

CHAPTER 7

CONCLUSIONS AND RECOMMENDATIONS

7.1 INTRODUCTION

The results of the research phase of this study have been detailed in Chapter 6. Analyses in group form were included for the pre-assessment and learnership results. However, group analysis for the Functional Intelligence Assessment Tool results were approached on an individual basis as this tool focuses on the uniqueness of the individual and therefore does not justify comparing individuals to a norm.

Conclusions of the literature and empirical study are detailed in this chapter followed by an overall summary of the research constraints experienced before and during the research phase. The contributions made by this study, the general and specific recommendations are set out in the latter part of this study which ends with the attainment of the research goals.

7.2 SUMMARY – LITERATURE STUDY

- South Africa had a distinct watershed year when the 1994 elections marked the end of an apartheid-driven country. Exclusions of race groups in every area possible came to an end and a new era of rapid growth in skilled labour came about. Legislation formalized the learnership concept by means of the Skills Development Act No 97 of 1998.
- The introduction of the learnership concept which has already been well established internationally (Australia, New Zealand) was borne out of a similar concept known as apprenticeships which originated in 1640 in New England. A comparison between these two concepts highlights the problems experienced in apprenticeships but it also shows the solutions offered by learnerships. Both systems are still currently operating in South Africa and differences and consistencies in each system put these two concepts into

perspective in Table 2.2, while each process and its application complete the reader's understanding.

A learnership is not functional if the person does not have employment (a job) hence an historic view was given of the concept of work and the subsequent revolutionary impact of automation on humans and their employment (their work).

Expanding on the concept of work is an area that influences how humans function in their work (performance) and work environment: the empirical study sets out to investigate the respondents' functionality in their entrepreneurial environment. Our basis for responding to various situations in the work environment (and even home or social environments) is based on our values, formed by our upbringing and exposure to people and events.

This information which is received and processed through our senses form our perceptions which are grouped into six separate constructs that make up the Functional Intelligence Assessment Tool (refer paragraph 2.6.2).

The need for 'flatter' organization structures with more businesses in the hands of individuals also had an impact on the leadership and management of the workforce. The entrance and increase of females into the world of business was acknowledged by the National Skills Development Strategy (NSDS) as well as legislation in the form of the Equity Act which demands equal opportunities and race and gender representation.

Much criticism has been leveled at government and business for the lack of support in getting small businesses established. The approach to bridging the skills gap was by means of learnerships as an outcomes-based training concept. Performance and its impact on the workers then came under the spotlight as well as their remuneration where the latter is brought together in a legal agreement.

Learnerships can therefore not operate independently and are reliant on a 'partnership' between the individual, employer, government and training providers. The involvement of these players necessitates an understanding of the intricacies of a learnership from a strategic to a practical level.

The learnership concept is therefore the only vehicle that can facilitate transformation by empowering individuals to upskill themselves in their jobs and to be in a position to create jobs (entrepreneurs).

- A four part discussion gives a complete overview of the National Skills Development Strategy (NSDS) of the South African government launched in 2001. The first part looks at the Human Resource Development Strategy which covers education as a basic solid foundation, securing a supply of skills and the means to balance them with the demand for skills. This part is concluded by looking at the requirement for innovation, research and development at national level to ensure the implementation and application of this strategy.

The second part discusses the National Skills Development Strategy starting from its mission, the need and purpose for such a strategy and the objectives necessary to achieve such a strategy's goals. Each of these objectives is discussed in detail.

The third part moves to the planning, monitoring and implementation of the (HRD) Human Resource Development Strategy. It starts with the legal basis that drives the entire skills development strategy and moves to a description of the role and context of the implementation vehicle, namely the Sector Education and Training Authority (SETA). It concludes with some detail on the other role players involved in the learnership concept as portrayed in the HRD Strategy.

The fourth and last part investigates the quality assurance, standards and implementation of the training material and training providers who are directly involved with the learners. It ends off with the specific identification of a worker, new entrants, the case of the unemployed and specifically designated target groups.

- The first three chapters laid the groundwork for the learnership concept and its origination and substance within the South African environment. Chapter 4 narrows the focus onto the entrepreneur by defining a number of key concepts central to the entrepreneur before moving to the role of small business which has been increasingly discussed and researched at length.

This is followed by an extension of the partnership concept which aims to ensure a higher completion rate and continuance of the learnership and subsequently the entrepreneurship process. The New Venture Creation Learnership is indeed the culmination of all the aforementioned information and the rest of the chapter is devoted to the education of entrepreneurs, critical focus areas and how this fits in with the National Skills Development Strategy.

