The Codes of Good Practice

Scorecard Essentials

SKILLS DEVELOPMENT

Code 400 – Skills Development
Statement 400 – Measurement of Skills Development
Skills Development Code Series 400
Measurement of the Skills Development Element of B-BBEE

Statement 400
The General Principles for Measuring Skills Development

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

The Essence of Statement 400:

The Skills Development scorecard allocates points for:

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

Key measurement principles -

- Companies receive points on the skills development scorecard only if they:
  - are compliant with the requirements of the Skills Development Act and the Skills Development Levies Act
  - have registered with the applicable SETA
  - have developed a Workplace Skills Plan
  - have implemented programmes targeted at developing Priority Skills, specifically for black employees
• Expenses on scholarships and bursaries for employees does not constitute Skills Development Expenditure if the Measured Entity can recover any portion of those expenses from the employee or if the grant of the scholarship or bursary is conditional. Despite this, if the right of recovery or the condition involves one of the following it is recognizable:
  - The obligation of successful completion of studies is within a time period allocated
  - The obligation of continued employment by the Measured Entity for a period following the successful completion of studies is not more than the period of studies

• Any Skills Development Expenditure that is invested in ABET programmes is recognisable at a **multiple of 1.25** to the actual value of such Skills Development Expenditure

• Skills Development Expenditure includes any legitimate expenses incurred for any Learning Programme offered by a company to its employees and must be evidenced by an invoice or appropriate internal accounting record

• Skills development expenditures arising from **Uncertified Learning Programmes** cannot **represent more than 15% of the total** value of Skills Development Expenditure.

**Legitimate training expenses include:**

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

**The Learning Programme Matrix**

The Minister may from time to time, by notice in the gazette, revise or substitute the Learning Programme Matrix. Any changes will only be applicable to the compliance reports for a Measured Entity for the 12-month period following the gazetting of a revision or substitution.
<table>
<thead>
<tr>
<th>Cat</th>
<th>Narrative Description</th>
<th>Delivery Mode</th>
<th>Learning Site</th>
<th>Learning Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Institution-based theoretical instruction alone – formally assessed by the institution</td>
<td>Institutional instruction</td>
<td>Institutions such as universities and colleges, ABET providers</td>
<td>Recognised theoretical knowledge resulting in the achievement of a degree, diploma or certificate issued by an accredited or registered formal institution of learning</td>
</tr>
<tr>
<td>B</td>
<td>Institution-based theoretical instruction as well as some practical learning with an employer or in a simulated work environment – formally assessed through the institution</td>
<td>Mixed mode delivery with institutional instruction as well as supervised learning in an appropriate workplace or simulated work environment</td>
<td>Institutions such as universities and colleges, ABET providers and workplace</td>
<td>Theoretical knowledge and workplace experience with set requirements resulting in the achievement of a degree, diploma or certificate issued by an accredited or registered formal institution of learning</td>
</tr>
<tr>
<td>C</td>
<td>Recognised or registered structured experiential learning in the workplace that is required after the achievement of a qualification – formally assessed by a statutory occupational or professional body</td>
<td>Structured learning in the workplace with mentoring or coaching</td>
<td>Workplace</td>
<td>Occupational or professional knowledge and experience formally recognised through registration or licensing</td>
</tr>
<tr>
<td>D</td>
<td>Occupationally-directed instructional and work-based learning programme that requires a formal contract – formally assessed by an accredited body</td>
<td>Institutional instruction together with structured, supervised experiential learning in the workplace</td>
<td>Institution and workplace</td>
<td>Theoretical knowledge and workplace learning, resulting in the achievement of a South African Qualifications Authority registered qualification, a certificate or other similar occupational or professional qualification issued by an accredited or registered formal institution of learning</td>
</tr>
<tr>
<td>E</td>
<td>Occupationally-directed instructional and work-based learning programme that does not require a formal contract – formally assessed by an accredited body</td>
<td>Structured, supervised experiential learning in the workplace which may include some institutional instruction</td>
<td>Workplace and some institutional as well as ABET providers</td>
<td>Credits awarded for registered unit standards</td>
</tr>
<tr>
<td>F</td>
<td>Occupationally-directed informal instructional programmes</td>
<td>Structured information sharing or direct instruction involving workshops, seminars and conferences and short courses</td>
<td>Institutions, conferences and meetings</td>
<td>Continuing professional development, attendance certificates and credits against registered unit standards (in some instances)</td>
</tr>
<tr>
<td>G</td>
<td>Work-based informal programmes</td>
<td>Informal training</td>
<td>Workplace</td>
<td>Increased understanding of job or work context or improved performance or skills</td>
</tr>
</tbody>
</table>