FINANCE & BUSINESS SERVICES

SECTOR SKILLS PLAN

August 2014

NAMIBIA TRAINING AUTHORITY

MESSAGE FROM CHIEF EXECUTIVE OFFICER

We are pleased to present you with the Sector Skills Plan (SSP) for the Finance and Business Services Industry sector. The aim of this SSP is to guide and inform skills development initiatives in this industry from a skills planning perspective. Sector skills planning is a relatively new process for the Namibian Training Authority. We have therefore adopted a developmental approach to this process. We have aligned the SSP *to Vision 2030, NDP4* and the *National Human Resources Plan: 2010 - 2025* of Namibia. Our SSP should resonate with our national vision and policy goals of our government.

Over the last few months we have consulted widely with stakeholders. Many who attended our workshops and focus group sessions participated enthusiastically in the SSP deliberations. We are very encouraged by this, and would like to build strong stakeholder partnerships. The SSP is a living document that should be subject to continuous change and improvement. It should be owned by industry stakeholders.

We have asked the research team to produce a user-friendly plan that will be easily read, understood and applied. The intention is not to write a thesis or peer-reviewed academic journal, but rather to produce a document that will be used by all interested organisations and individuals. We want practitioners and managers in the workplace to read the document. We will achieve this without compromising the integrity of the research.

The primary target audience are employers, managers, unionists, public policy-makers and planners, researchers, career counsellors and education managers as well as others who have an interest or stake in this industry.

We have made a strong start by putting a workable plan on the table for skills development in the finance and business services industry sector. We are committed to improving the skills of workers and new entrants. Let's join hands and take this industry to new heights.

We hope you contribute to the further development of the SSP in future iterations.

Best wishes!

Ms Ester Anna Nghipondoka
Chief Executive Officer
National Training Authority

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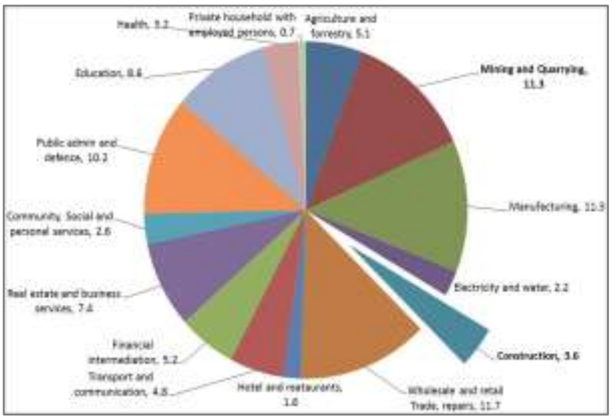
NAMIBIA's MANUFACTURING SKILLS CHALLENGE



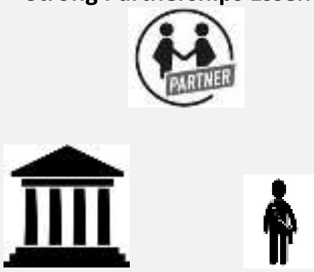
Educational level	Financial intermediation	Real estate, renting & business activities (%)
No formal education	0.5	3.7
Don't know	2.8	0
Primary school	0.5	0
Secondary school	63.4	56
Technical training	0,3	0
At university	3.6	7.5
Completed degree	20.4	26.8
Post graduate	8	0
NP certificate	0	6
High education diploma	0	0
Degree in education	0.5	0
Total	**100**	**100**

SKILLS ISSUES

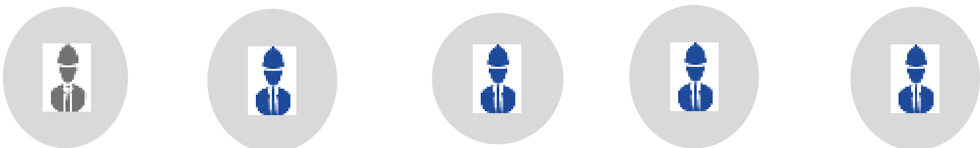
BUSINESS CHALLENGES

- ✓ high cost of doing business
- ✓ low quality of skills
- ✓ inadequate access to finance
- ✓ low productivity
- ✓ labour market policy issues
- ✓ lack of productivity
- ✓ quality of training provision
- ✓ lack of small business support
- ✓ immigration policy

Strong Partnerships Essential



SKILLS SHORTAGES



Accountants / Related Professions

IT Personnel

Managers

Insurance/ Banking Specialists

Business Development Personnel

SKILLS PRIORITIES

Partnerships with universities/ VTCs	Employer Survey and tracer study	Financial management skills
Increasing number of accountants	VTC curriculum renewal	Increase number of book-keepers
Skills development of workforce	Review assessment for real estate	Increase Internships

FINANCE AND BUSINESS SERVICES INDUSTRY SECTOR SKILLS PLAN

1. INDUSTRY DEMARCATION

According to the International Standard Industrial Classification of All Economic Activities (ISIC) the scope of industry coverage for finance and business services are as follows:

Financial and Insurance Activities

DIVISION	GROUP	CLASS	DESCRIPTION
Division 62	Computer programming, consultancy and related activities		
		6201	Computer programming activities
		6202	Computer consultancy and computer facilities management activities
		6209	Other information technology and computer service activities
Division 64	**Financial service activities, except insurance and pension funding**		
	641	Monetary intermediation	
		6411	Central banking
		6419	Other monetary intermediation
	642	6420	Activities of holding companies
	643	6430	Trusts, funds and similar financial entities
	649	Other financial service activities, except insurance and pension funding activities	
		6491	Financial leasing
		6492	Other credit granting
		6499	Other financial service activities, except insurance and pension funding activities, n.e.c.
Division 65			Insurance, reinsurance and pension funding, except compulsory social security
	651	Insurance	
		6511	Life insurance
		6512	Non-life insurance
	652	6520	Reinsurance
	653	6530	Pension funding
Division 66	**Activities auxiliary to financial service and insurance activities**		
	661	Activities auxiliary to financial service activities, except insurance and pension funding	
		6611	Administration of financial markets
		6612	Security and commodity contracts brokerage
		6619	Other activities auxiliary to financial service activities
	662	Activities auxiliary to insurance and pension funding	
		6621	Risk and damage evaluation
		6622	Activities of insurance agents and brokers
		6629	Other activities auxiliary to insurance and pension funding
	663	6630	Fund management activities
Source: UNO Revision 4			

Real Estate Activities

DIVISION	GROUP	CLASS	DESCRIPTION
Division 68	Real estate activities		
	681	6810	Real estate activities with own or leased property
	682	6820	Real estate activities on a fee or contract basis
Source: UNO Revision 4			

Legal, Accounting Management and Marketing Activities

DIVISION	GROUP	CLASS	DESCRIPTION
Division 69	**Legal and accounting Activities**		
	691	6910	Legal activities
	692	6920	Accounting, bookkeeping and auditing activities; tax consultancy
Division 70	**Activities of head offices; management consultancy activities**		
	701	7010	Activities of head offices
	702	7020	Management consultancy activities
Division 71	**Architectural and engineering activities; technical testing and analysis**		
	711	7110	Architectural and engineering activities and related technical consultancy
	712	7120	Technical testing and analysis
Division 72	**Scientific research and development**		
	721	7210	Research and experimental development on natural sciences and engineering
	722	7220	Research and experimental development on social sciences and humanities
Division 73	**Advertising and market research**		
	731	7310	Advertising
	732	7320	Market research and public opinion polling
Source: UNO Revision 4			

- The financial sector in Namibia is predicted to play an important role towards the achievement of the projected growth in the country's economy [1].
- As the economy grows and companies expand, there will be increased demand for finance.
- Apart from financing being provided by banks, alternate financing sources will increasingly be provided by the capital market as well as venture capital and private equity.
- At the same time, the demand for supplementary financial services such as insurance will increase.
- In view of this, there will be continuous development of the financial sector through the introduction of new and specialised products in keeping with the needs of consumers[2].
- While most services under the ambit of the financial sector are progressing, the contribution of real estate activities is shrinking, 5.5% in 2010 compared to 7.2% in 2000.

2. FINANCIAL AND BUSINESS SERVICE PROVIDERS

The following table provides a list of some of the service providers that function in the financial and business services industry. Strictly categorising the service providers is challenging as some services do overlap. The list provided includes some of the main service providers[3].

[1] Vision 2030

[2] Namibia Financial Sector Strategy: 2011-2021

[3] Final Report on the Survey of the Business and Financial Services Industries In Namibia by Isg Risk Services

FINANCIAL SERVICE PROVIDERS	BUSINESS SERVICE PROVIDERS
▪ Bank Institutions ▪ Insurance Companies ▪ Pension fund Personnel ▪ Financial Planners ▪ Medical aid fund Personnel ▪ The Namibian Stock Exchange ▪ Actuaries	▪ Tax, accounting & auditing services ▪ Human Resources Consulting ▪ Company Secretarial Services ▪ Real estate agencies & property management ▪ Forensic services ▪ Labour & human resource consulting ▪ Legal services ▪ Advertising & marketing

3. GOVERNMENT POLICIES

- The Namibian Financial Sector Strategy constitutes a single reference document that guides the development of the country's financial sector despite existing national policy documents (e.g., Vision 2030, NDP4 and the NFSC). This strategy strives towards the achievement of its objectives, especially those relating to capital and financial markets development, ownership of financial institutions, access to finance, consumer protection and financial literacy. The strategy also take cognisance of global initiatives in response to global developments such as those witnessed during the recent global financial crisis[4].

- Namibia's relative competitiveness has diminished over the years as a result of the challenges below:

  ✓ the high cost of doing business in Namibia
  ✓ the low quality of skills
  ✓ inadequate access to finance
  ✓ low productivity, and
  ✓ inflexibility in the labour market

- As a means of addressing the above challenges by the end of the NDP4 cycle in 2017, the following actions will be taken:

  ✓ safeguarding the positive aspects of our institutional environment, such macroeconomic stability
  ✓ reforming the business environment
  ✓ promoting access to various sorts of finance through implementation of the Namibia Financial Sector Strategy (NFSS), and
  ✓ lifting the constraint on the importation of the critical skills needed to enhance industries[5].

