



## Gaming & Lotteries Industry

***CONSOLIDATED SUMMARY REPORT (June 2016)***  
*Priorities and Recommended Actions for a Demand-Led  
Approach to Skills Development in the Gaming & Lotteries  
Industry*



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## **1. INTRODUCTION**

CATHSSETA appointed FR Research Services to conduct skills analysis research on the Gaming and Lotteries Industry, which is a major sub-sector and levy contributor to the SETA.

The purpose of the research is to determine the skills needs within the designated industry and assess to what extent the CATHSSETA interventions are responsive to the needs of organisations in this industry. The skills intelligence gathered from the research is intended to feed into the CATHSSETA Sector Skills Plan (SSP) for the purposes of demand-led skills planning.

## **2. OBJECTIVES**

The objectives of this report are the following:

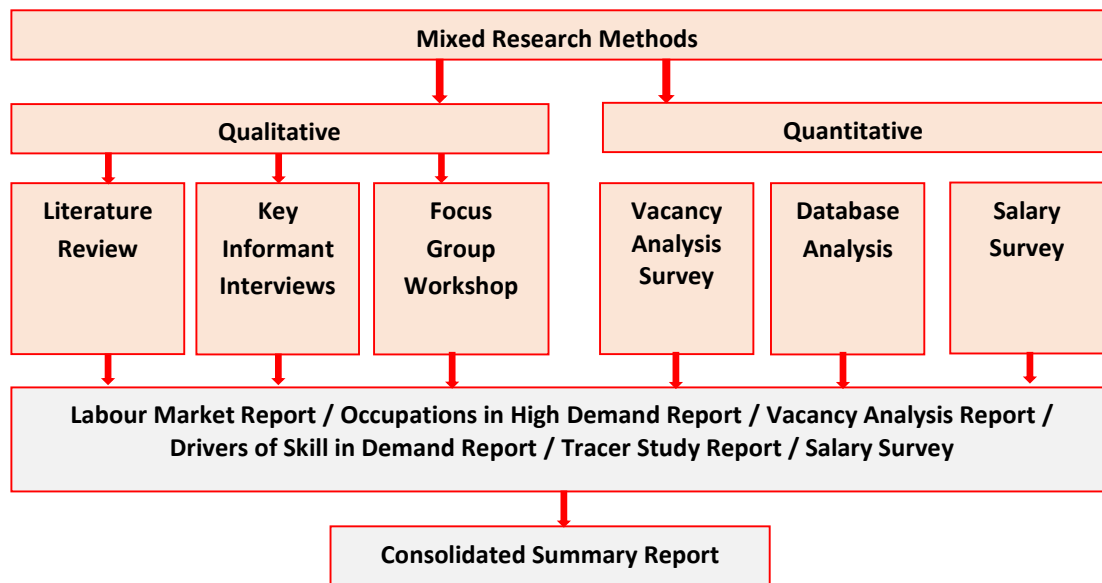
- Provide a consolidated summary of key findings and recommendations derived from a series of research studies conducted for this project to determine the skills needs in the industry.
- Identify which occupations are in high demand in the external labour market, if any, and skills gaps in the internal labour market of organisations in the industry.
- Recommend skills development interventions to the CATHSSETA at a strategic level based on the skills needs of constituent member organisations.
- Offer insights for sector skills planning.

### 3. RESEARCH DESIGN, APPROACH AND METHODS

#### 3.1 Research Design

The Research Design in this research project is the overall plan to connect the research approach (Mixed Methods Research) to the Research Methods that will be used to meet the objectives and key deliverables.

A graphical illustration of the research approach, design and methods is depicted below:



#### 3.2 Research Approach

Labour market research analysis is imperative to address skills imbalances, thus reducing skills mismatches and ensuring a productive and skilled workforce.

