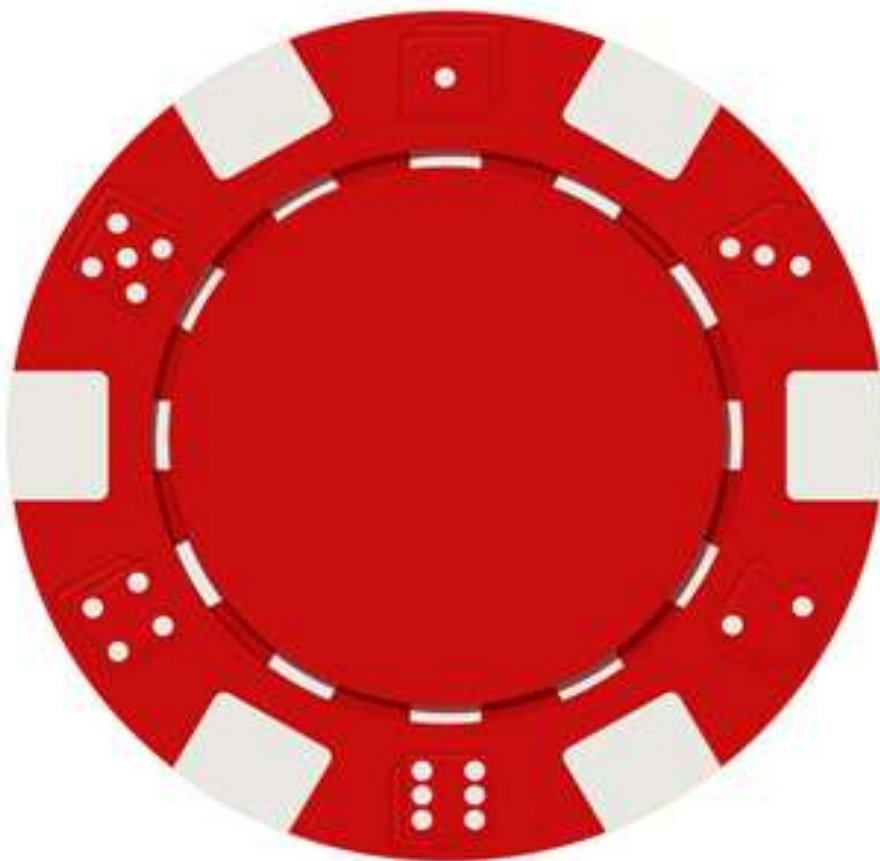




Stakeholder Interview and Workshop Report
June 2016
Gaming and Lotteries



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1. INTRODUCTION

This Skills Needs Survey, which is based on interviews and workshops with stakeholders in the industry, is part of a broader constellation of research studies conducted in the gaming and lotteries industry to gather labour market intelligence on skills needs. It is based on qualitative research methods.

Other studies include a labour market profile, a tracer study, a vacancy analysis survey, a salary survey, and a change drivers study. These tend to use quantitative research methods, with the exception of the latter report.

From a labour market analysis perspective, reliance on a composite of quantitative and qualitative labour market signals and indicators, rather than on a single approach, enables the research team to form judgments on the basis of the weight of labour market evidence.

With labour market research there is a tendency to employ wholly quantitative research methods in the investigation. The usefulness of qualitative research is generally underplayed. Yet, the use of statistical data does not tell the whole story. Insights and nuances can be gathered by engaging with people at the coal-face of the industry. These are people on the ground with the “pulse of the industry in the wrists of their hands”. They tend to offer perspectives that one would not normally obtain from pure quantitative research.

Qualitative research can provide a rich vein of insights, and when used with statistics can tell a powerful story about skills needs in an industry. It is not so much concerned with the volume of participants, but rather the quality, depth and relevance of insights.

The key objectives of this skills needs survey are to:

- Identify key issues impacting on skills on the industry.
- Test the findings of other studies for the purposes of corroborating or disputing evidence.
- Understand the thinking of stakeholders first hand.
- Provide skills development directions for the industry over the next few years.