[4] NDP-4 2012/13 to 2016/17
[5] NDP-4 2012/13 to 2016/17

4. ECONOMIC HIGHLIGHTS AND LABOUR MARKET PROFILE

Economic Highlights

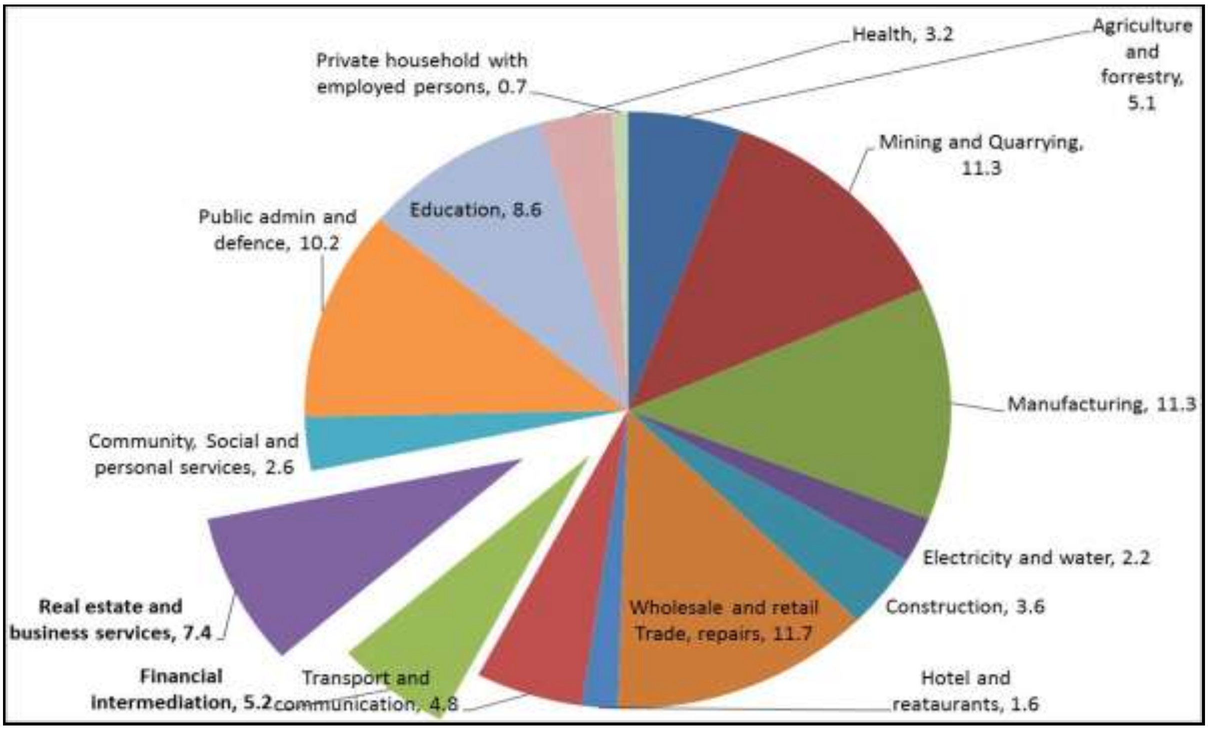
- Namibia is known to have one of the most diverse, developed financial systems in Africa.
- The 2013/13 Global Competitiveness Report (GCR 2013) ranked the country 47th (out of 144 countries) for its 'financial market development' meaning that the country has strong and stable financial institutions, buttressed by solid confidence in these institutions (ranking them 23rd out 144).
- The tertiary or services industry is a relatively new growth area of the Namibian economy.
- Despite this, the services industry contributed approximately 55% to GDP on average, between the years 2000 to 2010.
- Financial industry regulation is generally sound and the country has kept pace with emerging global standards by being compliant and comparable to international standards.
- The financial industry also comprises of a growing range of state owned financial institutions such as Agribank and National Housing Enterprise (NHE).
- The financial system consists of:

  - ✓ Four Commercial banks
  - ✓ 4 specialised finance institutions, of which Bank Windhoek is the only locally owned bank in Namibia
  - ✓ Insurance companies and pension funds
  - ✓ Stock brokers and money market funds
  - ✓ Namibia Stock Exchange

- Banks dominate the financial system with a share of nearly 40% of total assets. Historically, the banking sector has been dominated by foreign ownership, with the majority owned by South African parent companies.
- The commercial banks' extensive exposure to the property market, the high concentration of institutional investors in bank funding and growing household indebtedness emphasises the need for the authorities to have stringent measure in place in order to preserve the stability of the financial sector.
- Despite the sophisticated nature of the banking system, a large percentage of the population still remains excluded from access to financial services, which notes that levels of financial exclusion have decreased from 51% in 2007, to 31% in 2011 (Finscope 2012).
- The long-awaited SME (Small and Medium Enterprises) Bank opened its doors to the public in December 2012.

The structure of Namibia's economy has changed over the past three decades. In terms of industry contribution to GDP the breakdown is as follows:

Sector contribution to GDP

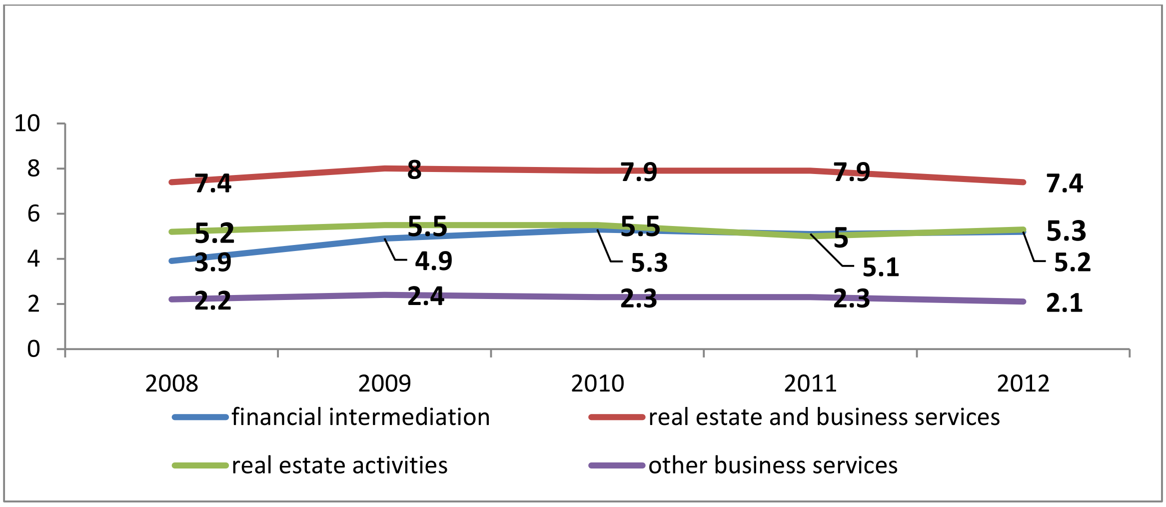


Source: National Human Resource Plan (2012)

- Collectively, the real estate and business services and financial intermediation sectors contributed some 12.6% to GDP growth in Q1 2013.

The figure below provides GDP trends for the finance and business services industry sector:

GDP contribution trends by finance and business services industry sectors-2008-2012



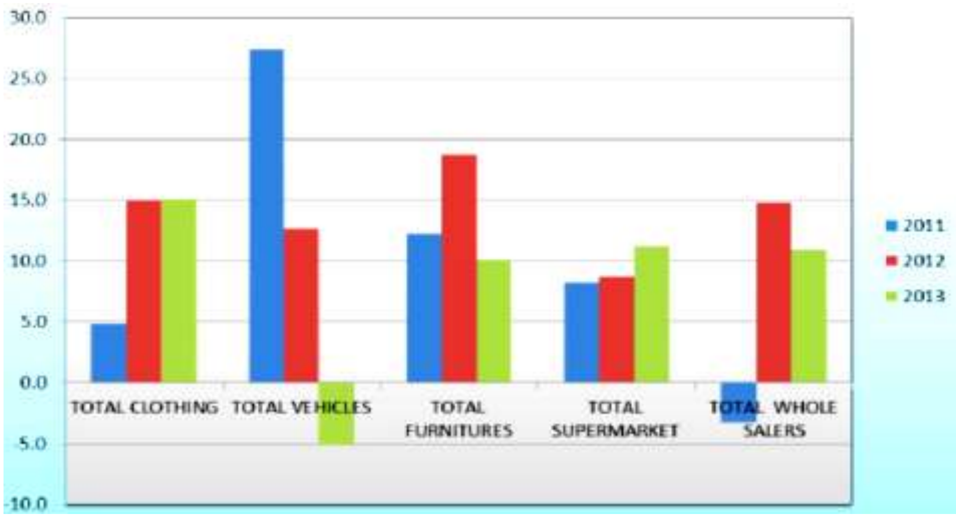
Bank of Namibia, December 2013. Economic Outlook Namibia

The following is evident from the above figure:

- the year to year GDP has almost remained constant for other business services and real estate activities, except for 2011 when real estate activities went down to 5%;
- financial intermediation saw a growth from 2008 until a decline in 2011. However, the sector recorded a marginal growth of 0.3% in 2012; and
- the real estate and business services industries has made significant GDP contributions for the 2009-2011 period, with a slight decline in 2012.

As a sector of the finance and the business services industry, the wholesale industry's contribution for the period 2011 to 2013 is discussed.

First quarterly trend for the wholesale subsectors-2011-2013



Source: Namibia statistic Agency, Quarterly GDP 2013

From the above figure, the following is evident:

- the industry sector observed a very slow growth in all the industries in the first quarter of 2013 as compared to 2012 first quarter;
- the wholesale and retail industry recorded a slow growth of 9.4% from the 13.3% recorded in 2012;
- the slow growth in this industry is reinforced by a slow growth in vehicle and furniture retail which declined by 5.1% and 18.7% respectively;
- resulting in low turnover for both furniture and vehicle wholesale subsectors, total turnover of furniture reduced from 18.7% observed in 2012 first quarter to only 10.2% during 2013 in the same period;

- the total turnover of vehicles contracted by 5.1% in the first quarter of 2013 compared to 12.6% recorded in 2012 during the same period under review; and

- the slow contraction in vehicle is due to high substitution Namibian cars to cheap imports from the neighbouring countries such as Botswana and South Africa.

Labour Market Profile

The Employed

According to the Labour Force Survey (NLFS) 2012 conducted by the Namibia Statistics Agency (NSA), the breakdown of employed workers in the finance and business services industry sector is as follows:

Employment breakdown

Industry	Employed	% of Workforce
Financial and insurance activities	12 645	2.0
Real estate activities	1 583	0.3
Cluster One Total	**14 228**	**2.3**
Other industries	615 866	95.4
Total Employed Workforce	**630 094**	**100.0**

Source: Namibia Statistics Agency, Labour Force Survey (2012)

- There are 14 228 employed workers in the finance and business services industry sector which effectively comprises 2.3% of the total employed labour force.

