



## **HUMAN RESOURCES PORTFOLIO COMMITTEE**

### **IS SOUTH AFRICA READY TO OFFER GLOBALLY COMPETITIVE TRAINING SERVICES?**

The service industry contributed 67% to the GDP and added R106 billion to exports in 2011, according to Wesgro. This is just the tip of the iceberg as many more businesses in the service industry could contribute to our national development and to South Africa's foreign trade. Despite this potential, businesses in the service industry are not provided with sufficient support to export to other countries, especially to the rest of Africa. This is particularly the case for businesses in the education, training and development sector, where The Fundamentals Training Centre (FTC) and other private training providers are active.

Maintaining a competitive edge in the international business environment is a major challenge for South African companies – one that is not made easier by the institutions set up to support small businesses and promote international trade. Traditionally the export of manufactured goods and raw materials are supported by various government programmes, through the Department of Trade and Industry in particular, while those of us in the services sector are simply ignored or shooed off with statements like, 'the criteria for participation in trade missions and pavilions does not make provision for the participation of service companies'.

Forging ahead on its own, FTC has enjoyed some success in marketing leadership and management training services to a handful of international companies. As a holder of both South African accreditation and International Standards Organisation (ISO) certification, they should be supported to expand their market share and provide a serious challenge to competitors, particularly from the North. Why is this not the case?

The high level of expertise in education, training and development that FTC provides, has increasingly gained recognition for the value that it is able to

add to the empowerment of upwardly mobile executives in a wide range of contexts across Africa. In the oil and gas sector for example, particularly in West Africa, many of the senior executive positions in multi-national companies are still occupied by expatriates. In an effort to Africanise these positions, the governments of these countries are insisting that companies invest in training middle and junior level staff, who are by and large nationals of the countries under discussion. Traditionally these companies have been sending trainees to Western Europe, the UK and North America. As South African training providers are able to provide these same programmes, sometimes at a higher level of quality but always at a cheaper price, companies are increasingly looking to us as a viable alternative. A further strength we have for Cape Town and South Africa as a training destination is that delegates have unanimously reported that they feel more at home here than in any other part of the world. And of course they should, since after all they are still in Africa and have the chance to experience the most beautiful city in the world! But we still have a long way to go as international buyers of education, training and development services do not realise that we can provide such high quality services right at their doorstep.

But what exactly allows us to present an argument that we are the holder of 'quality'? This is the substance of the drive towards obtaining ISO certification especially for small businesses and companies in the services industry, inclusive of education, training and development providers.

The Human Resource Portfolio Committee has recognised that there is a lack of knowledge about ISO certification in these sectors. Together with FTC we are therefore opening up discussion by convening an information session on *The Importance of ISO* on 31 July 2013 at the Chamber's offices. We are also running a series of articles on this topic over the next few months. Watch this space for more information. Please forward any contributions, questions, queries and/ or inputs you may have to Romilda Williams.

**Noel Daniels**

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**Managing Director: The Fundamentals Training Centre**

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