Two areas that could not be left out were the sustainability of the development of entrepreneurs, and perceptions and expectations of potential entrepreneurs. The research of this study is indeed based on potential entrepreneurs.

7.3 CONCLUSIONS – LITERATURE STUDY

It was inevitable that a developing country such as South Africa embraced the learnership concept to the extent that a strategy at national level was initiated and implemented.

The learnership concept has proved to be a learning curve for all the role players and has provided the basis for most valuable research that will contribute to the improvement of this concept by instituting solutions at strategic and practical levels.

The particular focus of this study hones in on a tremendously valuable aspect of the success of the learnership concept, and that is the evaluation of potential entrepreneurs by the Services SETA that is the governing body of learnerships for the service industry. Extensive research from numerous angles added specific value to understanding the entrepreneur and his/her functioning within that environment.

7.4 SUMMARY – EMPIRICAL STUDY

This research continues through the empirical study to contribute valuable information about the functionality of the (potential) entrepreneur in his/her environment.

A three phase approach was taken using Phase I as an evaluation of the pre-assessment tools used by the SETA to select learners for the New Venture Creation

Learnership. Phase II consists of an analysis of the results of the learners during the learnership while the Functional Intelligence Assessment Tool was used in Phase III to determine the suitability of the learners to the learnership.

An extensive number of problems occurred prior to and during the empirical study. A change of participation of employer participants necessitated a continuous adaptation of the literature study. The research constraints of the empirical study such as the SETA moratorium, the availability of learners, and use of the Functional Intelligence Assessment Tool and sample size all contributed to an enormous challenge in achieving the research goals as well as maintaining focus to make a worthwhile contribution through this study.

7.5 CONCLUSIONS – EMPIRICAL STUDY

- Based on the SETA's pre-assessment results the candidates were all given the go-ahead by the Services SETA to start the New Venture Creation (NVC) Learnership which is registered with the Services SETA.
- Of note is the number of candidates who were declared not-competent for simple problem solving and yet this is one of the main activities of an entrepreneur on a daily basis.
- The level of assessment is problematic in that it is considered too low (Adult Basic Education Level 4 or ABET Level 4 which is equal to an NQF Level 1 (National Qualifications Framework) or Grade 9 (refer Table 3.4)).
- The data showing the progress of the learners close to the point of conclusion also reflected a pass rate which in some instances was very good. Some learners had to be re-assessed for certain unit standards but the frequent occurrence of mathematics, communication and problem solving could not be determined because of the lack of data as a result of the time limit of this study (refer paragraph 6.3).

A short summary of each of the phases follows giving a slightly more detailed overview.

7.5.1 Learnership pre-assessment

Each of the sections of this pre-assessment is summarized to form a global picture of the outcome of these results. However, the detailed nature of each section necessitated a short synopsis of each of the sections rather than a generalized overview.

7.5.1.1 Phase I: Pre-assessment interviews

The conclusions of pre-assessment interviews can be summarized as follows:

- The subjectivity of being assessed by another individual raises many questions which touch on aspects such as the skill, training and experience of the interviewer, the phrasing of the questions and the eventual outcome of the recorded answers of the interviewee.
- Inadequate detailed notes precludes one from being able to form a logical, clear-cut opinion of the viability of the learners (respondents).
- The phrasing of the questions and the inclusion of more than one aspect in a question might also have contributed to the lack of detailed notes.
- The general observations in the last section of this interview rated candidates on their realism about the process and indicated that most candidates had a good understanding of the realism of the learnership process (refer Table 6.2). However, the question still remains as to whether the respondents really had a clear idea of what it really means to be trained to have your own business, what the anticipated role of the learner would be in business start-up, what type of business the learner envisaged when starting the NVC Learnership as well as the reasons for participating in the NVC Learnership (refer paragraph 6.2.2).

- The candidates' general and spoken communication skills were rated by the interviewer as excellent and their timekeeping (on time for the appointment) seems good. A post-completion questionnaire/interview would have been the ideal tool to establish this.

Taking into consideration that these respondents were on a pilot program of the Services SETA, one would have suggested a revision of the pre-assessment interviews. It was indeed the case that during the period of this study, that a working committee presented a new proposal to the Chief Executive Officer, to re-design the entire selection process of which the pre-assessment interview is but one of the components.