If we look at employment by educational attainment of the national workforce, the table below reveals the following:

Educational level of employed by industry sector

Educational level	Financial intermediation (%)	Real estate, renting & business activities (%)
No formal education	0.5	3.7
Don't know	2.8	0
Primary school	0.5	0
Secondary school	63.4	56
Technical training	0,3	0
At university	3.6	7.5
Completed degree	20.4	26.8
Post graduate	8	0
NP certificate	0	6
High education diploma	0	0
Degree in education	0.5	0
Total	**100**	**100**

Source: Namibia Statistics Agency, Labour Force Survey (2012)

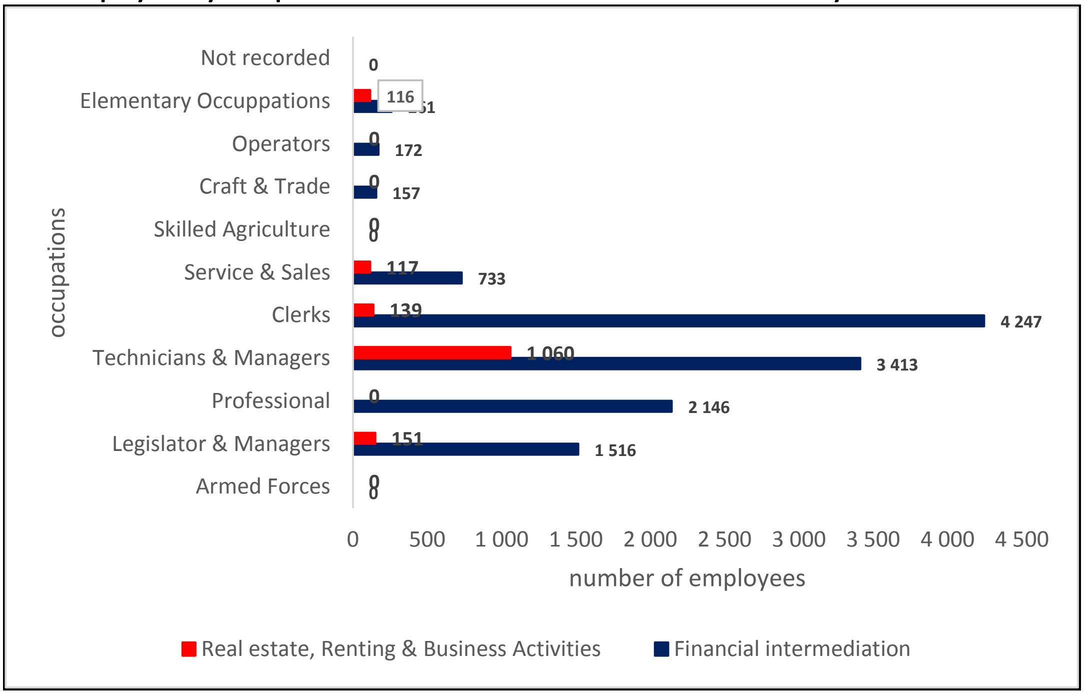
The above table shows the following:

- 24.3% of the labour force have post-school education qualifications in financial intermediation and 34.3% have qualifications in real estate, renting and business activities;
- The majority of the industry sector have secondary education.
- As a tertiary sector, the qualifications of the workforce is considerably higher than primary and secondary industry sectors.

These percentages are significant because it shows that there is potential to move those with secondary education to acquire tertiary qualifications. For this industry sector to move up the value chain, it requires a higher proportion of graduates in the secondary and post-school phase.

The figure below provides an indication of the occupational level breakdown of the labour force by industry.

Employees by occupation in the finance and business services industry sectors



Source: Namibia Statistics Agency (2012)

The above figure indicates the following:

- there is a high number of clerks (4247), technicians and managers (3413), professionals (2146) and legislators and managers in the financial intermediation sector which is indicative of the needs of this sector;

- financial services largely requires skilled workers at intermediate (clerks) and high (professional) skills levels; and

- the real estate, renting and business activities sectors have minimal to no employees in most occupation categories except for technicians and managers (1060).

With respect to gender breakdown of the labour market, the figures are as follows:

Gender breakdown for labour market

Indicators	Males	Females
Total employment	329 704	300 390
Total employment rate	22.9%	31.8%
Unemployment rate (broad)	22.9%	31.8%
Labour force participation rate	69.1%	63.2%
Youth unemployment	36.1%	49.2%
Employment by Industries:		
Financial and insurance activities	1.6%	2.4%
Real estate activities	0.2%	0.3%
Other service activities	1.6%	1.6%
Total	3.4%	4.3%

Source: Namibia Statistics Agency, Labour Force Survey (2012)

The above table indicates the following:

- financial and insurance activities display a small gender disparity in favour of females; and
- real estate and other service activities display gender equity.

The table below illustrates the unemployment rates for persons with a given educational attainment.

Education level of the unemployed

Educational level	*Total*	*%*
No formal education	20 495	22
Primary education	57 849	29.7
Junior Secondary	101 342	33.4
Senior Secondary	51 881	26.2
Certificate and Diploma	449	8.6
Post-school	2 740	4.7
Don't know	3 417	20.8
Total	**238 174**	**27.4**

Source: Namibia Statistics Agency, LFS 2012

The above table indicates the following:

- persons with post school education face the least risk of being unemployed with only 4.7% unemployed;
- highest unemployment rates are among persons with junior secondary education and primary education, 33% and 30% respectively;
- persons with no education (no formal education) face a higher risk of being unemployed than those with post-school education; and

- numbers indicate that any kind of tertiary education reduces the risk of being unemployed, but even for tertiary education graduates, employment is no longer guaranteed.

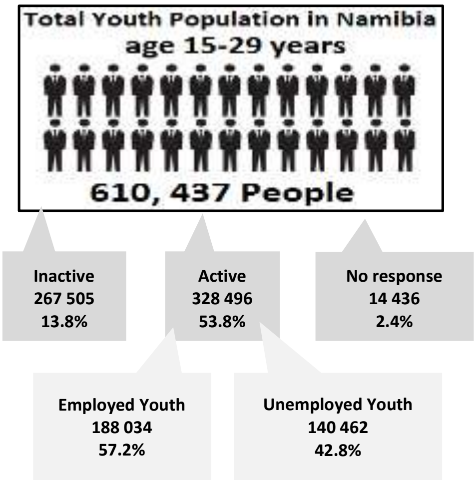
The table below shows the unemployment rates of the population aged 15 to 29 years as measured by the broad definition[6].

Youth unemployment

Age Group	Labour Force	Unemployed	Rate (%)
15-19	40 467	22 790	56.3
20-24	140 128	67 917	48.5
25-29	147 833	49 687	33.6

Source: Namibia Statistics Agency, LFS 2012

- Youth unemployment is very high in all age categories.



- High youth unemployment of 42.8% is a major obstacle to economic growth and sustainable livelihoods.

[6] If one uses the strict definition, the unemployed population consists of all persons (15 years and above) who are actively seeking work and are available for work during the reference period (last seven days before the interview took place). The broad unemployment definition drops the requirement that the person is actively looking for work.

- Unemployment rates is 49.2% among female youth as compared to 36.1% among male youth.
- Youth unemployment rates of 41.7% nevertheless, is slightly lower for urban areas compared to rural areas with 44.4%.

5. RISKS TO INDUSTRY

Risks include:
▪ a shallow financial market; ▪ limited competition, ▪ limited financial safety nets, ▪ under-developed capital market; ▪ inadequate and less effective regulation; ▪ limited access to financial services; ▪ low financial literacy and lack of consumer protection; ▪ lack of consumer activism, ▪ limited skills; ▪ low participation by Namibians; ▪ dominance of foreign ownership; and ▪ the industry is generally one with high costs and is uncompetitive.

6. CHANGES DRIVERS

Key change drivers in the industry include……….

ACCESS TO FINANCE
Issues
▪ *Access to finance for enterprises remains a key challenge, particularly for start- ups and for micro and small-scale enterprises;* ▪ *High bank user charges and fees, high transaction costs, low levels of financial literacy, and, partly, a lack of appropriate and innovative finance products (e.g. microfinance) and instruments (e.g. venture capital, bridging finance) are key factors limiting access to finance;* ▪ *In addition to these, small- and medium-scale enterprises often lack the necessary collateral to qualify for bank loans resulting in them not being able to buy equipment to invest in or expand their businesses in order to produce more goods and services, and to employ more people.*
Implications
▪ *Increase the resilience of the Namibian financial system to various types of shocks.* ▪ *Deepen the financial sector by introducing new instruments, including risk capital.* ▪ *Increase access to finance for small- and medium-scale enterprises (SMEs and the general public, and* ▪ *Significantly enhance consumer financial literacy.*

STRUCTURAL CHALLENGES
Issues
Key challenges identified include: ▪ *a shallow financial market; limited competition, limited financial safety nets, under-developed capital market; inadequate and less effective regulation; limited access to financial services; low financial literacy and lack of consumer protection; lack of consumer activism, limited skills; and low participation by Namibians and thus dominance of foreign ownership.* ▪ *In addition, threats of the global marketplace are becoming more intensive, as global players and technological advancement are having an unprecedented impact on the business approach of financial institutions.*
Implications

The Namibian Financial Sector Strategy constitutes a single reference document that guides the development of the country's financial sector despite existing national policy documents (e.g., Vision 2030, NDP3 and the NFSC).
The Strategy focuses on reforms in the following key areas:
▪ *Financial markets deepening and development*
▪ *Financial safety net*
▪ *Financial inclusion:*
    ✓ *Consumer financial literacy and protection*
    ✓ *Access to financial services and products*
▪ *Localisation of the Namibian financial sector*
▪ *Skills development in the financial sector*

OBSTACLES TO BUSINESS GROWTH FOR MICRO ENTERPRISES/SMALL BUSINESS
Issues
Low demand for goods and services is a major barrier across many businesses. ▪ *Micro and informal businesses are involved in a limited range of economic activities, mainly in the sectors of 'other economic activities', which includes hair salons, car washing etc., 'retail trade and repair services' and 'accommodation and restaurants' that includes shebeens.* ▪ *Low entry barriers characterise these activities, which results in a high concentration of business activities.* ▪ *Consequently, businesses involved in these activities face a low demand for their specific product or service.* ▪ *Access to and cost of financing is another major challenge for small and micro companies.* ▪ *While distance to markets is a constraint for small and micro enterprises, it now has emerged as a barrier to medium and large companies as well.* ▪ *Low population densities in most parts of the country, except for Windhoek and the highly populated north central regions could explain this.* ▪ *Access to export markets is also another constraint for small businesses.*
Implications
▪ *Business owners of micro enterprises and informal firms need to be advised on how to diversify their products and services and distinguish their products from those of their competitors.* ▪ *Access to export markets could be improved through increased efforts of trade facilitation and, hence, a reduction in trade-related costs.*

SKILLS SHORTAGES
Issues
▪ *There is widespread consensus in government policy documents that skills shortages in all industries in Namibia abound.* ▪ *It is mentioned in policy documents that there is a disparity between skills imparted by education institutions and skills demanded by industry leading to skills mismatches.* ▪ *A survey by the Namibian Employers Federation in 2010 revealed that 96% of employers experienced skills shortages, with 51% describing the deficit as severe.*
Implications:
▪ *The National Training Authority (NTA) should transform the TVET to effectively respond to the needs of the labour market.* ▪ *The NTA should increase the effectiveness and efficiency of TVET; support the TVET expansion; improve graduate outputs; develop responsive qualifications; improve the quality of VETCs and COSDECs.* ▪ *The NTA should build its own institutional capacity to support the objectives of Vision 2030.* ▪ *Promote the training levy and encourage employers to develop employee skills.* ▪ *Encourage apprenticeships, internships and RPL.* ▪ *Provide the concept of life-long learning.*

