matter experts) SMEs;
- All SMEs will be expected to meet the requirements of the unit standard 'Coach Learners'

3. ABET trainers

- Facilitators in the ABET programme and volunteers;
- Facilitators must have successfully completed the ABET facilitators training course as defined by Pick 'n Pay. (Pick 'n Pay T&D- Staff development policy manual)

3.4.1 STAFF SELECTION, APPRAISAL, AND DEVELOPMENT

- This declaration confirms that all recruitment, selection and development of staff in the organisation are based on the criteria contained in the Recruitment, Development and Assessment Resource (RDA) file. The promotion and

termination of staff are based on the Human Resources policies of the organisation.

- All positions in the RDA file are updated on a regular basis when the training material related to each position in the file is reviewed and updated. (Pick 'n Pay T&D- Staff development policy manual)

3.5 MANAGING DESIGN, DEVELOPMENT AND DELIVERY OF TRAINING AND DEVELOPMENT POLICY

New training programmes will be developed and designed and/or amended based on research that includes affected stakeholders and relevant subject experts. This research will be co-ordinated by Pick 'n Pay's Development and Compensation.

3.5.1 RESEARCH / NEEDS ANALYSIS

New training programmes or amendments to existing programmes will be required for a variety of reasons including: (Pick 'n Pay T&D-design and development policy)

- The introduction of new equipment/technology;
- New business needs, lines or products;
- New regulations/legislation;
- To gain a competitive edge;
- To improve quality;
- The development of new unit standards, outcomes, skills programmes or qualifications;

A variety of methods, including, but not limited to, those listed below will be used for researching and training needs including:

- Assessment/moderation results;
- Strategic management review;
- Skills audits;

- Critical incident reports e.g. Hygiene audits and safety reports;
- Learner feedback;
- Personal growth discussions.

Where a specific needs analysis is conducted for an individual learner or position this will be done with reference to the specifications contained in the recruitment, development and assessment resource file and other applicable criteria. Individual development opportunities will be discussed with employees on an annual basis as part of the personal growth discussion on an individual basis as and when required. (Pick 'n Pay T&D-Design and development policy)

3.5.2 DESIGN AND DEVELOPMENT OF TRAINING PROGRAMMES

All training programmes that are in use by the organisation or that will be commissioned in the future must be free from cultural, gender, race or disability bias.

Training programmes, the method and mode for delivery must be:

- Relevant;
- Fit for purpose;
- Designed in line with the requirements of unit standards and / or qualifications registered with the NQF;
- Designed based on the requirements of Pick n Pay. (Pick 'n Pay T&D- Design and development policy)

Training and Development programmes must be designed to ensure that they support learners in completing the programme.

Learner resources must be accessible and recognize the level of language of the target group. This includes the appropriate use of print and visual material amongst others.

With regards to the design and development standards a detailed curriculum must be designed for every programme that is developed for learning towards a national

unit standard(s). To ensure consistency of delivery and a uniform standard for learners, each training programme will include: a learner's resource/workbook, a facilitator's script/guide, assessment guide and relevant visual aids. Adult learning principles will form the basis of the development of the design of all learning programmes. These include active learning, repeated practice, meaningful information, multi-sensory learning and feedback. Training programmes will be designed in such a way that learners with special needs can be accommodated. (Pick 'n Pay T&D- Design and development policy)

3.5.3 PARTNERSHIPS/COLLABORATION WITH EXTERNAL PROVIDERS

Where an external service provider is contracted to develop and/or deliver a training programme or training intervention for Pick 'n Pay the following will apply:

- A brief to develop a training programme for Pick 'n Pay and a contract drawn up between the parties detailing what the service provider will need to develop, a cost structure and payment details also have to be included.
- The provider must also commit to submitting the required documentation to Pick 'n Pay for the registration of learners and learner achievements and moderation. (Pick 'n Pay T&D- Design and development policy)

To ensure that quality in training and development is maintained, it is necessary to review all training material on a regular basis. This will ensure that it is current, relevant and in line with W&R SETA and SAQA requirements, aligned with and appropriate to the relevant unit standards qualifications. Every formal training programme and course will be reviewed at least every three years. The National Quality Manager will be responsible for these programmes being reviewed on a rotation basis over a period of three years. (Pick 'n Pay T&D- Design and development policy)

