

THE BUSINESS SKILLS FOR SOUTH AFRICA FOUNDATION

Trust Registration Number IT255/94 Non-Profit Trust Number 004-529-NPO

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BSSA BUSINESS PROFILE

Non-profit Organisation Registration Number: 004 - 529 - NPO

1. HISTORY

In 1991, senior partners of PwC recognised a need to transfer useful business skills to owner-managers of small, medium and micro enterprises (SMMEs), and, based on the British Skills Seminar Programme, the Business Skills for South Africa Foundation (BSSA) was born. PwC approached the National Industrial Chamber (NIC), the manufacturing sector of NAFCOC, to be the founding partner of BSSA, bringing with it an intimate knowledge of the SMME market. The BSSA Foundation was formally established as a non-profit trust early in 1994.

BSSA's focus was initially on SMMEs that were already in business, with a belief that these existing entrepreneurs would improve their operations and, in growing, create viable job opportunities. This view has been substantiated over the years, although the need to also support those wishing to start businesses of their own remains important. BSSA thus trains both start-ups and entrepreneurs aiming to grow their businesses.

Over time, new market opportunities have led to an expansion of BSSA's clients and products, e.g. the training of professionals supporting SMMEs, such as business advisers and mentors. A more recent development has been the request to train staff of various types of business support institutions. BSSA has also, sometimes in partnership with other institutions, developed training programmes focusing on expressed needs of SMMEs.

2. MISSION STATEMENT

The mission of BSSA is to provide systematic and formal business skills training and education for the benefit and enhancement of the full range of SMMEs in South Africa, and to create sustainable jobs and increase wealth through the transfer of practical business skills.

3. INSTITUTIONAL STRUCTURE

BSSA operates from a small head office in Pretoria with a Chief Executive Officer, a Deputy Chief Executive Officer, three trainers and four administrative support staff members. BSSA also utilises approximately 60 BSSA accredited trainers, all committed to BSSA's ethics and methodologies, across South Africa. These accredited SMME trainers run their own independent businesses as training providers. BSSA can thus offer training in any part of the country and in all the official languages.

4. TRUSTEE PROFILE

As a non-profit trust (No. IT255/94), a board of trustees, governs the activities of BSSA. The trustees are all high-standing members of the business community. The trustees are:

- Mr. Raj Dhanlall (Director,PwC)
- Mr. JM Mogodi (Past President, National Industrial Chamber)
- Ms. KB Mohlala (Regional Executive Director, Region 4, Tshwane Metropolitan Council)
- Mr. SS Skhosana (President, NIC and Managing Director, Sioma Training Enterprise Development Services)
- Mr. IS Scott (Retired PwC partner)
- Mr. S Ndwandwe (Sothaba)
- Mr. V Jack (Chairman, Empowerdex (Pty) Ltd)
- Mr. NM Thekiso (Business Development Director, SSC Group)
- Mr. SM Bukula (Osiba Management)

5. DETAILS OF SERVICES OFFERED

5.1 Training

BSSA's main objective is to offer business skills training. Three segments have been chosen as focus areas. These are:

- owner-managers of enterprises of various sizes and stages of development;
- business advisers to SMMEs; and
- professional staff, including managers, of SMME support organisations.

BSSA also offers trainer development training for those using its programmes.

The following training courses and modules are offered:

5.1.1 Owner-manager programmes

BSSA Core Programme: (aligned to the unit standards of the New Venture Creation qualification - NQF Level 4)

This programme focuses on business growth and expansion. Most modules require between one and three days' training.

Marketing

- Practical marketing
- Personal selling skills
- Advertising and promotion
- Customer care

Financial Management

Practical pricing and costing

- Effective financial management
- Bookkeeping and advanced bookkeeping
- Essential aspects of purchasing
- Understanding VAT
- Understanding Income Tax

General Management

- Your approach towards business
- Effective management
- Practical negotiating skills
- Your business plan

ProNet: NQF Level 4

This is a business management programme for SMMEs in the manufacturing sector. It was developed in conjunction with the then InWEnt.