REGULATORY BUSINESS ENVIRONMENT
Issues
▪ *Establishing a business and obtaining work permits for skilled foreign nationals remains the biggest challenge for all businesses, but in particular for small companies.* ▪ *Restrictive labour market regulations and lack of skilled labour are the other reasons cited for not employing more workers.* ▪ *Generally, the business people feel that the public tender and procurement regulations and provisions processes are cumbersome.*
Implications
▪ *In the short term, the employment of foreign skilled labour should be facilitated for positions where there is an obvious lack of domestic professionals, and the approval of work permits should be expedited*[7]*.* ▪ *Work permit applications for priority skills needed urgently should receive preferential treatment at the Immigration Board meetings.* ▪ *Establishing a one-stop shop for investors should be considered where review and completion of the necessary documents for starting a business can be expedited. This could lead to an improved business climate in the country, and eventually lead to increased business activities.* ▪ *Furthermore, all information relevant for starting a business as well as the necessary forms should be made available on the one-stop shop's web site*[8]*.* ▪ *Closer consultation and cooperation between the private and the public sector could improve the public tender and procurement process.*

7. VALUE CHAIN ANALYSIS

Financial and business services careers include a broad range of occupations with varying skill requirements. The financial services value chain typically splits into front, middle and back office. The front office consists of chart facing revenue generating activities; the middle-office

[7] Ministry of Finance, 2012, Medium Term Expenditure Framework 2012/13 to 2014/15.
[8] Nambic: Namibian Business and Investment Climate Survey, 2012.

consists of monitoring and control industries such as managing risk; and the back office consists of support functions, such as compliance, IT and accounting. The figure below illustrates the functions along the value chain:

Activities along the financial services value chain by sector

<table>
<tr><td></td><td>Back Office</td><td>Middle Office</td><td>Front Office</td><td></td></tr>
<tr><td rowspan="4">Functions</td><td>Non-core support functions</td><td>Non-customer facing core functions; monitoring and control functions</td><td>Customer facing functions</td><td></td></tr>
<tr><td rowspan="3">IT
Compliance
Human resources
Accounting
Record keeping
Reporting
Clearance
Facilities management
Call centres</td><td rowspan="3">Service and product design
Profit and loss
Risk management
Product control
Actuary (insurance)
Claims (insurance)</td><td>Sales and marketing
Customer relationship management
Customer service
Product and service delivery</td><td>Banking</td></tr>
<tr><td>Sales and marketing
Customer service
Underwriting
Broking</td><td>Insurance</td></tr>
<tr><td>Trading
Broking
Portfolio management</td><td>Asset management</td></tr>
</table>

Job types are found across the value chain, although administrative jobs are more likely to be in the back office.

Occupations and their position in the value chain are described in more detailed below.

<table>
<tr><td>Managers and senior officials</td><td>Professional and technical staff</td><td>Administrative and secretarial staff</td><td>Sales and customer service staff</td></tr>
<tr><td>Managers in financial and business services companies usually have a professional or technical background and management and leadership are their core role followed by conception and articulation of strategy.

Occupations include directors, chief executive officers (CEOs), chief risk officers, marketing and sales managers, quality assurance managers and personnel managers. These occupations span across all segments of the value chain, from back office to front office.</td><td>Professional and technical staff are the primary producers and “caretakers” of the industry’s expertise. They are instrumental to the development of new products and services, the management of risk and the allocation of assets.

Professional occupations within financial services include actuaries, chartered accountants, insurance practitioners/brokers and lawyers. Associate professional occupations include book-keepers, underwriters, trainee managers, brokers and investment banking analysts. These occupations are primarily front-office jobs.</td><td>Financial services have a much larger administrative and secretarial workforce compared to other industries, due to the amount of administrative work relating to managing data and information, conducting and tracking transactions, facilitating communications and regulatory compliance.

Administrative and secretarial work is primarily a back-office function and includes occupations such as credit controllers, counter clerks and personal assistants.</td><td>Sales and customer service is a more technical front office discipline of managing client accounts.

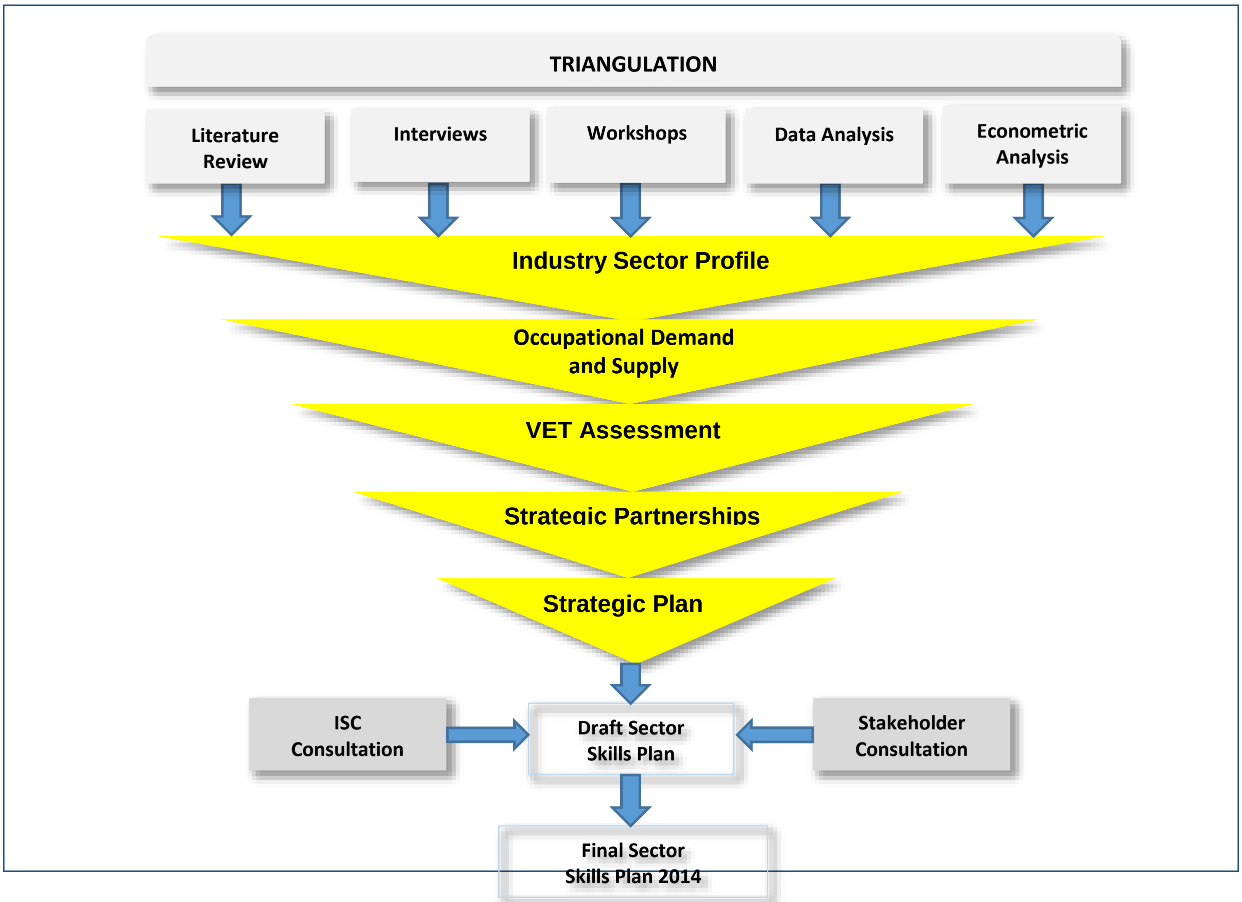
Professionals performing these activities would not describe themselves as customer service staff. Those in sales and customer service occupations are required to have deep product knowledge.</td></tr>
</table>

- Business and interpersonal skills are transferable across industries and include non-technical competencies such as relationship management, communication and problem-solving skills.
- These skills are required across all segments of the value chain, but are more prominent in managerial, sales and customer service roles.
- Skills requirements not only differ along the value chain, but also between the different sub-sectors within financial services.
- Employers in wholesale financial services, for instance, report an increasing premium on quantitative skills for both front and back office functions, due to increasing demand for complex products and an insufficient supply of individuals with quantitative skills.

8. RESEARCH DESIGN AND METHODOLOGY

A well-considered research design, using appropriate methods, is essential to identify and anticipate occupational shortages in designated industries. The design is based on a mixed method approach, which brings together different research methods. This approach uses qualitative and quantitative research techniques. The chosen method is intended to 'triangulate' different information sources to identify occupational skills shortages. This ensures the credibility and legitimacy of the sector skills plan.

The research design is set out as follows:



- Multiple data sources were used in order to identify occupational shortages and skills gaps in the labour market.
- Information was gathered on the occupational labour market, demand and supply of occupations, skills gaps, VET assessment and strategic partnerships to develop a strategic plan for the industry sector.
- Stakeholder consultations took place at all stages in the SSP development cycle.

Data Collection: Data was collected from the following sources:

- Review of existing data and information sources
- Literature search of studies in the sector
- Analysis of industry market reports
- Review of national strategies
- Annual Reports of employer associations and companies
- Interviews with key informants in the sector
- Group discussions with stakeholders
- Revision of the Sector Skills Plan
- Presentation of SSP to Industry Skills Councils
- Adoption of SSP by NTA

To add further value, qualitative research methods were used. Various focus group consultations with stakeholders were held in the development process.

The following research techniques were employed to make a determination on occupational demand:

Interviews: Interviews were conducted with key informants in the industry sector. These individuals were assumed to possess deep knowledge, understandings and insights of skills development in their respective sectors. The interviews were conducted using a semi-structured interview schedule. This kind of interview is partially structured with open-ended questions to elicit information that would not be obtained by closed questions. The interviewer is free to deviate from the questions so long as the issues are covered by the conclusion of the interview.

Workshops: Workshops were held with a larger group of industry sector experts to ascertain their views on skills developments in their respective industry sector.

Literature Review: A review of literature was conducted in the industry sector. Industry publications such as company annual reports, research studies, employer newsletters, economic reports, sector studies, and risk analysis reports were examined to establish evolving trends and skills needs in the industry sector.

Econometric Forecasts: The National Planning Commission undertakes econometric forecasting. The findings were used in this study as research evidence.

By using multiple research methods, it was possible to draw comparisons, establish occupational trends, identify occupational shortages, and make decisions based on the weight of supporting evidence rat*her than subjective inclinations.*

Data Analysis*:* Data was analysed from a comprehensive array of market-based measures (signals and indicators) in the economy for proposing interventions in education and training. Reliance on a composite of labour market signals, rather than on a single forecast, allowed the researcher to form judgments on the basis of the weight of evidence.

The identification and interpretation of labour market signals require a basic understanding of the analytical processes which can be applied to occupational supply and demand. It also implies the availability of reliable labour market data for: guiding education and training decisions; managing training systems; and planning for education and training.

9. SKILLS IN DEMAND

This section provides information on skills demand or skills shortages for 2015 and 2020. The information was gathered from the econometric forecast conducted by the National Planning Commission and is given by occupational category. This forecast was carried out in 2013 and 2014.

The findings of the econometric forecast was supplemented by interviews, meeting, workshops and a literature study with a view to provide a holistic picture of skills shortages in the industry sector.

The table below indicates shortages per occupation or occupational category over two periods.

