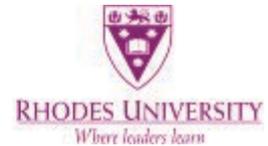


M&E FOR THE MANDATORY GRANT

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BACKGROUND

The monitoring and the evaluation of the Mandatory Grant need to be done in relation to a number of acts, strategies, guidelines and plans. These include the specific objectives of the Grant, the objectives as set out in the White Paper on Post School Education and Training (WP-PSET) and the objectives and principles of the National Skills Development Plan.

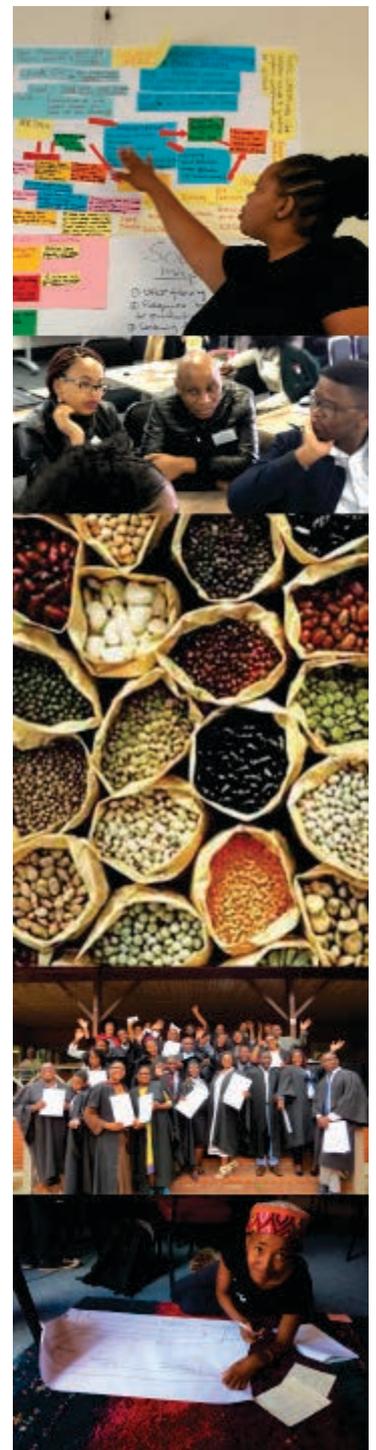
One of the key functions of the Mandatory Grant is to determine skills demand in the sector. The SETAs are responsible for engaging with workplaces to capture this demand information. This is clearly stated in the WP-PSET as follows:

"In future, the focus of the mandatory grant will be exclusively on gathering accurate data. Employers must ensure that the WSP/ATR report includes comprehensive information about all training that is taking place in the workplace, current levels of skills, experience and qualifications of employees, and skills priorities and gaps for the short as well as medium term. Submission of this information will entitle the employer to receive the mandatory grant from the SETA." (p.60)

The Guidelines on the Implementation of SETA Grant Regulations make it clear that the Mandatory Grant has two key functions:

- 1 "It is designed to encourage employers to provide data to the SETA on their workforce and skills needs. The data needs to be accurate and well prepared so that the SETA can make use of this data to establish skills needs in the sector." (DHET, 2015, p.10)
- 2 "The intention of the legislation and regulations is that mandatory grants are used as an incentive to employers to plan and implement training for their employees and create training and work experience opportunities for unemployed people." (DHET, 2015, p.13)

The above functions of the Mandatory Grant are closely aligned with the roles of the SETAs as set out in the National Skills Development Plan, including understanding demand and signalling implications for supply; steering the system to respond to skills supply; and performing systems functions.