7.5.1.2 Phase II: Star In-Basket

The Star In-Basket exercise assessed the learners' ability in Communication in English (Written), Mathematical Literacy, Recognise Effect of HIV/AIDS in the Workplace, Customer Service, Planning and Time Management, Working in a Team and Simple Problem Solving.

Nine of the respondents (highlighted) scored above the average of 19 for the group but all the respondents were declared competent (refer paragraph 6.2.3). However, on their final scores, Simple Problem Solving seemed to be of particular concern for a number of learners (refer Table 6.3).

7.5.1.3 Communication assessment

The group did not appear to have any problems with this assessment with an average of 73% (9 candidates scored above the average for the group, 3 candidates in the 60% range and the rest very close to the average (refer Table 6.4)). All learners were declared competent.

7.5.1.4 Numeracy assessment

All the learners (candidates) were reported to be competent at Level 4 while the assessment is still at Adult Basic Education (ABET) Level 1 which is below the NQF 4 level (Grade 12) at which the New Venture Creation Learnership is positioned.

Some candidates were considered to meet the overall competency rating. Carelessness of the candidates in completing the questionnaire also seems to have influenced their marks negatively although it is a general characteristic in a test/exam situation.

7.5.1.5 Effect of HIV/AIDS in the Workplace

All the candidates were declared competent for this category although it was not covered in the learnership itself. The only other reference to this aspect that might have had a potential influence on the HIV/AIDS element but could not emphatically be proven was the Cultural Prejudice construct of the Functional Intelligence Assessment Tool. In the context of this tool, it indicated that respondents felt prejudiced against because of their race and not their possible state of this disease or how it was handled in the environment in which the training was conducted.

7.5.1.6 Customer service

This aspect was evaluated in Phase II of the pre-assessment process as discussed in paragraph 7.5.1.1 and all candidates were declared competent in this category (also refer paragraphs 6.2.2 to 6.2.4).

7.5.1.7 Planning and time management

Most candidates' responses to a plan of his/her diary after a sales conference taking into account important business lunches, meetings and prioritizing his/her work, were favorable with only 3 candidates that appear to have had some difficulties (refer Table 6.4).

7.5.1.8 Teamwork

All the candidates (except the one who did not complete the Functional Intelligence Assessment Tool) were declared competent (refer Table 6.4 and paragraph 6.2.9).

7.5.1.9 Simple problem solving

This appeared to be a major problem among 11 of the 19 learners (refer Table 6.4; paragraphs 5.1.6 and 6.2.10).

7.5.2 Conclusions - learnership progress

Candidates' results were reported as being at the level of having achieved a unit standard after having gone through assignments (Achieve, Formative and Summative Assessments). The pass mark for each of these three categories were different (Achieve = >80%; Formative = 60% and Summative = 70%).

As these scores were taken up to a point in time (September 2005) and even though some learners (according to the training provider) still had to submit outstanding assignments, there are no conclusive results other than it appears as though all the candidates for this research are likely to complete their learnership.

7.5.3 Conclusions Phase III: Functional Intelligence Assessment Tool (FIAT)

Perceptions and beliefs formed from an early age in the 'old' or pre-election South Africa might be prevalent where responsibility was shifted from the 'have nots' to the 'haves'.

Such experiences indeed shape our basic self-esteem (perception of ourselves) and everyone (immediate family, teachers, religious authority, our peers) we come into contact with adds to these experiences (Anonymous, 1999a). There is a distinct correlation between low self esteem and performance (Lane, n.d.). The Counseling and Mental Health Centre of the University of Texas at Austin, warns against the devastating consequences that low self-esteem can have on an individual and worst of all, these negative consequences themselves reinforce the negative self-image.

- It can create anxiety, stress, loneliness and increased likelihood of depression.
- It can cause problems with friendships and relationships.
- It can seriously impair academic and job performance.
- It can lead to underachievement and increased vulnerability to drug and alcohol abuse (Anonymous, 1999a).

The consequences noted above are evident in the results of these respondents as is also further evidenced by the discussion on the rest of the constructs measured.

The information in Table 6.10 shows that there were only three of the nineteen candidates that are likely to become entrepreneurs of which one was specifically suited to the environment of arts.

Of the three potential entrepreneurs there are two who also have leadership qualities. The analysis of one candidate was such that no accurate analysis in terms of leadership qualities could be obtained.

In terms of Functional Tendency, eight candidates showed extrovert tendencies, six showed introvert tendencies while five candidates rendered results that did not give a clear indication of the individual's functionality.