Financial and Business Services		
Occupations (Higher Education Required)	**Shortages 2015**	**Shortages 2020**
Professionals		
Chartered Accountants	200	400
Accountants	600	1500
Trainee Accountants	250	500
Auditors	100	200
Financial Managers	200	400
Risk Managers	50	100
Lawyers	60	120
Statisticians	30	60
Actuaries	20	30
Financial Analysts	20	50

Financial Advisor	200	300
Underwriters	50	80
IT Managers	100	200
Computer Network and Systems Engineer	30	40
Economist	100	150
Technicians and Associate Professionals (Semi-Professionals)		
Accounting Technicians (Book-keepers)	600	1200
Assessors	50	80
Computer Systems Analysts	50	100
Computer Programmers	50	100
Claims Adjusters	70	140
Database Designer and Administrator	200	450

Financial and Business Services		
Occupations (Vocational Education and Training Required)	**Shortages 2015**	**Shortages 2020**
Clerical Support and Service Workers		
Sales Representative (Business Services)	100	200
Office Administrator	150	300
Office Supervisor	50	100
Personal Assistant	100	200
Secretary (General)	300	500
Legal Secretary	20	40
Accounting Secretary	100	200
Receptionist	300	400
General Office Clerks	200	300
Accounts Clerk	300	500
Cost Clerk	50	100
Accounting Technicians: *Book-keepers* *Debtors Clerk* *Creditors Clerk* *Debt Collector*	500	750
Compensation and Benefits Clerk	50	75
Law Clerk	20	30
Payroll Clerk	50	100
Human Resources Assistant	50	100
Program or Project Administrators	100	200
Insurance Claims Administrator	30	50
Contact Centre Consultant	30	50
Credit or Loans Officer	50	100
Bank Clerk	50	100
ICT Communications Assistant	100	200
Data Capturer	150	250
Data Administrator	50	100
Back Office Process Consultant	50	100
Graphic designer	50	75
Web designer	30	60

TOP UP SKILLS

The specific technical skills required by financial and business services are varied, relative to the specific sub-sector within which individuals are employed.

In the **ACCOUNTANCY** and **FINANCE** fields the skills requirements include:

- Team work, Risk management; Project management; Computer; Management and leadership skills
- Analytical, decision-making and presentation skills; Planning and organizational abilities
- The requirement for improved business understanding; Accuracy and highly developed sense of discretion, confidentiality and ethics
- Knowledge of changes to legislation and accounting standards
- Oral and written communication skills
- Capability to work without supervision and under pressure
- Entrepreneurship; Audit and compliance skills; International work experience

Some of the common themes to emerge across the **INSURANCE** sub-sector are:

- Customer service skills / Team working skills
- Analytical skills / Skills and marketing skills
- Risk and management skills / IT skills / Regulatory and compliance skills

The main demands identified by practitioners within **BANKING** are the following:

- customer service, data analytics and management skills
- numeracy skills and ICT capabilities
- Administration skills
- Product and industry knowledge

The **LEGAL PROFESSIONS** are subject to a high level of mandatory regulation, the purpose of which is to protect the public, and which includes specifications regarding training and qualification to enter the profession, the conduct of practitioners and for their continuing professional development.

Top up skills for **ESTATE AGENTS** include: legal and compliance skills relating to buying and selling; understanding the management of trust accounts; basic financial skills; product knowledge and understanding, sales and marketing; and customer service skills.

The use of **INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT)** in daily working practices is common place across the financial and business services industry sector. ICT innovations tend to trigger strong investment in high-level skills by leveraging the workforce's generic competences and complementing high-level quantitative skills, but often with a lag time as staff adapt to new technologies

The increasing importance of **GENERIC SKILLS** such as in customer service delivery is expected to impact on ways of working and demand for skills in the domain. Specifically, this means focusing on understanding and meeting customer demands, multi-skilling and more effective use of technology. Operating in the same direction as drivers for greater regulation, consumer demand pressures are placing greater onus on financial planning and budgeting skills, client focus and management and leadership capability. There is an increased requirement for managerial skills around partnership working, business planning and change management.

Banks are experiencing changes in regulation, consequently, they need to keep abreast with the changing pace of legislation and maintain a high level of **COMPLIANCE SKILLS**. Increased regulatory requirements, also appears to be one of the factors driving greater need for accountants, actuaries and other professionals capable of assessing and monitoring financial risk. A new attitude towards compliance and greater awareness of risk will also need to permeate financial services companies.

10. SKILLS SUPPLY

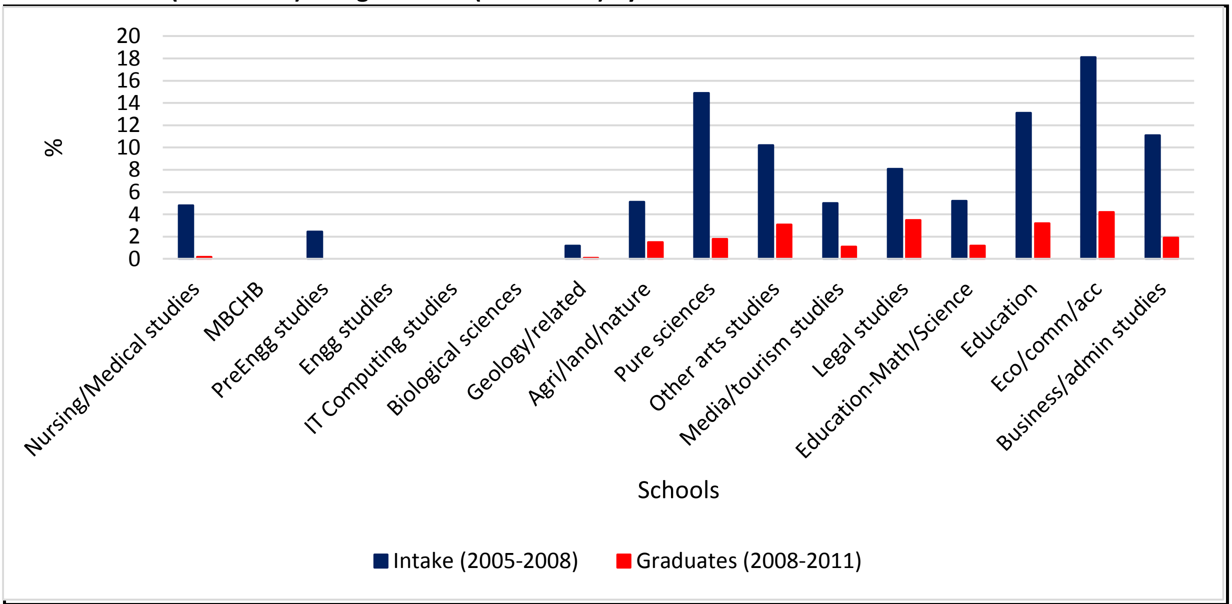
Higher Education

- This section focuses on the supply of skills from Higher Education and Training (HET) Institutions and Vocational Training Centres (VTCs).
- The data of HET graduates from the IT computing studies, legal studies, economics/commerce/accounting and business studies schools (faculties) is analysed because these graduates tend to be absorbed by the industry.
- There are two public HET institutions, the University of Namibia (UNAM) and the Polytechnic of Namibia (PoN).
- VET provision in Namibia is provided through public, parastatals and private vocational training centres (VTCs). In addition, there are public Community Skills Development Centres (COSDECs), KAYTEC and the Katatura Youth Enterprise Centre. Training is also offered through non-profit and private training providers on a smaller scale.

University of Namibia (UNAM)

The figure below provides intake (2005-2008) and graduates (2008-2011) for all schools. However, for the purpose of this industry, the discussion will focus on IT computing studies, legal studies, economics/commerce/accounting and business studies.

Intake (2005-2008) and graduates (2008-2011) by school



Source: Insight Namibia Report 2012/2013

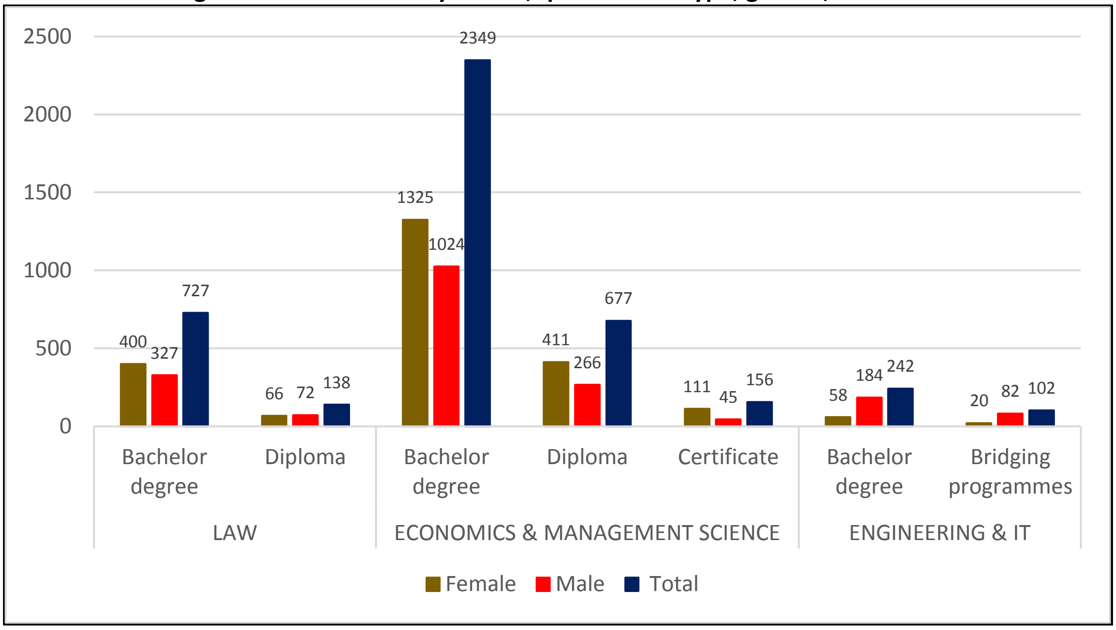
- There is no intake in the school of IT computing studies for the period (2005-2008).

- There is minimal intake in the school of legal studies, economics/commerce/accounting and business studies for the period (2005-2008). The number of graduates for these courses is also very low (2008-2011), hence not meeting the demands of the labour market.

- The total undergraduate enrolment at UNAM for 2013 was 17 536. This comprised 10 897 females and 6639 males. A total of 4391 students, comprising 25% of the total student enrolment, undertook programmes in IT computing studies, legal studies, economics/commerce/accounting and business studies. This indicates a decline in student enrolment in comparison to the 37% enrolment in the 2005-2008 intake.

The figure below provides a breakdown of undergraduate enrolment by school, qualification type and gender for 2013.

