

DEVELOPMENT OF TECHNICAL SKILLS IN ENHANCEMENT OF SKILLS SHORTAGE WITHIN EDI



**Author & presenter: I N Mabona B-Tech in Management MDP ABP CHRP
Technical Training Manager- Industry Association Resource Centre
Eskom Resources and Strategy Division**

"Historical trends continue in the electricity industry sector as it shifts further towards more capital and skills intensive forms of production with significant job shedding at the intermediate and low skills ends of the spectrum. The demands of nuclear energy, renewable energy and new gas resources all require more skilled and highly skilled labour inputs" by Andre Kraak

Abstract- This paper examines development of technical skills, within the Electricity Distribution Industry (EDI) therefore seeks to develop a strategy on how best skills shortage can be enhanced. In this approach it is to provide an overview of some of the current initiatives which when taken together could have a profound influence on the way the industries employ their staff, and the way in which those employees are trained and developed.

1. Introduction

The aim of the work is to develop skills strategy, analyse causes of skills shortage and how best the skills can be enhanced in order to meet the demand and supply that is being encountered by the industry.

Background: Restructuring of the electricity distribution is undertaken by Eskom and about 415 municipalities. The municipalities collectively service about 60% of total customers by number and about 40% of total customers by sales volume and visa versa for Eskom. The challenges that are currently facing EDI were within the electricity industry for a number of years. As a result numerous studies into ESI have taken place over the past couple of years such as NELF, EWG and Electricity Restructuring Inter-departmental Committee (ERIC). The issue was how to transform the industry so that it meets the Governments stated objectives of providing low-cost electricity and high quality service to our

growing economy and to our growing population.

2. Strategy development

As a manager wanting to get the most out of your team, you need to practice people focused leadership. You need to encourage your people to contribute fully to the success of your organisation and to do that, you need an armoury of people skills.

Except technical skills, there are skills that you can apply in formal settings, or can use when you are just chatting with and enthusing individuals and the team.

As the human capital intensity of products and services, the importance of human resources assessments should become a greater part of the evaluation of corporate strengths and weaknesses.

South Africa is a developing country with a large proportion of its people unemployed and possessing very low levels of skill. The privileging of high technical skills is inappropriate as the sole focus of HRD. Intermediate skills are also a critical and complementary input upon which current economic growth is heavily reliant. What is required is an integrated and multi pronged HRD strategy that simultaneously supports the expansion of high skills capacity demand and high level knowledge production, which will re-invigorates the supply of intermediate skills to the national economy and provides support to low skills job creation initiatives.

Global economy over the past two decades has meant that the attainment of comparative advantage for individual nation states is now not forged on the backs of low cost labour or cheap material as it was the case during industrial capitalism. It is on the basis of high technology skills, high quality and value adding services.

Skills crisis facing our industry especial in the professional categories remains our key challenge.

3. Skills development

Training and development has been craft centred or focused on high status work. The training surveys carried out, found that of those employers who did develop or train (One in five did not) no more than 48% of the work force were covered which means that over half of the organisation did not benefit from any training and development. This attitude may have something to do with the divisions between what was called general and specific skills. It is argued that there are two types of development/ training a company might carry out:

- General training which results in skills that are not only useful to the company but to its competitors in the labour market. e.g. technical skills, management skills and
- Specific training which result in skills that are of use only to the company e.g. manufacture of products unique to the company. The industry would be prepared to invest in specific skills because it would benefit from them directly, but not in general skills unless the individual employees paid for their development themselves.

The industry need to be encouraged to take a wider view when formulating policies including such factors as:

- Job redesign
- Labour market skills
- Motives for development
- Learning from experience
- Recruitment
- Turnover costs
- Labour mobility
- Economic benefits

Some of these issues were once been raised in a paper by Michael Oatey in 1970 but it is only now that his suggestions can be widely envisaged its potential availability through the wide framework, albeit somewhat hidden under the range of schemes currently being marketed by the Government through initiatives such as ASGISA/JIPSA.

Development activities are better sustainable when framed within broader Human Resource Development (HRD) and Human Resource Management (HRM) processes. What distinguishes organisation is the richness of the context for training and continuing development that key actors can mobilise.

Some of the factors that contribute to the richness of the context are criticality of the former Training Agencies and emphasis on financial benefits (return on investment) as well as the context of external pressures by customers in requiring quality. The significance of quality is that it touches on a fundamental pillar of competitiveness and like efficiency in production, generates criteria that training can fix on.

One may conclude that training and human resource management generally may be seen working on at least two levels.

- Firstly is reactive and short term and concerned with avoiding the costs and set backs associated with not training.
- Secondly is at a deeper level and concerns developing corporate capability so as to enable the company both to perform well immediately and to develop in the future in such a way as to improve its market position.

For somehow training and development has been separated out from the business for special attention. The signs are that the volume of training is improving which is at least one consequence. Recent surveys carried out show that there has been an increase in the proportion of people of all ages receiving work related training. The problem has been that though there have been some very innovative initiatives their impact has been lost within sheer volume of events. We are not revolutionary people. I believe that really to effect the changes that

are needed we need to be more revolutionary at least in our thinking about the problems of skills shortage and how best can we enhance them with all the opportunities we face.

We are faced with the following challenges:

Challenge of demography with the numbers of young people declining towards the middle of the decade (HIV/AIDS) and with the associated increase in emphasis on the need for women workers,

Challenge of competition especially with the open market through globalisation in line with intensification of competition over the past few years,

Challenge of quality in services as much as in manufacturing with the growing of use of quality assurance measures such as TQM.

Challenge of macro projects such as, Coega, Gautrain, 2010 soccer world cup for building stadiums,

Challenge of quality of supply such as plant capacity, plant maintenance, outages as well as ageing of plant.

4. Skills retention

In order to be able to help EDI in attracting and retaining competent workers standards need to be designed to identify qualified job candidates, promote career development and to recognize employee achievement. Businesses need to look into educational institutions and other industry associations to better define and develop technical job competencies and work place social skills among the potential job candidates, whom have acquired these attributes.

EDI need to develop and implement a mandatory skills retention strategy that would enable the industry to maintain adequate levels of critical competencies.

Inputs conducted with employees on resignation (exit interviews) could be best used to strengthen the retention strategy.

The strategy should as far as possible oblige the experienced employees occupying critical positions in making sure that they are

compacted to transfer their skills to the less experienced employees.

5. Point of departure

Although this document seeks to provide a frame work for skills shortage and enhancement, it acknowledges that skills development occurs largely in the context of occupations and their specialization.

Research by Anderson and Marshall for Canadian Department of Education and Employment as far back as 1996 found that employers define "core skills" as Technical skills. They also have formulated the term "generic core skills" to refer to the non technical skills.

6. Conclusion

The industry need to acknowledge the importance of technical skills. The declining output of FET's and Technikons in providing technical areas must be addressed. Policies and strategies that seek to address skills gaps and shortages need to be implemented. The industry need to effectively establish joint ventures in addressing and eliminating skills shortages.

7. References

Business report: 02 December 2005

www.eskom.co.za

www.dme.gov.za

www.dol.gov.za

Investing in people, Peter Critten, 1995

The complete guide to people skills, Sue Bishop, 1997

Research Team from HSRC

Paper by Michael Oatey

Research thesis by SB Ngwenya, 2002