The workshop discussions and interviews were robust. Participants spoke freely and raised issues of concerns insofar as skills development in the industry are concerned. They had much to say. The substance of these discussions are captured in this report.

There is a need for CATHSSETA to give consideration to the findings in this report, as it tends to resonate with the prevailing thinking in the industry.

This report presents the key discussions and finding, instead of a narrative of all issues raised.

2. KEY POINTS FOR CONSIDERATION

1	There does not appear to be skills shortages per se in the gaming and lotteries industry. However, labour turnover in the industry is relatively high. In addition, the industry is growing. What is essentially required is to address skills gaps. This means equipping employees with the right skills mix. The CATHSSETA should therefore engage with the industry on the issue of skills gaps and offer requisite skills training.
2	Much of the training in the gaming environment is taking place in-house. Therefore, support should be provided by the CATHSSETA quality assurance department to assist companies with designing and developing courses, pedagogy, facilitation training, assessment strategies for skills programmes.
3	CATHSSETA should engage with the industry in the development of a gaming qualifications framework with career ladders. This will enable career development for employees in the industry and reduce labour turnover.
4	There is a need to map the occupations in gaming to qualifications, and then, prioritise the development of qualifications leading to careers. Hence, qualifications framework should be developed for the gaming industry.
5	Since TVET College and universities are not offering gaming qualifications, CATHSSETA should conduct a feasibility study of establishing a partnership with a foreign post-school institution to offer a range of programmes. Local training institutions should also be part of the project for transfer of knowledge.
6	As the industry recruits matriculants who often have mediocre communication and mathematics skills, there is a need for a national project to improve language and numeracy in the industry. CATHSSETA should fund a project.
7	CATHSSETA should improve its efficiencies, customer service and communication with stakeholders.
8	The following training needs have been highlighted: IT skills, food and beverage staff training and chef training.
9	There is a need to offer relevant training to staff, especially inspectors, and Board members in these organisations. Possible areas for training include: corporate governance, ethics, risk management, understanding the legislation, auditing, assessment of licencing applications, and monitoring and evaluation. CATHSSETA should establish a funding window for this need.
10	There is only one occupational title for the gaming industry on the OFO – gaming worker. This means that a cleaner or CEO in a casino or other gaming establishment is classified as the same gaming worker. CATHSSETA should make inputs for the gaming industry to the custodians of the OFO.

3. INTERVIEWS

We have captured the most salient issues emerging from the interviews.

3.1 Interview Questions

Interviews were conducted with key informants who possess knowledge and insight on skills development in the industry.

A semi-structured interview schedule was devised consisting of a mixture of closed and open-ended questions. The use of a semi-structured interview schedule enables the interviewer to deviate from the questions in order to probe deeper into the views and insights of the interviewee. However, all questions on the schedule should be addressed by the end of the interview.

The interview schedule consisted of the following questions:

A SKILLS SHORTAGES						
A1	Is your company currently in need of skilled people in certain types of occupations?				Yes	No
A2	Would you say that a shortage of skilled people in your company is an area of concern in the: ¹	Short-term?	Medium-term?	Long-term?	Not a concern at all	
A3	Do you think a shortage of skilled people in your company is a risk to the business?				Yes	No
A4	Is the risk:	High	Medium	Low	No risk	

B RECRUITMENT DIFFICULTIES	
B1	What type of occupations are hard-to-fill or which you have experienced the greatest difficulty in filling vacancies in the last 12 months?
B2	What types of occupations do you expect to be recruiting for your company in the next 12 months?
B3	What are some of the reasons why you cannot find skilled people for posts at your company?
B4	What do you do to compensate if a vacancy cannot be filled? (How does your company cope or deal with skills shortages?)

C SETA AND TRAINING PROVIDERS	
C1	What should the CATHSSETA be doing to address skills shortages in your industry?
C2	What are your views on the quality of training providers in your industry.
C3	List some of the new trends and developments in your industry that is having an impact on skills development.

D GENERAL COMMENTS	
D1	What other comments do you have to make regarding skills development in your company or industry?