UNAM- undergraduate enrolment by school, qualification type, gender, 2013



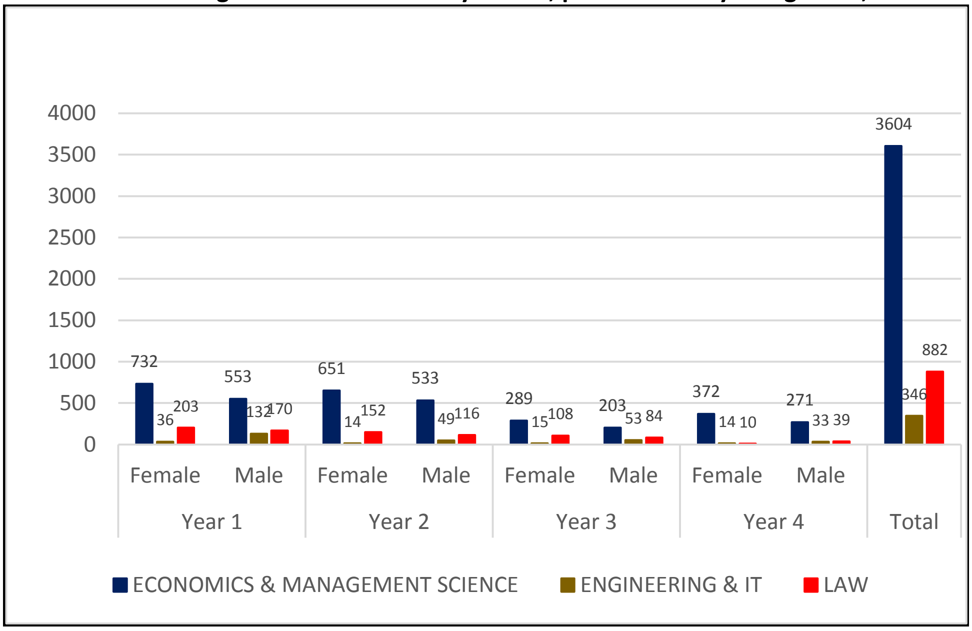
Source: UNAM Student Enrolment Report, 2013

The figure above reveals the following:

- Law enrolment which includes bachelor degrees and diplomas constitutes 5% of the total student population for 2013, economics and management sciences which includes bachelor degrees, diplomas and certificates constitutes 18% and IT which forms part of the Engineering and IT school includes bachelor degrees and bridging programmes, constitutes 2%.
- The female student enrolment in the school of Economics and Management Sciences is higher compared to the males while there is a higher intake of males for IT. This indicates gender preferences as well as disparity in the IT and commerce schools.
- Gender disparity needs to be addressed in order to move towards gender equity in the industry.

The figure below provides a breakdown of student enrolment as per school and gender from year one to year four.

UNAM- undergraduate enrolment by school, period of study and gender, 2013



Source: UNAM Student Enrolment Report, 2013

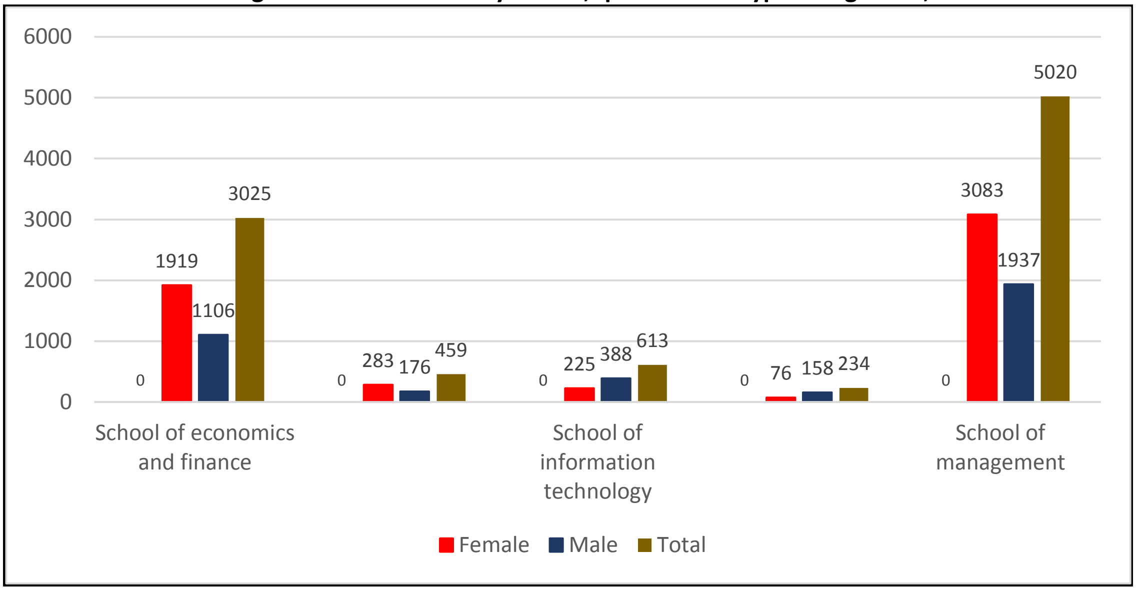
- There are 732 female students in the economic and management sciences intake in year 1 and by year 4 it's declined to 372, while male year 1 intake is 553 and by year 4 is 271.
- Similar disparities exist for IT and law from year 1 to 4 for both females and males.
- The dropout rate from year to year is very high, hence impacting negatively on the throughput rate and increasing the skills shortages in the industry.
- There is a need to increase enrolments so as to ensure increased outputs.

Polytechnic of Namibia (PoN)

- Polytechnic of Namibia (PoN) enrolled 13 130 students in 2013. A total of 9351 students, comprising 71% of the total student enrolment undertook programmes in the schools of economics and finance, information technology and management.
- The female enrolment is 5586 compromising 77% of the total female enrolment, while the male enrolment of 3765, compromises 64% of the total male enrolment.

The figure below provides a breakdown of undergraduate enrolment by school, qualification type and gender for 2013.

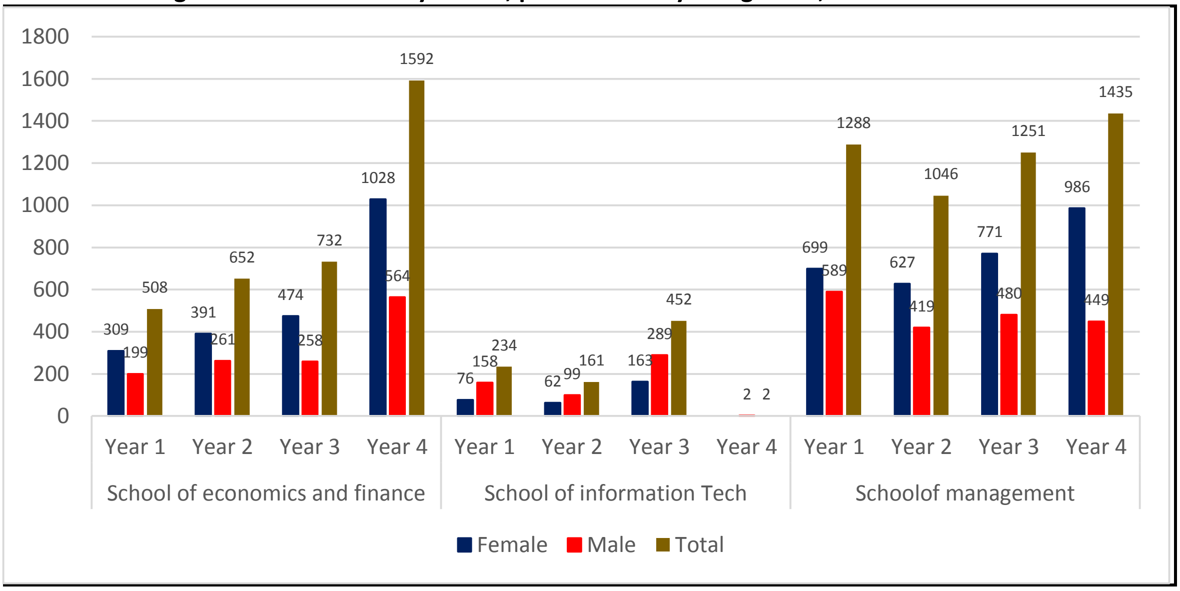
Undergraduate enrolment by school, qualification type and gender, 2013



Source: Polytechnic of Namibia, 2013

The figure below provides a breakdown of undergraduate enrolment as per school, period of study and gender.

PON- undergraduate enrolment by school, period of study and gender, 2013



Source: Polytechnic of Namibia, 2013

The figure above reveals the following:

- The progression from year 1 to year 4 in the school of economics and finance for both males and females is good, thus leading to an anticipation of high throughput rates and a positive impact on the labour market.
- While the school of information technology indicates progression until year 3, year 4 is disastrous, hence, exacerbating the shortage of IT skills.
- The school of management indicates progression for females from year 1 to year 4 while male intake tends to fluctuate from year to year. This school could also anticipate good throughput rates, especially for females.

The Findings

- The data from UNAM and PoN does not present an encouraging picture of enrolments and graduate rates of students in the schools of economics and finance, information technology, legal studies and management programmes required by the industry.
- Female enrolments are only higher for economics and management sciences in both institutions.
- Due to a lower rate reaching the final year, there's a need to increase enrolments.
- According to David (2013)[9] at least 26% of graduates who finish their tertiary education end up unemployed. This is according to a tracer study conducted by the National Council of Higher Education (NCHE) in 2011.
- Out of the 5 000 (4700) graduates from UNAM and PoN, 1 500 do not have jobs.
- 60% of PoN graduates have taken up jobs that are not linked to their studies.
- 27% say they have not found employment closely related to what they had studied.
- About 24% of graduates say they have had better prospects in their jobs, which are not related to what they had studied.
- 11.7% of graduates from UNAM, who have completed their respective courses, have not landed any jobs.

Vocational Education and Training (VET)

- The VET system is implemented with the intention of addressing skills shortages in the country, particularly technical skills at artisan level.
- Vocational Training Centres (VTCs) in Namibia consist of both state and privately managed institutions.
- The NTA currently oversees the VTCs. Until a few years ago, vocational training was not yet in the focus of the Ministry of Education and substantially underfunded. Even though this has changed recently, most vocational training is still carried out informally in the enterprises without any formal diploma issued for the learner or quality standards being set.

Vocational Training Centres (VTCs)

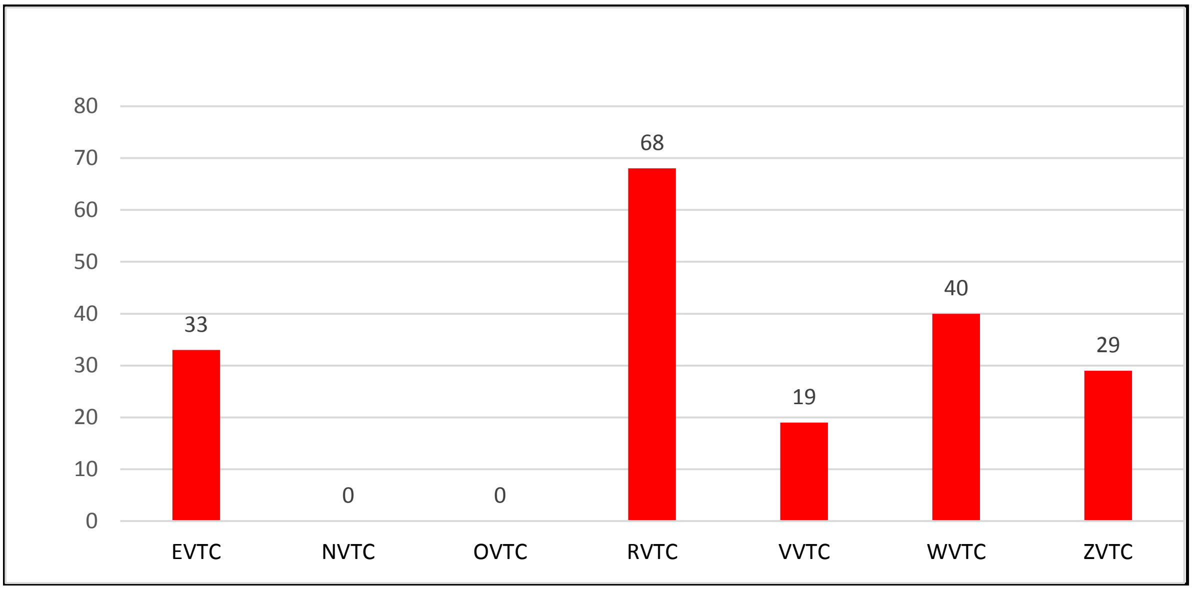
- Graduates of public and private VET institutions generally transition directly to the labour market.