- Manufacturing health check
- Quality management
- Production management
- Resource management
- Product development
- Information management
- Human resources management
- Cost and financial management

Specialist Courses

- Practical tendering skills
- Project management
- Franchise awareness
- HIV/AIDS as a business issue
- Business ethics
- Export readiness

5.1.2 Programmes for business advisers / support professionals

PROCESS: (aligned to the unit standards of the Business Adviser qualification - NQF Level 5)
This programme covers the theory and practice of business advising. It was developed in conjunction with the then InWEnt.

- Business planning
- Business appraisal
- Market analysis
- Technical analysis
- Financial analysis
- Business advising
- Business monitoring and rehabilitation

Build a Better Business (BBB)

This programme is designed to train advisors in the use of the diagnostic tools listed below, which together make up the BBB Toolkit.

- Tips for effective management
- Preparing for the assignment
- Overview health check
- Interpretation of strengths, weaknesses, opportunities and threats
- Critical issues determinants

5.1.3 Training programmes for community based organisations

- Project management for community-based organisations
- The project business plan for community-based organisation
- Practical financial management for community-based organisations

5.2 Mentorship

Although mentorship and post training support is not BSSA's main focus, the foundation was for a number of years contracted by the Banking Council to administer the Sizanani mentorship programme on its behalf. In this scheme an SMME obtaining a so-called Sizanani loan from any of the commercial banks was supported for two years by an experienced business mentor. BSSA applied quality control and also administered the scheme.

BSSA presently offers post training support in two ways:

- Firstly, training is usually followed by one or more sessions of so-called "group counselling". During such
 sessions learners are coached as a group to address common problems encountered when attempting
 to implement what they had learnt in class.
- Secondly, BSSA has a close working relationship with the Institute of Business Advisers (IBA) and utilizes members of the institute to offer one-on-one business advice or mentorship.

6. METHODOLOGY

BSSA uses formal experiential training methodology as the basis for skills transfer. This entails incorporating flexible training room activities, simulation exercises and actual experience in real life situations. Participants engage in group and individual activities based on the course content and their expectations. Trainers observe participants during all phases of the learning process to evaluate their progress and respond to their training needs.

7. BSSA'S EXPERIENCE TO DATE

To date, more than 45 000 SMME participants have completed the BSSA programme for owner-managers, and 2 000 advisers have participated in business adviser training.

8. STAKEHOLDERS AND PARTNERS

A wide range of institutions has requested that BSSA offer business skills training to **SMME owner-managers** over the past few years (some of these are no longer operational). These institutions include:

- NIC (National Industrial Chamber)
- City of Tshwane (CoT)
- Gauteng Economic Propellor (GEP)
- Print Media Unit (PDU)
- CSIR
- W & R Seta
- ECI Africa (for the Lonmin Supplier Programme)
- Royal Bafokeng Enterprise Development
- GIBS
- Seda
- Motswiri Consultants
- Centre for Supplier Development (CFSD)
- Humana People to People

The following are some of the institutions that have requested that BSSA offer **business adviser training:**

- Institute of Business Advisers (IBA)
- Service Seta
- USAID Vegasaaga
- Nedbank
- ABSA
- dti (training of BBSDP network facilitators)
- ECDC
- Seda

9. **SOME RECENT CONTRACTS**

Faranani women empowerment programme

BSSA has annually since 2007 trained rural women in a programme called Faranani. Funded by PwC, this programme aims at empowering rural women to grow sustainable businesses. They are trained for 5 days on the market, practical pricing and costing, effective financial management, culminating in how to draw up a business plan. Learners are then expected to go and do market research and draw up a business plan for their own businesses. After two weeks learners are brought together for a two day, so-called, group counselling session were learners present and discuss their business plans.

BSSA assists about **150 women** in this programme **annually** in Mpumalanga, Limpopo, Gauteng and Kwazulu Natal.

Supplier and enterprise development programmes

As part of government's Black Economic Empowerment initiatives, private sector companies have embarked on enterprise development and supplier development programmes. BSSA has been contracted to offer business skills training to existing and potential suppliers from rural communities surrounding various mines. Over the past five (5) years BSSA has trained potential suppliers to Petra Diamonds (Cullinan, Kimberley, Finsch, Koffiefontein), Phalaborwa Copper, AfriSam (Lichtenburg, Ulco-Northern Cape, Roodepoort), Gold Fields and Richards Bay minerals.