3.5.4 PLANNING AND MANAGING SKILLS-TRAINING PROVISION

Each operating unit is required to develop an Annual Workplace Skills Plan that contains the required training interventions for that operating unit for the next year. These plans will be based on national guidelines distributed by Development & Compensation and the individual needs of the operating unit. The national guidelines will be informed by input from the results of research completed. (Pick 'n Pay T&D-Design and development policy)

Factors, which may be included but not be limited to, are:

- Changes in customer shopping patterns;
- individual learner development needs;
- personal Growth Discussions;
- learner feedback;
- skills audits;
- employment equity requirements;
- manpower and succession plans;
- changes to operating methodology or workflow design;
- introduction of new technology

Delivery of training

It is not sufficient simply to ensure quality in the selection of trainers. To achieve excellence in the area of training and development in the organisation trainers must also manage and assure the quality of training delivery. This will be achieved through the use of an assessment, evaluation and reporting system. (Pick 'n Pay T&D-design and development policy)

Learners maybe selected for retraining in the following situations:

- Where the completion of one course is a prerequisite for undertaking another course;
- Where learners have not successfully completed the course in the past and are required to attend the programme again;

- Where a trainer feels that the learner may benefit from undertaking the course again. (Pick 'n Pay T&D- Design and development policy)

Duration to complete skills programme

An employee on a skills programme will have the following period of time to complete a skills programme:

- Skills programme NQF level 2 -12 months
- Skills programme NQF level 4 -18 months
- Skills programme NQF level 5 -24 months

Where the duration of the learner's skills programme reaches the above-mentioned period and there is no evidence of progress towards completion of the programme, learners will be required to withdraw from the programme. (Pick 'n Pay T&D- Design and development policy)

3.6 T&D - QUALITY MANAGEMENT POLICY

It is Pick 'n Pay's belief that the functioning of the training and development QMS (Quality Management System) can be successfully managed on the same basis.

In this light, the QMS and its guidelines have been developed to maintain the integrity of the standards set without losing the benefits derived from the current decentralized processes. (Pick 'n Pay T&D- Quality management policy)

Objectives

- To determine if the outcomes and standards specified in relation to the provision of education, training and assessment are achieved;
- To ensure that Pick 'n Pay performs its quality assurance function in line with world best practice and W&R SETA requirements.

Quality Management and Assurance

This policy aims to deliver the quality assurance of training and development by the management of quality in the following key areas:

1. Learners
2. Trainers
3. Design and development of training programmes
4. Delivery of training
5. Assessment of learning
6. Moderation of assessment

In addition, the design and development of training programmes, and the evaluation of training materials, must conform to the quality standards laid down in this policy.

(Pick 'n Pay T&D- Quality management policy)

Maintaining Quality Management Systems

National:

The overall responsibility for ensuring that the principles laid out in this policy are maintained will rest with the National Education and Training Quality Manager.

Regional:

Each individual Supermarket and Hypermarket General Manager will be responsible for fulfilling the role of a Quality Manager (QM).

Quality Management reports:

The report required to be submitted by the regional Quality Manager every 6 months is called the Education and Training Management Report.

Review and Audits:

The National Quality Manager will develop a national report based on the content of all the regional quality reports that will be distributed to all Regional Quality Managers. This report will be used to proactively address potential areas of non-conformance in their regions/hypermarkets.

Compliance of Legislative requirements:

Pick 'n Pay will perform its Quality Assurance function within the various appropriate legislated environments. Relevant legislation includes, but is not limited to:

- The SAQA Act
- The ETQA regulations of W&R SETA
- The Skills Development Act
- The Skills Development Levies Act
- The Labour Relations Act
- The Employment Equity Act
- The Occupational Health and Safety Act (Pick 'n Pay T&D- Quality management policy)

3.7 T&D - ADMINISTRATION POLICY

Pick 'n Pay Human Resources Information System are the main system used to track, update and report on learner information.