[9] Aurelia David, The Namibian, 2 September 2013.

- In addition, Community Skills Development Centres (COSDECs) graduates also seek employment. However, COSDECs offer mainly unaccredited skills programmes and therefore add little value to the finance and business services industry sector.

- Enrolments at public VET Colleges for trades in the finance and business services industry are illustrated for 2013 from data supplied by the NTA below:

Trainees per trade as at level 3 at public VTCs, 2013



Source: NTA, 2013

The figure above reveals the following:

- the enrolments at the VTCs is very low, with two colleges not having any trainees in the trades mentioned;
- the very low trainee enrolments at level 3 is an indication that the graduate throughput rates is also going to be low, hence the shortage of qualified VET graduates entering the labour market;
- this situation further exacerbates the present skills shortage in almost all trades related to finance and business services;
- total headcount enrolments is low relative to the outputs of Grade 9 (in the region of 46 389);
- the situation gets worse when enrolments for grade 11 and grade 12 comprising 34 255 and 19 082 are considered;
- demand for VET far outstrips supply. Only about 3% of those who complete grade 10 can gain admission to VTCs. The participation of marginalised and designated groups as well as employed rural and urban youth should be increased[10] and
- there is insufficient physical capacity for VTC institutions to accommodate students exiting from the general schooling system.

[10] Government of Republic of Namibia. ETSIP Report. 2007. P.35.

Private VET Providers

- There are a number of small private training providers offering mainly unaccredited skills programmes. The private VET College sector is about 10% of the size of the public VET College sector.

- The situation is also dire at Private VET Providers. Enrolment figures for 2013 are given below:

Private VET enrolments, 2013

Name of the VTC	Male	Female	Total
Namibia Construction Skills Academy	436	91	527
NATH	47	17	64
Danida Training College	2	13	15
Transnamib	39	0	39
Centre's name Industrial Craft Training Institute	13	0	13
ILSA independent college	90	87	177
Total	**627**	**208**	**835**

Source: NTA Database

- The private sector's role in VET is limited and considerable effort should be made to stimulate involvement.

- Such an initiative should be weighed against the institutional capacity of the NTA to improve the quantity and quality of VET provision.

- It enrolled roughly 835 students with a male to female enrolment ration of 1:3.

- The private VET College sector is highly undeveloped and cannot support the transition to a knowledge-based economy unless there is a move to grow this sector and increase its absorption capacity.

- Graduate figures for private colleges are not available.

KAYEC Tracer Study (VET)

- A tracer study of 606 graduates was conducted by a VET institution, KAYEC Northern, for the period 2010 and 2012. The purpose of the tracer was to track graduate destinations[11].

[11] KAYEC Trust, 2013, Tracer Study

- KAYEC students tend to reside in regions where unemployment is higher than the national averages.

- The tracer study found that 48% of graduates it tracked have gone on to a full vocational training course with a vocational training centre (including NIMT). The destinations of graduates are as follows:

Training being followed by KAYEC graduates

VTC	NAMCOL	College	University	COSDEC	School
48%	17%	15%	12%	8%	2%

Source: KAYEC Tracer Study, October 2013

- While 48% are furthering their vocational training, nearly one fifth (17%) are seeking to improve their school grades through study with the Namibia College of Open Learning (NAMCOL). Notably, some have gone on to university (12%) or college.

- (15%) study. Clearly KAYEC has proved a stepping stone in helping their graduates to extend their academic or vocational qualifications.

- For the 36% who have gone into work, just over half (54%) have found paid employment and 46% have gone into self-employment. While the 54% in paid employment is marginally higher than the national average of those in paid employment, the 46% in self-employment is considerably higher than the 14% who nationally are in self-employment.

NCHE Tracer Study (HET)

- The National Council for Higher Education (NCHE) commissioned a tracer study of graduates from the University of Namibia and the Polytechnic of Namibia who completed their studies in the years 1999 - 2008. The main purpose was to gain information on the current employment and economic status of the graduates, and their assessment of the relevance and quality of their education within their work context. The views of employers of graduates were obtained.[12]

- In total 26% of graduates from UNAM and PoN responded. Forty-three employers were interviewed in both public and private sectors.

- Some of the major findings of the tracer study graduates include:

    - About 50% of graduates obtained employment by applying for a vacant position.
    - 4 out of 5 began the search for employment before graduation. However, nearly 4 out of 5 only obtained work in their second year after completing their studies.
    - Most graduates contacted up to 3 employers before their first employment.

[12] NCHE, 2011, Tracer Study

- However, 23% of UNAM graduates, compared to 15% of PoN graduates contacted only one employer before finding employment.
- The field of study and area of specialisation were felt to be the most important factors in obtaining employment.
- More than 60% of graduates received on-the-job training.
- Nearly 60% of graduates had not changed their employer since graduation.
- 78% of UNAM graduates, 70% of PoN graduates, and 92% of those who hold qualifications from both institutions, work for a public employer (including local authorities.)
- Only 1% of graduates are self-employed.
- 11.7% of UNAM graduates and 14.4% of PoN graduates are unemployed and seeking employment. This is cause for concern, not least considering the enormous public and private investment in a graduate.
- There is a tendency for the monthly earnings of UNAM graduates to be slightly higher than those of PoN graduates. This is may be because UNAM graduates on average have higher qualifications than those from PoN.
- Most graduates considered the course content of their major subjects to be the most useful element of their study programme for their current work.
- Most graduates feel that they have been able to realise the career that they expected at the time of graduation, that they are using the skills acquired during their studies, and that their position and status is appropriate for their level of education.
- However, some 60% of PoN graduates have taken up work not linked to their studies; 27% mentioned that they could not find a job closely linked to their studies, while 24% felt that they had better career prospects in their current job. To some extent this speaks of the flexibility of PoN graduates.

- Some of the major findings from employers include:

  - Employers do see benefits from the employment of graduates.
  - However, some employers feel that graduates are not adequately prepared for work. They are seen to lack experience of the workplace.
  - Most employers are apparently not satisfied with the level of written English of graduates. In part this may relate to the level of English with which students enter higher education.
  - According to employers, most graduates are interested in further studies, a tendency that they are willing to support financially and in other ways.
  - It seems that a significant proportion of employers do not feel that they have sufficient in-depth contact with institutions of higher learning, although some satisfactory relationships do exist.
  - It appears that higher education institutions are doing little research in collaboration with employers.

- Finally, it must be noted that this was the first attempt to conduct a tracer study of graduates in Namibia. It has been shown that such tracer studies are feasible and valuable for the improvement of higher education.

The Findings
▪ The VET Sector in Namibia (public and private) is not adequate to meet current and future enrolment needs because it is too small. ▪ With the exception of NIMT, there are quality concerns at VTCs and COSDECs. ▪ Programmes in the VET sector should resonate with the demand needs of the labour market. ▪ Since the bulk of the Namibia workforce will need to be trained at VTCs, there is a need for considerable capital expansion. ▪ An insufficient number of graduates are exiting VTCs. ▪ The research on tracking should be expanded to all VTCs to get an idea of the relevance of programmes and the confidence of employers. ▪ There are concerns with the workshop equipment and the quality of trainers expressed in workshops and interviews. A NIMT model should be considered for other industries which essentially require an adoption of a VTC.

11. STRATEGIC PLAN

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
STRATEGIC PRIORITY 1: BUILDING EFFECTIVE STAKEHOLDER PARTNERSHIPS FOR SKILLS DEVELOPMENT IN THE INDUSTRY SECTOR				
RATIONALE: *Stakeholder partnerships are increasingly becoming the adopted approach to meeting industry needs for skilled workers and workers' need for better jobs. Stakeholder partnerships are forged with industry, government agencies, education institutions, labour, and community organisations to focus on the workforce needs in an industry within a labour market. Partnerships address current and emerging occupational needs and skill gaps. It offers a mechanism to focus scarce resources on industries that are major job providers in an area, as well as to focus comprehensively on the workforce skills, from entry level to advanced, required in the economy. Partnerships provide a means for the NTA and VET institutions to engage directly with industry across traditional boundaries better aligning training programmes and resources. Partnerships help to reduce inefficiencies and streamline state efforts by co-ordinating various projects and braiding various funding streams intended for the same purpose.*				
1.1.	Promote partnerships and linkages with employer bodies, education institutions, government agencies, and civic groups to respond to industry and local training needs, build better networks and design responsive training interventions.	▪ The NTA develops a policy implementation framework to promote stakeholder partnerships. ▪ Guidelines and training interventions to support the development and management of partnerships are developed and measured. ▪ The number, type and outputs of partnerships are evaluated and recorded. ▪ Agreements are entered with partners on training projects linked to promoting	NTA/VET institutions/Employer Bodies/Labour Unions/ Community Groups/Government Agencies/International Donors	TBA

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
		local economic development.		
1.2.	Establishing and strengthening stakeholder relationships.	▪ Support to establish a Co-operative Learning Unit in each public VET institution is provided. ▪ Workshops to inform stakeholder of different partnership modalities and develop successful partnerships are held in all regions.		TBA
1.3.	Information is disseminated to partners to keep them abreast of NTA activities to promote skills development.	▪ Information on NTA and ISC activities, training levy, sector skills plan, occupations in high demand and skills gaps in the industry sector are communicated to stakeholders.		TBA
1.4.	Encourage industry training clusters where large, medium and small firms in a single industry come together and benefit from synergies of association related to shared skills training, instructors, facilities, benchmarking and best practices.	▪ NTA facilitates development of industry training clusters. ▪ The number of training industry clusters established.	NTA/DTI	TBA
1.5.	Encourage public-private partnerships and investment (PPPs) in the VET sector to increase intake capacity and programme choices.	▪ NTA develop a discussion document on PPPs with a view to approval and implementation.	NTA/Ministry of Education	
STRATEGIC PRIORITY 2: Increasing access to occupationally-directed learning programmes to support come to industry growth				
RATIONALE: *To become an industrialised country, Namibia needs to address the problem of skills shortages across all sectors of the economy. The issue of Namibia's skills shortages and mismatches have been well documented since independence. There are considerable skills shortages for middle level artisanal skills and high level professional skills that must be mitigated to transition Namibia to a knowledge-based economy in accordance with Vision 2030. The problem of skills shortages is more pronounced among marginalised groups and in the rural communities. High unemployment, particularly for youth, sits alongside job vacancies pointing*				