Nine individuals intentionally tried to manipulate their results but were identified through their inconsistent results while two candidates (candidates 3 and 19) manipulated her results unintentionally;

Five individuals tried to disguise their results by giving extreme scores thereby hoping to impress with their choice of answers (impression management) while two individuals were in denial about their situation, scoring unrealistic results.

Two individuals had serious problems with their emotional functioning to the extent that they should consult a professional person (professional intervention).

Twelve individuals revealed inconsistent results while the remainder of candidates showed some or an insignificant degree of inconsistency in their results. Only three individuals should be re-assessed due to the extent of their inconsistency.

7.6 RESEARCH CONSTRAINTS – COMPLETE STUDY

The company participation was dependent on the time and funds constraints discussed in paragraph 5.4. However, the small sample of nineteen respondents eventually produced practical results.

The other major constraint was the SETA moratorium which limited potential participating employers to take on New Venture Creation learners and the researcher had confirmation that the moratorium is continuing for the time being.

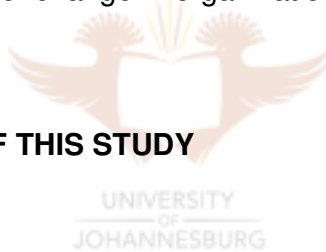
The unavailability of the questions was only a minor constraint in that Dr. Whitehouse wanted to protect his intellectual property. As case studies or functional assessments are added to the database of candidates assessed so far, so will all aspects of the tool add to its credibility. Although a culturally-free model is claimed (refer paragraph 5.9), there is a question about the assistance required from respondents regarding the meaning of certain words/phrases.

Technical dependence was a major constraint that impacted the time and availability of respondents and therefore lengthened the research time. Learners were also not properly briefed which caused a slight apprehension but was nevertheless laid aside.

7.7 FUTURE RESEARCH

Future research is dependent on a number of factors which can change and therefore are not elaborated on at this stage. However, a number of possibilities exist that can provide valuable insight and results:

- Monitor the progress/success of the respondents over a period of five years (refer paragraph 5.4.7).
- Do an evaluation of assessment models/tools available for the evaluation of learners to determine and compare the focus, measurement criteria and suitability of such models/tools.
- Apply the FIAT to evaluate other learners and possibly refine and enhance the current tool.
- Investigate the role Self Perception (Lack of Self-worth, Inner Insecurity and Guilt feelings) plays in the performance of entrepreneurs because Self Perception is considered the main reason for non performance.
- Evaluate the impact of change in organizations as a result of the application of the FIAT.



7.8 CONTRIBUTION OF THIS STUDY

7.8.1 Theoretical

- An in-depth analysis of the value of a historically proven concept which is carried by legislation and ministerial support as well as an aggressive performance measurement of the implementers such as the SETA and their five year plan.
- A complete overview of the National Skills Development Strategy which can be an independent module/booklet for anyone who wants to learn more about the processes involved. Updates would then also be easy to obtain.
- Citing academically sound research on national and international level.

- Identifying and highlighting three core aspects that are problematic to individuals attempting to enter the entrepreneurial environment. They are:
 - Communication
 - Teamwork
 - Problem Solving
- Use of the outcome of the individual assessments to enhance the unit standard that requires the learners to develop an understanding of the entrepreneurial profile.

7.8.2 Practical

- The feedback to each respondent of their assessment results (having used the FIAT) will give respondents a practical insight into understanding the entrepreneurial profile (refer Table 1.3 and 5.1) and why they are perhaps not suited to the entrepreneurial environment.
- In addition to the entrepreneurial profile there are a number of components in the Fundamental Learning (communication) and Core Learning (know yourself; working in teams and innovation orientation for entrepreneurs) that are also assessed and analyzed using the FIAT.
- The FIAT will provide SETAs with a scientifically developed assessment tool that will identify the suitability of a learner to a learnership. In the unlikely event of a learnership being unavailable (not yet registered), it will point learners in the right direction to upskill themselves.
- The FIAT will complement the evaluation process of the SETAs which at the time of research, consisted of numeracy and literacy tests, and personal interviews.
- This can create a basis for future research in assessing the integration of the unit standards categorized by three main learning groups, the Fundamental,

Core and Elective unit standards – initially of the New Venture Creation Learnership but moving to other learnerships.

- It confirmed that there are fewer entrepreneurs than workers but earlier detection could have redirected the rest of the learners to other learnerships.

7.9 RECOMMENDATIONS

7.9.1 General

- Encourage a pro-active approach by means of an early identification system to identify problem areas for the learner/individual that can be addressed prior/during training that will result in a suitable career development program.
- The FIAT be translated and validated for use by all major language groups (11 official languages).