When a learner starts with any on-the-job programme, his or her details must be recorded by Development & Compensation, including the programme name and the commencement date on the Human Resources Information System. (Pick 'n Pay T&D- Admin policy)

Learner Certification

Learners must receive a certificate for the successful completion of all-formal Pick 'n Pay training courses and programmes. Learners will receive a certificate of completion for formal Pick 'n Pay training courses from the operating unit where the training course was delivered. It is the responsibility of the operating unit to ensure that all the requirements of the course has been met, including assessment, before a certificate is issued. Certificates for formal courses will be sourced from the Pick 'n Pay Institute.

Learner registration with the W&R SETA

Every learner who participates in any programme that is linked to national unit standards must be registered with the W&R SETA. (Pick 'n Pay T&D- Admin policy)

Reporting on learner achievements to the W&R SETA

Each operating unit is required to report to the Development and Compensation Division on a quarterly basis, on the successful achievement of National unit standards. (Pick 'n Pay T&D- Admin policy)

Personal growth discussions

A record of each Personal Growth Discussion must be kept by the management or staff member responsible for conducting the discussion. Interviewer's names and the date of the discussion must be captured onto the Human Resources Information System under the employee's details. (Pick 'n Pay T&D- Admin policy)

Training facilities and equipment

Training, development and learning must take place in venues and facilities that are conducive to learning and that are acceptable according to the company's operating standards. (Pick 'n Pay T&D- Admin policy)

CHAPTER FOUR

ANALYSIS OF FINDINGS

It can be deduced from the case study that Pick 'n Pay is a successful retail giant in the South African market. The company is people-focused in that there is special attention as well as substantial investment made in the training and developing of the staff. The company is highly concerned with the sustained growth of its people as can be seen from the T&D strategy that the Human Resources department has developed. The evaluation of Pick 'n Pay's training and development initiatives included conducting unstructured interviews with Jackie Suhr who is the Senior Human Resource manager, Ravi Naidoo who is the Area manager at Durban North as well as a few staff members from Pick 'n Pay.

The attention to detail in Pick 'n Pay's T&D process as well as the inclusion of all staff members indicates that there has been a transformation of human resources. This change is evident in the people centered approach that Pick 'n Pay have adopted. There is an indication from the continuous learning approach that Pick 'n Pay leans more towards the Theory Y approach as proposed by McGregor (1960:15) as the company views employees as being able to do what is good for the organisation. Research has shown that in Pick 'n Pay the 'limits of collaboration' in the organisational setting are not limits of nature but of management ingenuity in discovering how to realize the potential represented by its human resources. The careful formulation and implementation of T&D courses indicate that there is an effort made by the company to equip employees with the necessary skills, knowledge and abilities to achieve organisational goals.

There is a culture of training, education and development of employees at all levels within the company. This was affirmed during interviews with Jackie Suhr as she indicated that all employees from the till packer level to senior management level undergo training courses and programmes to allow for them to understand the

policies and procedures of the company and to equip the employees with the necessary skills to perform their duties efficiently and effectively.

Training programmes were carefully designed by a team of HR personnel in the Gauteng head office who are also responsible for decision making on a national basis, they are an important support structure for the HR personnel at the store level.

Prior to the development of T&D courses the national HR personnel team had conducted a situational analysis that included surveys with staff from all levels within the company. Methods and models used in the T&D programmes were carefully researched. Research has shown that there are human resource personnel in every major store countrywide. This allows accessibility of HR personnel to all employees.

Pick 'n Pay's T&D strategy as discussed in chapter three of this study takes a long term view, the company's strategy initiatives aims to be proactive in achieving business objectives and are relevant in developing abilities and behaviour which may be their source of future competitiveness. Pick 'n Pay have adopted a strict policy in adhering to government policy in terms of the design and implementation of T&D programmes.

The shortfalls identified by the researcher with regards to the case study on Pick 'n Pay's training and development initiatives are as follows:

1. Training programmes are not continually reviewed in terms of relevance.
2. Training courses are insufficient at senior management levels.
3. There is a need for a regional training office to facilitate the training process.
4. There is a lack of follow up after the training courses were undertaken.