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
to structural unemployment in the labour market. By increasing access to occupationally-directed learning programmes, labour market outcomes of the unemployed, marginalised and youth are improved considerably. Access to learning programmes and recognition of prior learning for employed workers can also improve their skills, productivity and promotional opportunities.				
2.1.	Occupations in high demand and skills gaps of the industry sector (identified in Chapter 3 of the Sector Skills Plan) should be prioritised to expand access and allocation of resources.	▪ Occupations in high demand are mapped to qualifications and career pathways in the industry sector contributing to improved relevance of training and greater mobility and progression. ▪ Qualifications and accredited training programmes for occupations in high demand are developed, if they do not exist. ▪ Strategies for fast-tracking the development of new qualifications to meet occupational shortages are developed and implemented. ▪ The number of students enrolled for occupational training programmes in high demand are increased annually to meet the demand-side needs of the labour market. ▪ Accredited short skills courses geared towards addressing skills gaps (top up skills) of employees are developed.	ISC/VETCs/COSDECS/NTA/ NQA/Ministry of Education/ Ministry of Labour and Social works/Donor Agencies	TBA
2.2.	Relevant traineeships should be developed with the support of industry for occupations in high demand currently not registered under a traineeship scheme.	▪ A campaign to promote traineeship in firms is devised. ▪ Competency standards for traineeships are developed. ▪ Performance of trainees monitored and evaluated. ▪ A national databank of instruments for assessment and moderation of assessments for		TBA

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
		traineeship programmes is developed. ▪ A national database of registered assessors and moderators is developed. ▪ Number of trainees in VET institutions is increased annually.		
2.3.	Traineeship at all public VET Centres will have a liaison officer whose job will be to ensure that the role of the trainee both at the workplace or training centre are monitored.	The VET institutions are required to deliver the following: ▪ Theoretical training to trainees is provided at VETC. ▪ Assessment process of trainees or apprentices undertaken. ▪ Ensure all trainee have log books and that supervisors at the workplace sign off the logbook. ▪ All traineeship contracts are in place. ▪ Provision of traineeships in firms are increased.		TBA
2.4	Capacity of COSDECs is improved to offer accredited training programmes.	▪ An improvement plan is developed to upgrade COSDECs to offer accredited training programmes. ▪ The capacity of COSDECs is expanded to accommodate a diverse student population.		TBA
STRATEGIC PRIORITY 3: Improving the efficiency and effectiveness of the VET sector				
RATIONALE: *The VET sector has a contributory role to play in transforming Namibia into an industrialised nation with improved quality of life for all Namibians. VET institutions should be geared to address occupational shortages in the country, particularly for technical, technological and employability skills at artisanal level. Currently the VET system is small, underfunded, undifferentiated with poor quality outputs. In this respect it is not meeting the growing needs of students, employers, workers, and marginalised sections of society. Most of the VET institutions are faced with the problem of where demand for places exceeds the supply-side capacity of institutions. There are a large number of young people that should be accommodated in VET institutions and become equipped with the requisite knowledge and technical skills for productive employment and self-employment. In addition to expansion of the VET sector, access should be made for employed workers wanting to enrol on training programmes at VET institutions whilst in employment. Equally important is the need to align the VET sector to the country's overall developmental agenda with links to various strategies such as Vision 2030, NDP 4 and the National Human Resource Development Plan. This will enable the VET sector to contribute more effectively to the goal of inclusive growth and development, and contribute to reducing unemployment and poverty.*				
3.1.	Expand capacity (institutions and infrastructure) to provide training to	▪ An audit of VET institutions earmarked as key providers of industry training is	NTA/Ministry of Education/ISC/VETC/COSDECs	TBA

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
	address occupations in high demand and skills gaps, enabling improved productivity, economic growth and the ability of the workforce to adapt to changes in the labour market.	undertaken to establish what improvement, upgrading and expansion is needed. ▪ Approval and funding for such upgrading and improvements are obtained. ▪ An audit of potential institutions to become training providers is undertaken to create the required training capacity to meet occupational. ▪ Funding for upgrading and improvements for such institutions is obtained.		
3.2.	Expand student access and increase the range of training programmes at existing VET institutions in trades and occupations that are critical for economic growth and industry competitiveness.	▪ Student intake at existing VETC facilities is increased using a range of delivery modes (full-, part-time, distance and blended). ▪ Increase the number of accredited private training providers in the VET sector for national qualifications. ▪ A baseline of current training by firms in the industry should be established and a 3 year stretch targets of the number of workers in firms that should be trained by VET institutions should be set.		TBA
3.3.	Promote differentiation in the VET sector in terms of programme mix and target population.	▪ Grade 9 learners, employed workers, youth and unemployed adults should be accommodated by VET Centres and COSDECs and progressively increased annually.	NTA/Ministry of Education/ISC/VETC/COSDECs	TBA
3.4.	Develop training programmes to grow the pool of VET instructors and improve the subject knowledge and competencies of	▪ An audit to establish the number and profile of existing VET instructors is undertaken to determine capacity constraints. ▪ Establish what upgrading and retraining they		TBA

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
	existing VET instructors.	require to meet CBET and other requirements to be registered as competent instructors with the NTA. ▪ Create the capacity to provide train-the-trainer programmes for those trainers requiring retraining and upgrading. ▪ Number of new VET and existing VET instructors that underwent training.		
3.5.	Improve the capacity of VET managers to run institutions effectively and efficiently.	▪ Professional development programmes are offered in: leadership, organisational development, performance management, strategy, marketing, finance, human resources, client relationships management and finance. ▪ The number of VET Managers trained are increased annually.		TBA
STRATEGIC PRIORITY 4: Supporting workplace-based skills development in firms in the industry sector				
RATIONALE: *Planning and implementing skills development in the workplace is essential to identifying current and future workforce needs in firms. The business environment is dynamic, competitive and can change quickly. Firms that support skills development of employees are in better position to grow their business, improve productivity, support job creation and economic development. Skills development motivates employees to do better in the workplace and support business objectives. For policy-makers and education institutions to develop training solutions that meet the needs of firms, employers should communicate workforce training needs to supply-side institutions in the labour market. This will contribute significantly to building the capacity of the VET sector to deliver training programmes that align to workforce needs and ensure work ready graduates that have both the skills and knowledge required by employers.*				
4.1.	Encourage firms to invest in upgrading the skills of their employees above 1% compulsory training levy.	▪ A baseline is established of training activity in firms in the industry. ▪ Number of firms offering training to employees is increased annually. ▪ Number of employees receiving training is increased annually. ▪ Number of firms spending in excess of 1% of payroll on training is increased annually.	NTA/Firms	TBA
4.2.	Develop the capacity of individual firms to engage	▪ The NTA develops a workforce skills planning programme firms to undertake the following:		TBA

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
	systematically in workforce skills planning and implementation.	○ Identify workforce training needs ○ Align business objective to skills development ○ Develop a workplace skills plan and training report ○ Advise firms on top-up skills, occupations in high demand, accreditation, sourcing training providers, apprenticeships and traineeships, RPL and the use of the training levy ○ Appointing s skills development facilitator ▪ The programme is delivered in all regions annually.		
4.3.	Promote skills development in small businesses.	▪ A national database of small businesses supported with skills development is established and the impact of training reported on. ▪ NTA through skills planning research identify the skills needs of small and emerging businesses in their industry and promote relevant training programmes through incentives.		TBA
STRATEGIC PRIORITY 5: Addressing unemployment and employability skills to eradicate poverty and build sustainable livelihoods				
RATIONALE: *High unemployment, particularly for youth, is a major challenge for Namibia. The other challenge is high levels of poverty among the population. To transform Namibia into an industrialised country with improved living standards it is necessary to eradicate poverty, high unemployment and underdevelopment. Skills development provides opportunities for the unemployed and marginalised to acquire employability and self-employment skills. The training of workers in the informal economy on basic and generic skills (such as literacy and numeracy) as well as entrepreneurial skills facilitate the transition from self-employment in the informal economy to micro-enterprise development in the formal economy.*				

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
5.1.	The Skills Fund is effectively used to address unemployment, develop employability and entrepreneurship skills, and build sustainable livelihoods.	▪ Develop and implement training projects that target the unemployed, marginalised and rural communities to secure employment and build sustainable livelihoods. ▪ Numerical targets to reach vulnerable groups are set annually. ▪ NGOs working in local communities are supported. ▪ Link programmes such as TIPEEG with skills development. ▪ Training activities to improve employability and entrepreneurship skills are designed and offered.	NTA/NGOs/VETC/COSDECs	
5.2.	Support the development of low skill, low wage workers for skills development and career advancement	▪ Number of training projects focused on low skill, low wage workers implemented. ▪ Number of worker given recognition of prior learning.		
STRATEGIC PRIORITY 6: Establishing institutional research capacity for national skills planning				
***RATIONALE**: There is a need to build institutional skills research capacity and improve labour market diagnosis within the NTA, Industry Skills Councils and VET Centres to analyse skills imbalances and make appropriate funding allocations. The NTA has an important role in conducting industry skills research, gathering statistics and disseminating findings to the public. Their close contact with government agencies, industries and VET institutions puts them in a good position to skills trends, undertake national training needs studies, develop baseline labour market indicators and postulate solutions. Strong research capacity will improve the capacity of decision-makers to determine industry skills needs and guide education and training investments effectively and efficiently. By establishing institutional research capacity, an evidence-based policy-making culture will be developed in the skills development environment.*				
6.1.	Develop a three year Research Strategy and Implementation Plan (2014-2017) that will include the following: institutional research aims and objectives; research	▪ Research strategy and implementation plan approved by NTA Board. ▪ One national skills conference per year. ▪ One tracer study and one employer survey every two years consecutively.	NTA/ISC/Board	Research Strategy and Implementation Plan approved by 30 May 2014.

NO	ACTIONS	SUCCESS INDICATORS	LEAD AGENCY	DUE DATES
	activities; capacity-building interventions; information management; establishment of a research committee; and communication and dissemination of information.	▪ A sector skill plan per industry sector is updated annually. ▪ Occupational mapping analysis per industry is undertaken. ▪ Two industry sector workshops are held annually. ▪ Number of staff research training interventions. ▪ Number of research partnerships developed. ▪ Research Committee established. ▪ Number of research internships recruited.		
6.2.	Strategic planning in VET institutions and COSDECS are responsive to labour market shortages	▪ The research skills of VET education managers are improved to analyse training needs in local labour markets. ▪ VETCs and COSDECs conduct employer surveys and tracer studies annually.		TBA
6.3	Industry skills research is required to inform sound decision-making, monitor industry labour market trends, and measure the impact of interventions and funding allocated.	▪ Research on relevant areas are commissioned and conduct as agreed by the ISC and distributed to stakeholders.		TBA