¹ (Short-term -1 -2 years; Medium-term 3-5 years; Long-term +5 years)

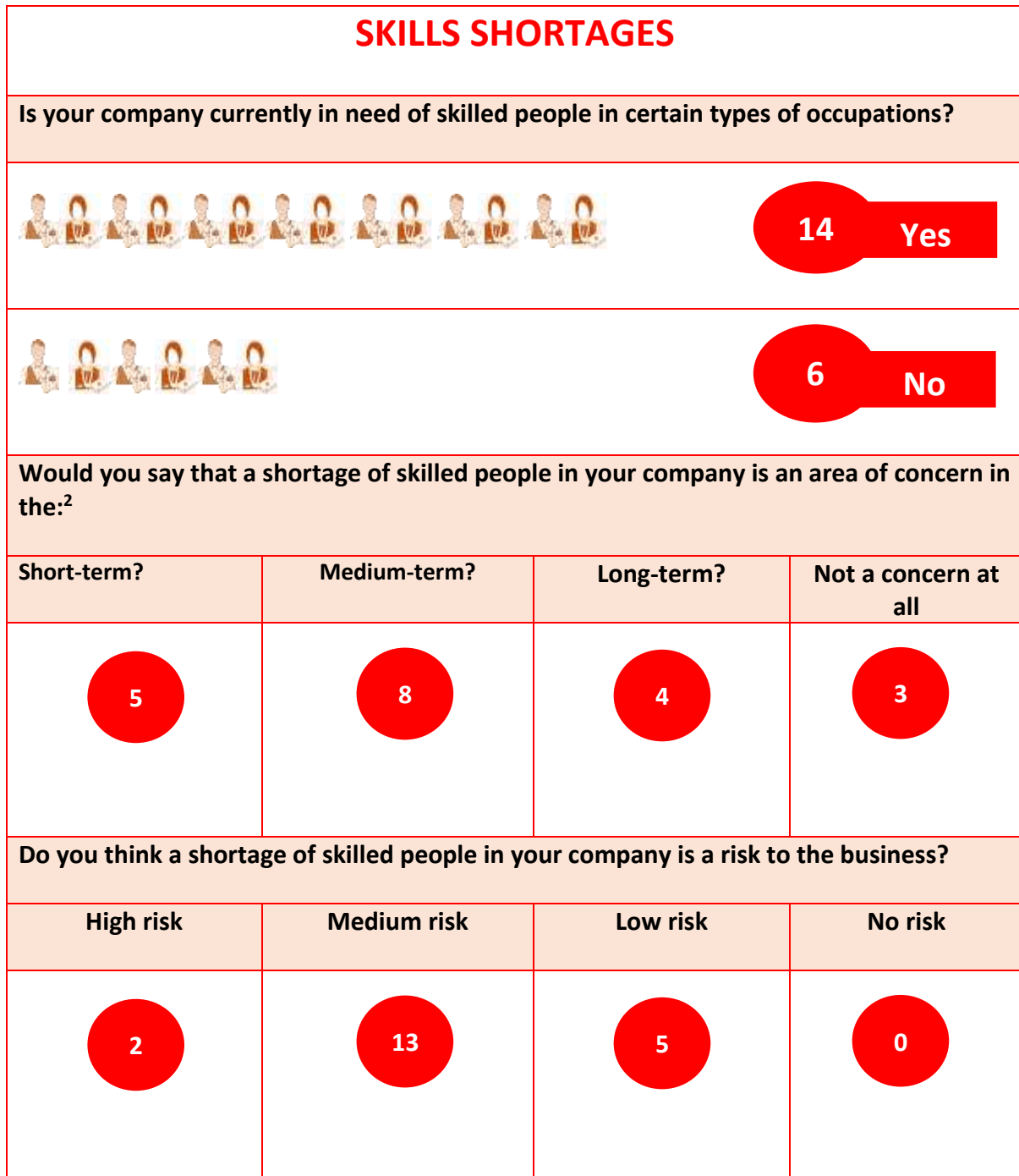
3.2 Interviewees

The following people were interviewed:

NO	INTERVIEWEE	COMPANY	POSITION
1	Vicki Weiderman	Desert Palace Hotel	Marketing Manager
2	Rona Greef	Natal Bookmakers	HR Administrator
3	Petro Scheepers	Graceland Casino	Administrator
4	Shadlyn Sadan	Grand Parade Investment	Group HR Manager
5	Farzana Valli	Balele Leisure	HR Manager
6	Greg Crawford	Bingo Royale East London	General Manager
7	Sandy Deonarian	Graceland Casino	Sales Manager
8	Shirona	Gold Circle racing and gaming	Employee Development supervisor
9	Harriet	Peermont Group	SDF
10	Rob	Van der Vyfer Racing	Skills Administrator
11	Numisa	Stanjames Betting	HR Administrator
12	Rithan	Suncoast Casino	Cash Desk Supervisor
13	Luzanne	Pioneer slots	Group Legal and Compliance
14	Anthea	Mykonos Casino	HRD Coordinator
15	Nirvana	Gold Circle Racing and Gambling	HR Specialist
16	Vuyiswa	Flamingo Casino	Learning and Development Manager
17	Gloria	Emerald Casino and Safari	Training Manager
18	Layton	Nelspruit Tattersalls	Operations Manager
19	Matseleng Moeng	Highveld Horseracing and betting	HR Manager
20	Kedibone Matlapeng	Tusk Rio Casino	HR Administrator

3.3 Interview Findings

The findings for Section A are as follows:



² (Short-term -1 -2 years; Medium-term 3-5 years; Long-term +5 years)

RECRUITMENT DIFFICULTIES

What type of occupations are hard-to-fill or which you have experienced the greatest difficulty in filling vacancies in the last 12 months?

- | | |
|---|--|
| <ul style="list-style-type: none"> • Chef • Hotel Manager • General Manager/Operations Manager • Restaurant Manager • Financial Manager • IT Technicians • Dealers • Gaming Technicians | <ul style="list-style-type: none"> • Gaming Duty/Shift Manager • Slot Technician • Food & Beverage Manager • Executive Chef • Experienced Table Dealer • Software Development Programmer • Data Clerk • Odds Maker (Betting) |
|---|--|

What types of occupations do you expect to be recruiting for your company in the next 12 months?

- | | |
|---|---|
| <ul style="list-style-type: none"> • Cashiers • Cleaners • Customer Service Staff • Chef • Hotel Manager • General Manager/Operations Manager | <ul style="list-style-type: none"> • Restaurant Manager • IT Technicians • Food & Beverage Manager • Software Development Programmer • Data Clerk • HR Manager • Marketing Manager |
|---|---|

RECRUITMENT DIFFICULTIES

What are some of the reasons why you cannot find skilled people for posts at your company?

- There are **no specific qualifications/requirements** in order to enter the gaming industry. As such, most firms reported recruiting young people straight out of matric and training them in-house, in order to prepare them to fill a specific role in the business.
- For the industry, the issue is not so much an issue of whether there is a **skills shortage**, but rather the requirement to train the candidates into the right skill sets.
- Most firms reported that there was generally a **lack of skills/experience** in the market that was industry-specific and catered for the specific needs of the industry.
- There is a scarcity of skills in the **food and beverage industry**, where the relevant mix of both technical (chef) as well as basic managerial skills is a difficult combination to find.
- Another reason cited by firms **located in outlying areas** was that it was difficult to find gaming-related skills in those areas e.g. in the Free State province these skills are harder to come by, than would be the case in JHB, for example. In places like Newcastle and Upington, it is difficult to find people willing to relocate to these areas. In addition, small towns are unable to pay salary levels of Johannesburg, Cape Town and Durban.
- A few firms noted a problem with **high staff turnover** in the industry, making it difficult to retain skills
- **Poor communication skills** in the form of language barriers are also an issue.
- Small casinos are unable to pay competitive **salaries** required by highly skilled professionals. Some firms mentioned that when recruiting for financial positions/IT technicians, they had difficulties as they could not pay the high salaries required by these professionals.
- A few firms mentioned that they were unable to find suitably skilled **BBBEE candidates** to fill positions.

What do you do to compensate if a vacancy cannot be filled? (How does your company cope or deal with skills shortages?)