5. Some of the training courses are highly theoretical in nature and does not allow for employees who have practical experience to advance to a higher level without passing a pen and paper exercise. This results in certain employees being demotivated and resigning.

Finally, the extent to which the objectives set out in chapter one has been achieved as well as recommendations to the shortfalls will be discussed in chapter five of the study.

CHAPTER FIVE

RESEARCH OBJECTIVES AND RECOMMENDATIONS

The research objectives that were identified in chapter one will be highlighted and discussed followed by the recommendations to shortfalls in Pick 'n Pay's training and development process.

Research objectives

1. To evaluate Pick 'n Pay's ability to develop a culture of high quality life-long learning for their employees

The study has proven that Pick 'n Pay believes in high quality lifelong learning, the company has many initiatives in place such as the staff development policy and programmes which aims at training and developing staff to foster behaviour among staff that creates a positive attitude, increases enthusiasm and adds commitment to goals and objectives and the mission of the company. There are three groups of trainers; these are classroom trainers, on the job trainers and adult basic education trainers (ABET) that are knowledgeable and work conscientiously towards developing and educating employees (Pick 'n Pay's T&D policy). Pick 'n Pay's management of the design, development and delivery of training and development policies and programmes further enhance the quality of the training. It was found that there is thorough research done into new technology, new regulations as well as other aspects that would involve the development of staff companywide. The company believes in continuous learning, which is evident in staff being continually evaluated and sent to training and development workshops and/or training.

2. To promote opportunities in terms of skills acquisition in development initiatives

This objective has been discussed in the section of this study pertaining to managing the design, development and delivery of training and development policies. New training programmes will be required due to the development of new unit standards, outcomes and skills programmes. All training programmes that are used by Pick 'n Pay are designed in line with the requirements of unit standards and /or qualifications registered with the National Qualifications Framework (NQF). Each operating unit that is required to develop an Annual workplace skills plan that contains the required training interventions for that operating unit for the next year. Employees at Pick 'n Pay has various skills programmes, these include:

- skills programme NQF level 2-12 months
- skills programme NQF level 4-18 months
- skills programme NQF level 5-24 months (Pick 'n Pay's – Managing the design, development and delivery of training and development policy)

There is strong compliance of legislative requirements. Relevant legislation includes various Acts such as the Skills development Act, the Skills levies Act and the South African Qualifications Authority (SAQA). It can therefore be stated that Pick 'n Pay does place added emphasis on promoting opportunities for skills acquisition in their development initiatives. To ensure that training is as meaningful as possible to staff and relevant to the work they did the company always sought to deliver more than rote training. Initiatives such as the recognition of courses by external bodies such as Technikon South Africa were intended to add value to the learning of staff.

3. To evaluate whether or not the training and development initiatives of Pick 'n Pay is empowering, developing and positively reinforcing their employees.

Pick 'n Pay believe that big business must work together towards securing the economic security and social wellbeing of their staff. Pick 'n Pay are a truly South African company and have always operated in the best interest of their staff and

communities. The company believes in achieving and maintaining excellence in the field of human resource development through the implementation of a quality-assured system of training and development. This system is underpinned by Pick 'n Pay's values which foster personal growth, nurture leadership and is aligned with the principles of the National Qualifications Authority (NQF). Pick 'n Pay use standard based assessment that is designed to enhance a thorough understanding of training content.

Pick 'n Pay upholds that their assessments must develop their employees' reflective and self-analytical skills. Assessments must be formative as well as be continuous so as to be diagnostic and remedial. Assessments must show process analysis and be transparent and self referenced. Standards based assessments is intended not only to ensure that assessments take place using internationally competitive forms of measuring the competence of their staff, but it is also a productive part of their learning and development. The introduction of the standard based training, development and assessment system into Pick 'n Pay will form part of an integrated system of Human resource development. Pick 'n Pay have a strong culture of promoting their staff after they have gone for the necessary training. There are various programmes and policies available to ensure that staff are adequately empowered and developed to perform effectively which does lead to the staff being positively reinforced within the company.