Training for Humana People to People

Humana People to People International has funded BSSA to train various groups of people with whom they are working in rural areas. In 2014 BSSA trained 120 so-called club leaders in four areas i.e. Bushbuckridge, Tubatse, Kagiso and Mbashe. These Club leaders are all responsible for youth clubs and they were trained in basic business principles in order to be able to assist young people wishing to start income generating activities. In 2015 BSSA offered business orientation training to 125 club members in these same areas.

City of Tshwane business orientation training

BSSA is contracted annually by the City of Tshwane to offer business orientation training to people in the Tshwane metropolitan area. Approximately 430 people are trained annually in Cull inan, Mamelodi, Atteridgeville, Soshanguve, Hammanskraal, Olievenhoutbosch, Nellmaphius, Bronkhorstspruit, Mabopane, Winterveldt, Temba, Leeuwfontein, Ekangala, East Lynn, Garankuwa and Ikageng.

10. IMPACT

The impact of BSSA's training interventions has been formally assessed on three occasions.

10.1 Assessment by Triple Trust (funded by the then DFID)

An external impact assessment of owner-manager training, conducted by Triple Trust Consulting on behalf of the British Department of International Development in 1996, found the following:

"While not all changes in people's businesses can be directly attributed to BSSA, it is fair to say that the BSSA training programme is having a significant economic impact on the target communities.

"On a 'softer', more qualitative note, the participants consistently rated the relevance and quality of the BSSA training high, most could give specific examples of ways they had implemented the training, and the vast majority strongly recommended the course to their friends."

"Of the businesses interviewed:

- 73% increased sales
- 68% increased net profit
- 38% increased the number of employees
- 49% increased wages of employees
- 96% implemented something they learned during the course
- 80% reported that BSSA training changed their life in some positive way".

10.2 Assessment by Reinette Nyimba (funded by NDA)

In 2002 BSSA trained 228 learners wishing to become business advisers. NDA, who funded the programme, demanded an independent assessment of the Build-a-Better-Business Programme, which was offered to these participants. NDA contracted a consultant, Reinette Nyimba to do the work. Questionnaires were given to 60 learners. Of these learners:

- "57% obtained new business
- 43% expanded their business and increased their customer base
- 77% were able to understand business better
- 77% were able to implement the lessons learnt from the BBB training
- 93% improved their performance from the concepts learnt".

10.3 Assessment by Upstart Business Strategies (UBS) (funded by PwC)

In 2006 PwC requested the then UBS (now OSIBA) to undertake an assessment of the impact of BSSA's training. The following are some of the findings:

<u>Motivation for participating in BSSA training</u>: The vast majority of trainees attended the training to acquire general business management skills, indicating that the BSSA programme was the first programme of this nature most trainees had attended. This means BSSA plays an important role in introducing SMMEs to business skills development. The second largest number of respondents attended training to develop their costing and pricing skills.

Learners also participated in order to obtain BSSA accreditation and to enhance their credibility in and knowledge of the SMME market. This shows BSSA's training is seen as the ideal vehicle to enhance one's standing in the market. This is an important endorsement of BSSA and its training products.

<u>Satisfaction with BSSA training</u>: The level of satisfaction with all aspects of the training programme was very high. The BSSA training material was seen as being of high quality and delivered by knowledgeable trainers.

<u>Training success measures and post-training impact</u>: Trainees mainly measure the success of their training in terms of the subsequent financial performance of their businesses. Key focus areas include increased patronage and turnover, and improved profit margins. The majority of respondents indicated that the BSSA training did enable them to improve the overall financial performance of their businesses. This resulted mainly from improved costing and pricing, marketing and cashflow management.

The programmes for business advisors received an overwhelming endorsement from trainees. Virtually all respondents indicated they would be willing to participate in either the same or another training programme as long as it was offered by BSSA.

11. PROVIDER ACCREDITATION

BSSA has been accredited by SAQA (no: 0116) as a provider of learning programmes and most of its training materials are unit standard aligned and also accredited (Accreditation no 0116)

12. COMPLIANCE

BSSA pays SDL to the Services SETA. All employees pay Pay-As-You-Earn tax. BSSA contributes to the Unemployment Insurance Fund (UIF).