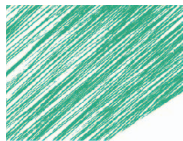




## opinion by Nicolaas Kruger



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# Get set for change



**T**he old adage that the only thing that is constant is change certainly holds true. At a global level, we have seen many surprises, such as Brexit in the UK and the inauguration of Donald Trump as president of the US, and instability continues in many parts of the world.

In SA, ongoing uncertainty and sluggish growth have caused many people to accept that what we think has been working has not worked for many citizens. Many of the structures that we hold onto do not support the drive for equality or inclusive growth, and we must face the reality that too many fellow South Africans remain stuck in the cycle of poverty, and too few are able to access economic opportunities.

SA's unemployment rate is stuck at about 25%, with even higher rates for the youth, at more than 50%.

An inadequately educated and unskilled workforce is one of the root causes of unemployment.

The challenge is likely to be amplified in the coming years due to the "Fourth Industrial Revolution", characterised by fast-paced technological progress and

deeper socioeconomic and demographic changes. Where one-third of jobs will not exist in their current form, our youth and existing workforce will need to adapt to transforming labour markets.

According to the World Economic Forum's (WEF) "Future of Jobs" study, the result could be a net loss of more than 5m jobs in 15 major developed and emerging economies, including that of SA. The study highlights that skills demands will change significantly over the next five years, pointing to the importance of aligning education with the skills needed in the labour force.

**Only a portion of** students currently enrolled in SA's tertiary institutions are studying subjects that directly support the need in business for science, technology, engineering and maths, as well as future-oriented skills. Many organisations also face the challenge of finding appropriately trained graduates who have complex problem-solving, critical thinking and decision-making skills, good judgment and cognitive flexibility.

Skills and development are key to SA's transformation and economic growth. We are seeing some notable successes, such as the R1.5bn fund provided by the private sector to advance

entrepreneurship among small and medium enterprises. The agreement between government and business to place 330,000 youth in paid internships in the private sector is another.

A number of other good private-sector initiatives are also under way, driven by regulated skills spend.

If we are to make a meaningful impact on unemployment, and achieve the scale and sustainability required to address the skills shortage, a more collaborative and concerted effort is required.

Through the WEF's Africa Skills Initiative, work is being done to anticipate trends in the labour market and convene stakeholders from business, government and the education and training sector.

We believe that the opportunity to engage and learn from others is invaluable, and that working together is key; longer-term reform by the public sector must be complemented by collaboration with the private sector.

We have to accept that the way things used to work will not necessarily be the way they continue to work. We need to work together and act now if we are to equip our youth and workforce for a future where the only real constant will be change. **x**

**Our youth and existing workforce will need to adapt to transforming labour markets**