Recommendations to shortfalls in training and development process are as follows:

1. Training programmes should be evaluated annually to ascertain relevance. A team of experts should review programmes; this evaluation can take the form of surveys that should include employees.
2. Thorough research should be undertaken on present courses and programmes that would empower senior managers with added skills

and knowledge. Researchers should look at training courses and programmes offered in other retail companies in a similar industry. Researchers should also look at international training programmes that empower senior managers to compete internationally.

3. There should be regional trainers employed who have the necessary skills and abilities to assist the human resource personnel. Regional trainers should conduct training, provide feedback on inconsistencies and monitor the training function at the regional level. The researcher has observed that the lack of skilled manpower at the training level resulted in the poor delivery of the training programmes despite the companies' policy on outsourcing a part of the training process.
4. Follow up should become an integral part of the training process. The national HR team should look at standardising this process in all training courses and programmes in the form of a written document. The regional training team should monitor follow up at store level.
5. There should be an on-the job evaluation for employees that are struggling with having to pass a test for promotional purposes, this should include positions where skill forms an integral part of the employees job. Ravi Naidoo, the area manager at Pick 'n Pay expressed concern with high labour turnover as a result of employees being demotivated when tests are not practical in nature and limits the employees promotional prospects.

This chapter has highlighted the research objectives, which were followed by a discussion on the achievement of the objectives. Thereafter recommendations were made to shortfalls that were identified in chapter four of the study.

CHAPTER SIX

CONCLUSION

Training and development is important in the achievement of organisational objectives. Through training, employees gain skills, abilities, knowledge, and attitudes that help them perform more effectively in present and future jobs. As such training and development may be considered an investment in human resources that will provide many important benefits and returns to the organisation. This study was directed at ascertaining the effectiveness of the strategic training and development process to enable staff to function competently at all levels within the company. This study has brought to light the importance of the training and development processes, policies and procedures as well as organisational use of strategic training and development as a tool to attain maximum competitive advantage.

The researcher is strongly of the opinion that Pick 'n Pay is a truly South African company and is well on its way to achieving their goals and objectives by using their human resources which undoubtedly is one of their most valuable assets.

BIBLIOGRAPHY

BOOKS

1. Beaumont, P. B. (2001). Human Resource Management, Key Concepts and Skills. Great Britain.: Sage Publications pp. 9-16.
2. Carrell, M.R.; Elbert, N.F.; Hatfield, R.D.; Grobler, P.A.; Marx, M. and Van der Schyf, S. (2000). Human Resource Management. South Africa.: Mills Litho.
3. De Cenzo, D.A. Robbins, S.P. (1994). Human Resource Management concepts and practices. New York.: John Wiley and Sons.
4. Fombrun, C.; Tichy, N.M. & Devanna, M.A. (1994). Strategic Human Resource Management. New York.: Wiley.
5. Gerber, P.D., Nel, P.S. and Van Dyk, P.S. (1995). Human Resource Management. 3rd Edition. Halfway House.: Southern Book Publishers.
6. Holbeche, L. (2002). Aligning Human Resources and Business Strategy. Great Britain.: Butterworth-Heinemann.
7. Jones, G.R.; George, I.M. and Hill, C.W.L. (2000). Contemporary Management. 2nd. Edition. U.S.A.: Irwin McGraw-Hill.
8. Knirk, F.G. AND Gustafson, K.L. (1986). Instructional Technology: A systematic approach to education. New York.: CBS College Publishing.
9. Laird, D. (1985). Approaches to training and development, 2nd. Edition, mass.: Addison-Wesley.
10. Mabey, C.; Salaman, G.; Storey, J. (1998) Human Resource Management-A strategic introduction, 2nd Edition, Great Britain: Blackwell Publishers Ltd.
11. Middleton, J.; Zideman; Adams, A. V. (1993). Skills for Productivity, New York.: Oxford University Press.
12. Nadler, L. (1982). Designing Training Programmes. The critical events model. Reading, Mass.: Addison-Wesley.
13. Nel, P.S and Van Rooyen, P.H. (1993). South African industrial relations: theory and practice. 2nd revised edition. Academia, Pretoria.

