

# An EMPOWERDEX Guide



## The Codes of Good Practice

### Scorecard Essentials

#### SKILLS DEVELOPMENT

Code 400 – **Skills Development**

Statement 400 – Measurement of Skills Development



# Skills Development

## Skills Development

### Code Series 400

Measurement of the Skills Development Element of B-BBEE

### Statement 400

The General Principles for Measuring Skills Development

#### What you can expect:

- Skills Development scorecard
- Key measurement principles
- Calculating the Adjusted Recognition for Gender
- Measurement of the Skills Development indicators
- The Learning Programme Matrix

#### The Essence of Statement 400:

The Skills Development scorecard allocates points for:

- Skills development spend on **Learning Programmes** (particularly spend on **black employees** and black employees with **disabilities**)
- **Learnerships** for black employees participating in:
  - Institution-based theoretical instruction as well as some practical learning with an employer or in a simulated work environment – formally assessed through the institution
  - Recognised or registered structured experiential learning in the workplace that is required after the achievement of a qualification – formally assessed by a statutory occupational or professional body
  - Occupationally-directed instructional and work-based learning programme that requires a formal contract – formally assessed by an accredited body

#### Key measurement principles -

- Companies receive points on the skills development scorecard **only** if they:
  - are **compliant with** the requirements of the **Skills Development Act** and the **Skills Development Levies Act**
  - have **registered with the applicable SETA**
  - have developed a **Workplace Skills Plan**
  - have **implemented programmes** targeted at developing **Priority Skills**, specifically for black employees

- Expenses on scholarships and bursaries for employees **does not constitute** Skills Development Expenditure if the Measured Entity can recover any portion of those expenses from the employee or if the grant of the scholarship or bursary is conditional. Despite this, if the right of recovery or the condition involves one of the following it is recognizable:
  - The obligation of successful completion of studies is within a time period allocated
  - The obligation of continued employment by the Measured Entity for a period following the successful completion of studies is not more than the period of studies
- Any Skills Development Expenditure that is invested in **ABET programmes** is recognisable at a **multiple of 1.25** to the actual value of such Skills Development Expenditure
- Skills Development Expenditure includes any legitimate expenses incurred for any Learning Programme offered by a company to its employees and must be evidenced by an invoice or appropriate internal accounting record
- Skills development expenditures arising from **Uncertified Learning Programmes cannot represent more than 15% of the total** value of Skills Development Expenditure.

**Legitimate training expenses include:**

- costs of training materials
- cost of trainers
- costs of training facilities including costs of catering
- scholarships and bursaries
- course fees
- accommodation and travel
- administration costs such as organization of training including the cost to the company of employing a skills development facilitator or a training manager
- salaries or wages paid to an employee participating in any Learning Programme only constitutes Skills Development Expenditure if the Learning Programme is a Learnership or falls within Category B, C or D of the Learning Programme Matrix.

**The Learning Programme Matrix**

The Minister may from time to time, by notice in the gazette, revise or substitute the Learning Programme Matrix. Any changes will only be applicable to the compliance reports for a Measured Entity for the 12-month period following the gazetting of a revision or substitution.

<b>Cat</b>	<b>Narrative Description</b>	<b>Delivery Mode</b>	<b>Learning Site</b>	<b>Learning Achievement</b>
A	Institution-based theoretical instruction alone – formally assessed by the institution	Institutional instruction	Institutions such as universities and colleges, schools, ABET providers	Recognised theoretical knowledge resulting in the achievement of a degree, diploma or certificate issued by an accredited or registered formal institution of learning
B	Institution-based theoretical instruction as well as some practical learning with an employer or in a simulated work environment – formally assessed through the institution	Mixed mode delivery with institutional instruction as well as supervised learning in an appropriate workplace or simulated work environment	Institutions such as universities and colleges, schools, ABET providers and workplace	Theoretical knowledge and workplace experience with set requirements resulting in the achievement of a degree, diploma or certificate issued by an accredited or registered formal institution of learning
C	Recognised or registered structured experiential learning in the workplace that is required after the achievement of a qualification – formally assessed by a statutory occupational or professional body	Structured learning in the workplace with mentoring or coaching	Workplace	Occupational or professional knowledge and experience formally recognised through registration or licensing
D	Occupationally-directed instructional and work-based learning programme that requires a formal contract – formally assessed by an accredited body	Institutional instruction together with structured, supervised experiential learning in the workplace	Institution and workplace	Theoretical knowledge and workplace learning, resulting in the achievement of a South African Qualifications Authority registered qualification, a certificate or other similar occupational or professional qualification issued by an accredited or registered formal institution of learning
E	Occupationally-directed instructional and work-based learning programme that does not require a formal contract – formally assessed by an accredited body	Structured, supervised experiential learning in the workplace which may include some institutional instruction	Workplace and some institutional as well as ABET providers	Credits awarded for registered unit standards
F	Occupationally-directed informal instructional programmes	Structured information sharing or direct instruction involving workshops, seminars and conferences and short courses	Institutions, conferences and meetings	Continuing professional development, attendance certificates and credits against registered unit standards (in some instances)
G	Work-based informal programmes	Informal training	Workplace	Increased understand of job or work context or improved performance or skills