INSIGHTS

One of the challenges of working with a number of policies, planning documents and guidelines is that when these are not well integrated, it results in a kind of matrix that rapidly multiplies areas that require monitoring and evaluation. This is exacerbated further by the need to develop indicators for monitoring that have shared protocols, including agreed upon scope, definition, resources for monitoring, reporting lines, as well as mechanisms for responding to monitoring findings. This becomes particularly important when DHET or other institutions need to aggregate results across the SETAs or where it is necessary to compare trends over time. This expansion and complexity of indicators is evident in the lists such as the Compendium of Indicators to Monitor the Performance of the PSET System that runs to 35 pages and contains over 80 indicators. The Enhancement of the Framework for the Monitoring and Evaluation of the PSET Sector has 116 indicators, many of which are disaggregated into on average five sub-indicators including: age, field of study, qualification level, nationality, race, gender, disability, public/private, etc. This results in well over 500 disaggregated sub-indicators. Nearly all indicators contained in the abovementioned documents are relevant to the SETAs. This suggests that some focusing will be required in order to develop a manageable number of indicators. Refer to Discussion Brief no. 3.



Based on the monitoring of the SETAs, a number of substantive issues have been identified in various reviews (see the Project 3 Scoping Report and the Project 7 Draft Report). The following examples are given to open up a discussion on the importance of evaluation and to introduce two evaluative approaches that are particularly relevant to the kinds of issues evident in the monitoring data and reviews.

Of the more than two million companies registered in South Africa, approximately 300 000 appear on the records of the SETAs as 'member organisations' and of these only around 23 000 companies claimed grants during the period 2011-2017. This raises evaluative questions such as:

- What are the reasons for the low percentage of employer participation in the MG and how can it be addressed?
- Does the small sample size compromise the quality of the data collected through the Mandatory Grant documentation including the Workplace Skills Plan (WSPs) and the Annual Training Report (ATRs)?

Of the companies participating in the SETA programmes, including the Mandatory Grant, monitoring data suggests that large and medium sized companies are participating but small and micro companies are significantly under-represented. This raises evaluative questions such as:

- What is it about the current system that marginalises smaller companies in particular?
- Is the data being gathered through the Mandatory Grant biased towards the interests of the larger companies in South Africa?
- Are smaller companies subsidising the Grants being secured by larger companies?

These and other issues raised by the data generated in the SETA monitoring system suggest that evaluations need to ask not only what works and why, but also, for whom it works.

RECOMMENDATIONS

Common to many of the Discussion Briefs is a recommendation that the alignment between the multiple policy, planning, strategy and guideline documents related to the Mandatory Grant be reviewed. Where this alignment is poor, there is a very real risk of diverse and potentially conflicting principles and objectives leading to unnecessary complexity at all levels of SETA activity including the monitoring and evaluation of the Mandatory Grant.

Across all the documentation related to Mandatory Grants is a common commitment to using the Mandatory Grant to encourage employers to provide data to the SETA on their workforce and skills needs and to incentivise employers to plan and implement training for their employees and unemployed people. As part of the Theory of Change for SETAs (see Discussion Brief no. 2), it will be important to develop high level relational chains between inputs and multiple levels of outputs, outcomes and impacts. An example of such a relational chain is given below with regard to soliciting information from workplaces to inform the development of SSPs.