14. Ouchi, W.G. (1983). 'The markets and hierarchies programme of research: origins, implications and prospects. Oxford.: Heinemann.
15. Porter, M.E. (1990). *Competitive Strategy: Techniques for Analysing Industries and Competitors.*: New York: Free Press.
16. Pratt, D. (1980). *Curriculum: design and development.* New York.: Harcourt Jovanovich.
17. Rothwell, WJ. El Kazanas, H. C. (1994). *Strategic human resources planning and management.* 2nd. Edition. Englewood, N. J.: Prentice -Hall.
18. Smit, P.S. & Cronje J. (1992). *Principles of Management: A Contemporary South African Perspective.* Cape Town.: Juta & Co. Ltd.
19. Storey, J. (1992). *Developments in the Management of Human Resources.* Oxford.: Blackwell.
20. Swanepoel, B.; Erasmus, B.J.; Van Wyk, M.W. & Schenk, H.W. (1998). *Human Resource Management – Theory & Practice: South Africa.*: Juta & Co. Ltd.
21. Tracy, W.R. (1984). *Designing training and development systems.* New York.: Amacom.
22. Van Dyk, P.S.; Nel, P. S.; Van. Z. Leodolf, P. and Haasbroek, G.D. (1997). *Training Management - A multidisciplinary approach to human resources development in Southern Africa* 2nd. 6d. South Africa.: International Thompson Publishing Inc.
23. Wolmarans, I. S. and Eksteen, J.J. (1987). *Behoeftebepaling: besin voor jy begin.* Johannesburg.: Gutenberg.
24. Zemke, R and Kramlinger, T. (1984). *Figuring things out: a trainer's guide to needs and task analysis.* Reading, Mass.: Addison-Wesley.
25. Warren, M.W (1979). *Training for results: A systems approach to the development of human resources in industry.* Reading, Mass.: Addison-Wesley.

JOURNAL PUBLICATIONS, PERIODICALS, CONFERENCE PAPERS AND OTHER SPECIAL REPORTS:

1. African National Congress. (1994). *The reconstruction and development programme, a policy.* Johannesburg: Umanyano Publications.

2. Blake, R.R. (1995). Memories of HRD.-Training and Development, March.
3. Grobler, P.A. (spring, 1996). In search of Excellence: Leadership Challenges Facing Companies in the new South Africa, SAM. Advanced Management Journal 61, no. 2: pp. 22-34.
4. Hamel, C. and Prahalad, G. (1989). 'Strategic Intent', Howard Business Review, May-June, pp 63-76.
5. Husen, T., and T.N. Posletwaite. ed. 1994. The international encyclopedia of education. Oxford: Pergamon.Vol 11.
6. Lombard, B.U. (1978). Human Resource Management. A new approach for South Africa. South Africa Journal of labour Relations. December, 12-24.
7. Luoma, M. (2000). 'Investigating the Links Between strategy and HRD, personal Review, Vol. 29 No. 6.
8. McGregor, D. (1960). The human side of the enterprise McGraw-Hill, New York.
9. Miller, P. (1991). 'A Strategic look at Management Development.' Personal Management, August.
10. Poole, M. (1990). 'Editorial: HRM. In an international perspective; International Journal of Human Resource Management, Vol.1, No.1.
11. Republic of South Africa. (1981). Manpower Training Act, No. 56 of 1981 as amended.
12. Republic of South Africa. (1995). South African Qualifications Authority Act. No 58, 1995. Government Gazette, 4 October.
13. Walton, J. (1999). Strategic Human Resource Development. Harlow: financial Times Prentice Hall.
14. Webster, E. (1995). NEDLAC – Corporatism of a special type. SA Labour Bulletin. May. Vol. 19, No. 2.
15. Pick 'n Pay - www.picknpay.co.za
16. Pick 'n Pay T&D- Strategy manual
17. Pick 'n Pay T&D -Assessment policy
18. Pick 'n Pay T&D- Staff development policy manual

18. Pick 'n Pay T&D- Design and development policy manual
19. Pick 'n Pay T&D- Quality management policy manual
20. Pick 'n Pay T&D- Administration policy manual