- Most respondents reported making use of **existing staff to assist** until a suitable appointment is made.
- In majority of the cases, where employees needed a certain skill to fill a vacancy, they reported pursuing their **own in-house training**.
- They recruit from **other areas of the business**. Trained them to the desired level and then place them in vacant positions.

- One firm mentioned that in highly skilled positions, when they cannot find suitably qualified staff to **meet BEE requirements** (either because of not being able to pay a competitive salary or being located away from major centres) they are forced to make an appointment which does not meet their BEE requirement.

SETA AND TRAINING PROVIDERS

What should the CATHSSETA be doing to address skills shortages in your industry?

- SETA should consider developing training specifically to cater for the needs of gaming industry e.g. relevant, **non-generic training** for electronic gaming/slot machine technicians. There is currently a mismatch between what industry requires in terms of training and skills and what SETA provides.
- A suggestion to resolve this would be for the SETA to **work more closely with industry** in developing training programmes, or employ people from the industry.
- Funding applications are a **cumbersome process** which takes time to prepare. There are also long turnaround times. This needs to be addressed.
- Funding stipend for the **dealer** skills course needs to be increased as it is viewed to be much lower than that of the manufacturing sector.
- Approve more discretionary grants for **chefs/horse racing-related training**.
- Provide some **basic life skills training** to assist new matriculants with the transition to the workplace (e.g. basic language and communications skills) as the sector employs a large number of youths straight out of matric.

What are your views on the quality of training providers in your industry?

- As mentioned previously, a vast majority of firms reported pursuing their own **in-house training**. A few respondents mentioned that there are a limited number of training providers in the outlying areas.

List some of the new trends and developments in your industry that is having an impact on skills development.

- There is an increase in online bookings and gambling requiring **good IT skills** to update websites on a regular basis and also improve the web interface to make it user-friendly.
- **Technicians** need good skills training to be able to deal with electronic circuits in which technology is constantly adapting and updating.
- **Hospitality training** needs to evolve with the sector's needs and not just be classroom-based.
- In general, the rise of **online gambling** poses a challenge to bricks and mortar casinos.

4. FOCUS GROUP WORKSHOP

A workshop was held for participants in the industry. The purpose of the workshop was to consult with stakeholders about skills needs in the industry.

The objectives of the workshop are to:

- Identify occupations where shortages exist (Hard-to-Fill vacancies) and skills gaps (Top up skills) in organisations.
- Find out what developments are influencing the sector and its implications for skills development.
- Discuss issues relating to training providers and training provision.
- Make recommendations on skills development interventions.

4.1 Workshop Questions

The workshop consisted of the following activities:

Activity: Change Drivers in the Industry

What is the skills-related change driver in your industry?	What effect/impact is this change driver having on organisations in the industry?	What intervention(s) do you recommend to address this challenge?	Is this intervention(s) high, medium or low priority?
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Activity: Supply-side Training Provision in the industry?

QUESTIONS
What new qualifications does your industry need that are currently not available? Why?
What current CATHSSETA qualifications do you find very beneficial to your organisations? Why?
What current CATHSSETA qualifications do you find problematic? Why?
What are views on training providers in your industry?
How can CATHSSETA improve training provision in your industry?

Activity: Skills Development Interventions

QUESTIONS
What significant skills development interventions do you recommend to CATHSSETA? Why do you recommend these interventions?
What innovations should be introduced by CATHSSETA? (What should they be doing differently)?

4.2 Workshop Participants

The following people participated at the workshop:

NO	PARTICIPANT	COMPANY	POSITION
1	Anita Northmore	Phumelela Gaming & Leisure	Training Officer
2	Stephen Quinn	Sun International	Skills Development Manager
3	Rizwana Vorajee	National Horse Racing Authority	HR Manager
4	Brenda Chalmers	QDC	Quality Assurance Manager
5	Sharon Mohale	FS Gambling & Liquor Authority	HR Manager
6	Lungi Gama	Tsogo Sun	HRD Practitioner
7	Nthabisena makal	Phumelela Gaming & Leisure	Training Officer
8	Jennifer Quinn	QDC	Managing Director

4.3 Workshop Findings

The following issues were highlighted:

4.3.1 Lack of Gaming Qualifications and Skills Programmes

- Gaming is one of the largest contributors to the coffers of the CATHSSETA, yet there are only two qualifications. This is gaming operations at level 3 and a supervisory qualification at level 5. The latter qualification is dormant. There is a need for more qualifications and skills programmes in gaming.
- The industry recruits matriculants. It offers them jobs, instead of a career. Hence, turnover is high. As employees find better jobs, they leave the industry. Therefore, there is a need for CATHSSETA to establish career pathways that provide employees with careers in the industry.
- There is a need to map the occupations in gaming to qualifications, and then, prioritise the development of qualifications leading to careers. Hence, qualifications framework should be developed for the gaming industry.
- There is a need to research the development of career pathways in gaming. An excellent example is the University of Nevada (Las Vegas), which has a gaming faculty. It offers a range of qualifications and short courses that respond to the needs of the industry. In SA, there are no TVET Colleges or universities offering gaming-related qualifications.

4.3.2 “Casino” Mathematics and Communication Skills

- New job entrants to the gaming industry tend to lack mathematics and communication skills. These competencies should have been achieved by the time they completed Grade 12. Therefore, the companies have the added cost of training entrants on skills they should have acquired in secondary school.
- Unit standards contextualised to gaming mathematics and business communication should be developed or adopted.

4.3.3 BEE Scorecard Issues

- B-BBEE targets were set for the industry by the regulators. The National Gambling Board (NGB) is monitoring the progress in implementing B-BBEE in the industry and reports on such progress in order to make any necessary interventions and to ensure that this transformation is realized. The NGB is also spearheading the process of ensuring that the entire industry achieves a level 2 B-BBEE status in terms of the Department of Trade and Industry’s Code of Good Practice.
- There are several problems with the BEE Scorecard for the gaming industry:
 - The points system is not clear and seems to be changing with new drafts of the scorecard.
 - More skills training is required to meet the skills development component of the scorecard which is in excess of company needs. This means companies are “training for unemployment” to meet the scorecard requirements.
 - The scorecard requires that all training should be accredited. Firstly, there are only two accredited training programmes in gaming, one of which is not utilised. There is a lack of accredited skills programmes. It means that training will take place for the sake of getting BEE points.

4.3.4 Gaming Academies

- One of the requirements for obtaining a gambling licence is that the potential licensee must establish a gaming training academy.
- However, casinos are already conducting in-house skills training for staff. Therefore, these academies are established for the sake of obtaining a licence. The risk of such academies is that they will be “training for unemployment”.

4.3.5 Training Regulators

- The gaming industry is very tightly regulated with a national and a number of provincial boards.

- There is a need to offer relevant training to staff, especially inspectors, and Board members in these organisations. Possible areas for training include: corporate governance, ethics, risk management, understanding the legislation, auditing, assessment of licencing applications, and monitoring and evaluation. CATHSSETA should establish a funding window for this need.

4.3.6 Communication with Stakeholders

- The lack of communication between CATHSSETA and its stakeholders is a problem. It needs to have regular interactions with stakeholders either through regional or chamber skills development forums. Stakeholders should be kept abreast of developments in the SETA and articulate their needs and concerns to the CATHSSETA.
- Payments of discretionary grants to training providers and member organisations is a major problem. There are incessant delays in funding which is a “nightmare” for training providers, many of which are small enterprises.
- Communication with the CATHSSETA office is always a problem because of high staff turnover.
- CATHSSETA has given graduates certificates without SAQA logos in the past. Some graduates have not received their certificates years after the qualification was successfully completed.
- Gaming is a major contributor to CATHSSETA financially, yet the term “gaming” is not on the name of CATHSSETA. This is indicative of its interest in the industry.
- CATHSSETA staff in the Gaming & Lotteries Chamber do not visit key constituent members. There is a need for the SETA staff to invest in stakeholder relationships and networking. They need to speak to the industry regularly.

4.3.7 Organisation Framework of Occupations (OFO)

- There is only one occupational title for the gaming industry on the OFO – gaming worker. This means that a cleaner or CEO in a casino or other gaming establishment is classified as the same gaming worker.
- CATHSSETA should make inputs for the gaming industry to the custodians of the OFO.