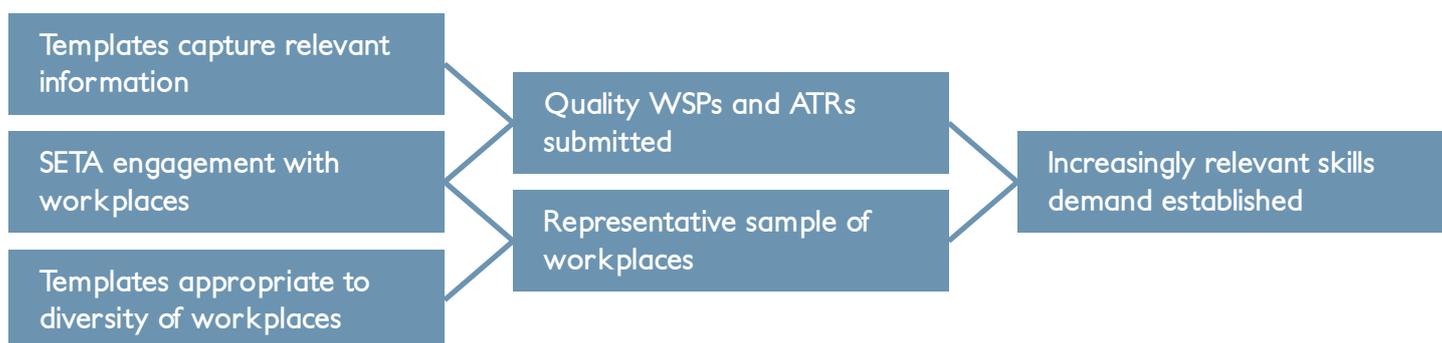


Figure 1: Abbreviated logical framework for the Mandatory Grant

Even this short chain could potentially produce at least five different indicators if an indicator was ascribed to each square and even more, if the squares are disaggregated (e.g. a separate indicator for small, medium and large workplaces). The challenge therefore is to focus on the highest-level outcome/ impact possible while still identifying the critical areas that enable this outcome. In this instance, we would suggest focusing on submission of quality WSPs and ATRs. The principles of contributing the country's socio-economic development and the need for inclusivity and co-operation suggests that an indicator related to diversity of workplaces will also be important. In this example, monitoring is then undertaken against this limited but strategically important set of indicators.

As was noted earlier, monitoring data has the potential to raise questions about, and support more detailed examinations into, apparent successes and contradictions related to the Mandatory Grant. In order to bring about learning and change, it is recommended that evaluations probe why particular aspects of the grant system have or have not worked and for whom. Two broad, but related, evaluative processes are recommended that seem particularly appropriate to developing the depth of understanding required to enhance the implementation and impact of the Mandatory Grant. It is important to stress that these are not the only approaches that can be used to answer these questions, but they are particularly pertinent to the issues raised by a complex, dynamic multi-stakeholder and changing system as evident in the Mandatory Grant.

The first approach focuses on what worked, how and for whom with a secondary focus on why. It also has a strong emphasis on informing processes that support diverse interest groups to collectively work out solutions. For this kind of evaluation, Cultural Historical Activity Theory provides a number of tools for understanding complex and interrelated activity systems e.g. skills planning; workplaces; and training providers. In addition, drawing on organisational learning theory (the work of Engeström and others) makes explicit processes that integrate evaluation processes, expansive learning and organisational change.

The second evaluation approach recommended here has a stronger and more in-depth focus on how and why change takes place within complex systems. This approach is underpinned by a critical realist theory but draws more directly on the tradition of realist evaluation developed by Pawson and Tilley. This kind of evaluation surfaces the underlying causes and mechanisms and enables a deeper systemic response.

DISCUSSION BRIEF QUESTIONS

Some key areas for consideration include:

- Which of these M&E proposals seem useful?
- Are they feasible?
- Has something similar been tried before, with what outcomes?
- What is needed to implement them?
- If the proposals are not feasible, what are the alternatives?



If the proposals are feasible then the following could be considered as a process going forward:

- Clarification of the Theory of Change and Logical Frameworks for the Mandatory Grant within the skills development and broader PSET systems.
- Identification of key areas to monitor within the Theory of Change and Logical Framework.
- Development of indicators for key monitoring areas.
- Mapping of activity systems related to the Mandatory Grant.
- Identification of key contradictions within and between activity systems related to the Mandatory Grant.
- Deepening understanding of the key contradictions through realist evaluation and particularly a process of detailing the context-mechanism-outcome configurations related to the Mandatory Grant across SETAs.
- A systematic and system-wide evaluation to create skills intelligence needs to be done. This could be based on a mapping of activity systems within the context of the need for economic and social development. The scope and ongoing demand for this data suggests the need for a cross-sectoral/ cross-SETA entity such as the proposed Skills Planning Unit.