7.9.2 Recommendations to Services SETA

- Re-assess the respondents that participated in this research who have been identified as potential non-entrepreneurs and re-direct them in a more suitable direction even if this means another learnership for these candidates. Alternatively these respondents can be tracked a year after completion of their New Venture Creation learnership and if they have not been able to establish a business, first determine the reasons they were not able to and then re-assess them for other employment or learnership.
- Apply the FIAT to future learnership candidates or any other candidate that is a potential student at a tertiary institution or employment candidate. Schools are another possibility.
- Build up a research database that contains the assessed candidates that have used the FIAT thereby tracking valuable information that will assist in the optimal selection and matching of learners.

- Match the evaluation process of the SETA to the standard of the learnership that is required and introduce a bridging program to assist those individuals who do not meet the standard.
- Apply the SETA's evaluation process only after the scientific process has been completed.
- Lobby for a uniformly accepted standardized assessment model/tool across all SETAs.

7.10 RESEARCH GOALS

The first research goal was achieved in terms of the successful assessment of the respondents on the New Venture Creation Learnership.

The success can further be interpreted as being able to identify various aspects of the respondents that are valuable for follow-up work (refer Table 6.10):

- Highlighting inconsistent results - all the respondents' ratings were inconsistent to some extent or the other but viable enough to allow for a conclusion. Identifying inconsistencies in the responses of the candidates either validated certain statements resulting from the interpretation of the assessments or motivated why one could not come to a conclusion about an aspect.
- Exposing manipulative behaviour of candidates in trying to conceal their true feelings.
- Identifying candidates who need the intervention of a professional person as these candidates show suicidal tendencies or some form of suppressed anger which could erupt unannounced.
- Identifying various personality traits (e.g. dishonesty) that are warning signs for existing and potential employers.

- Identifying potential entrepreneurs.
- Identifying leadership qualities.
- Identifying candidates who need to be confronted about their ratings to repeat the assessment.
- Highlighting candidates who did in fact reveal their true feelings and were therefore honest in their assessment.

The second research goal in terms of feedback to the SETA will take place after the conclusion of this thesis.

The third research goal will be attained if the SETA agrees to the proposed recommendation to use the FIAT on all potential learners. Each assessment should then be added to a central database to continue to build the credibility and reliability of the FIAT.

7.11 SUMMARY

This chapter is the culmination of summaries on the literature study of the chapters that lead up to the empirical study (data analysis and its interpretation). These summaries were followed by the conclusions of each study.

The summary of Chapter 1 reflected on the research problem and its background, the formulation of the problem and what value the research will deliver and what research methodology is proposed). The summary of Chapter 2 reflected on the origination and current status of learnerships that began with an historic overview of learnerships, the concept of work and how humans were involved and intertwined in their work environment, all of which have our perceptions and values as basis for our experiences, initiating discussion about the FIAT, how learnerships can be deployed in a partnership and how true transformation will enable learners to be empowered).

Chapter 3's summary covered the detailed discussion of the four parts of the National Skills Development Strategy (NSDS) that is the driving force behind the learnership concept). Chapter 4 has as its main focus the various aspects that are essential to the entrepreneur and his/her environment, growth and development incorporating the role of small business and the New Venture Creation Learnership. It is in this chapter that the NSDS and entrepreneurship are brought together.

The summary discussions in the empirical study gave a short synopsis of each of the pre-assessment and learnership progress data where learners were declared competent in terms of the assessment criteria of each section.

The FIAT made up the last section of the empirical study that resulted in nineteen individual detailed reports that provided valuable recommendations in general and to the Services SETA.

The outcome and interpretation of a research study is influenced by the nature and extent of the research constraints. These were brought together in this chapter. The contribution of this research study in terms of the theoretical and practical aspects supplements the value of the proposed research (refer Chapter 1).

A number of possibilities were outlined in terms of possible future research which has the potential of gathering valuable data and produce ongoing research projects. The contribution of this study has been set out in terms of the theoretical and practical aspects.

Flowing from this research are recommendations made generally as well as specifically to the Services Seta with the aim of improving the situation as experienced in the research phase.

The main outcome of a research study is to evaluate the attainment or non-attainment of the research goals and this has indeed been achieved except for the third research goal that recommended the implementation of the FIAT to assess all potential learners as used in this research. This research goal can only be achieved once this study has been completed and the results communicated to the Services Seta.