Labour Market Analysis (LMA) is a key element of acquiring labour market intelligence, which is vitally needed for informed decision-making in the sector. LMA involves analysing a comprehensive array of labour market-based and economic measures (signals and indicators) for making public investments in education and training. Reliance on a composite of labour market signals and indicators allow the analyst to form judgments on the basis of the weight of market evidence.

Proper and skilled LMA will enable CATHSSETA to achieve the following:

- Identify characteristics of employability;
- list occupations in demand;

- conduct analysis of wage and employment trends;
- establish and understand factors driving the demand for skills;
- guide training decisions;
- manage training systems;
- improve labour market efficiency; and
- plan SETA investments in training.

### 3.3 Mixed Methods Research

A mixed methods research approach is employed for this research project. Mixed methods research is based on combining research methods in an informed way. A growing number of research and evaluation studies make use of mixed methods, that is, both quantitative and qualitative methods within a single study.

This method is based on the assumption that quantitative and qualitative methods has its own strengths and limitations. Therefore, combining them seems a good idea. It is a more comprehensive approach to finding answers to research questions, especially since many research problems are complex and cannot easily be answered using a single method.

Mixed methods research provides a basis for triangulation but, more often, they become the source of different ways of conceptualising the research problem. In this case, the skills needs of the gaming and lotteries industry currently and in the future. They might set out to look at the same phenomena from different points of view.

To fulfil the outcomes of the project, seven research studies will be undertaken. Collectively, the findings of these studies in the form of research reports will feed into the SSP as well as support CATHSSETA in making evidence-based decision-making on skills planning and training investments.

The 7 studies to be conducted are the following:

**Labour Market Profile:** This study will feed into Chapter 1 of the SSP which is required and it will involve secondary research such as industry, trade and economic publications. Data from the Quarterly Labour Force Survey will be disaggregated to occupational digit 4 levels to provide information on employer and employee size. The CATHSSETA database will also be mined for WSP/ATR data. This will be supplemented by primary research in the form of interview and workshops. A PESTEL Analysis will be conducted at workshops.

**Vacancy Analysis:** The focus of this study is on identifying hard-to-fill vacancies (HTFV) which provides an excellent means of identifying where firms are having difficulty in recruiting to meet their production requirements. A number of frameworks and researchers use HTFV to identify skills shortages.

The study will focus not so much on the frequency of vacancies but rather the length of time to fill it. This is signalled by the fact that employers take a long time to fill the vacancy. The absolute number of vacancies on its own tells us little: a large number, for example, may just indicate that this is an occupation in which it is normal to have high turnover. The vacancies identified as H-T-F to constitute Chapter 4 of the Scarce Skills List. They will also feed in the Occupations into the High Demand List.

**Salary Survey:** This study will be established in 2 ways. A review of existing wage/salary trends reports for the purpose of identifying occupations relating to the designated sub-sector. And secondly, the administration of a survey to establish wage/salary trends among member companies. We will be focused on identifying occupations showing relatively high wage/salary growth above the inflation thresholds. It will feed into Chapter 4 of the Scarce Skills List. They will also feed into the Occupations in High Demand List.

**Tracer Study:** The purpose of this study is to establish employment outcomes of CATHSSETA training investments. The tracer study provides information about the whereabouts of graduates after the award, and linking this information with socio-biographic and study descriptors (e.g. gender, age, field of study, etc.). The main survey instruments will be a closed questionnaire for graduates and semi-structured questionnaires for key informants of trainers and employers. It will feed into Chapter 4 of the Scarce Skills List. They will also feed into the Occupations in High Demand List.

**Change Driver Study:** This study will draw on primary research – interviews and workshops – to identify skills drivers in the sub-sector. The focus of the workshop is obtaining information through PESTEL Analysis. Interviews will be held with experts in the sub-sector to obtain insights not normally found in the literature. This will be supplemented by a literature review. It will feed into Chapter 4 of the Scarce Skills List. They will also feed into the Occupations in High Demand List.

**Occupations in High Demand Study:** From all of the above studies an Occupations in High Demand Report will be developed. It will feed into Chapter 4 of the Scarce Skills List. They will also feed into the Occupations in High Demand List.

**Consolidated Summary:** Priorities and recommended actions for a demand-led approach to skills development in the Gaming & Lotteries Industry. It will feed into Chapter 5 of the Sector Skills plan.

A key facet of the research design is to enable triangulation of data from a wide variety of sources. Triangulation refers to the use of more than one approach to the research investigation to corroborate the ensuing findings. By using a range of methods to measure the same phenomena the findings can be tested for reliability and content validity.

#### 4. RESEARCH FINDINGS AND RECOMMENDATIONS

The research findings emanate from the various research studies mentioned earlier on the gaming and lotteries industry:

##### Finding 1 – In-House Training

- Labour turnover in the industry is relatively high. In addition, the industry is growing. What is essentially required is interventions to address skills gaps of existing employees and training of new employees which is currently taking place either in-house or by private training providers.
- Much of the training consists of short skills programmes taking place in-house. This is what is needed by companies. There is sufficient supply-side provision to provide such training. With the promotion of training academies by the National Gambling Board for new casino licences, there is a distinct possibility of over-supply of training provision.
- The following training needs have been highlighted: IT skills, food and beverage staff training and chef training. The industry recruits matriculants who often have mediocre communication and mathematics skills, a blowback from poor schooling.
- 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.

##### **Recommendation:**

- The SETA should give greater attention to short skills programmes and in-house training.
- The SETA should assist companies with designing and developing courses, pedagogy, facilitation training, assessment strategies for skills programmes.
- The SETA should update graduates' contact details on their database.
- Certificates should be given to graduates timeously.

## Finding 2– Linking Occupations to Qualifications

- There is a need to map the occupations in gaming to qualifications, and then, prioritise the development of qualifications leading to careers.
- 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.
- The industry recruits matriculants. It offers them jobs, instead of a career. Hence, turnover is high. As employees find better jobs, they are lost to the industry.

### Recommendation:

- The SETA should engage the industry in the development of a gaming qualifications framework with career pathways.
- There is a need to map the occupations in gaming to qualifications.
- 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.
- The NQF Level for the National Certificate in Gaming Operations (Level 3) should be reviewed as it appears to be a Level 4 qualification.

## Finding 3 – Role of TVET Colleges

- TVET College and universities are not offering gaming qualifications. This is a potential lost opportunity for TVET Colleges to work with a lucrative industry, especially those in rural areas where companies find it difficult to source training supply.

### Recommendation:

- The SETA should engage with TVET Colleges to discuss the possibility of offering gaming qualifications.



#### Finding 4 – OFO Codes

- 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.

##### **Recommendation:**

- The SETA should develop proposals and engage with the DHET for the inclusion of gaming occupations on the Organising Framework of Occupations (OFO).

#### Finding 5 – SETA Service Delivery

- Service delivery and stakeholder relations is a challenge. Training providers mention that late payments for training services is very common, leading to closure of training. Funding applications are a cumbersome process. Companies complain that the constant turnover of SETA staff means that there is no continuity to deal with queries. Graduates complain of not receiving certificates after completing a qualification successfully. In some cases, certificates do not contain the SAQA logo.
- Another major problem is the lack of face-to-face communication between companies and the SETA. SETA staff also do not visit member companies in the industry, especially the dominant players.
- Relationships with other regulatory bodies, e.g., the gambling boards and Department of Trade and Industry and Tourism are non-existent.

##### **Recommendation:**

- An organisational development initiative should be implemented in the SETA to improve productivity, efficiencies, customer service and communication with stakeholders.
- The SETA should 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.
- A stakeholder satisfaction survey should be administered to constituent employers, training providers and learners of the SETA.

## 5. OCCUPATIONS IN HIGH DEMAND

Based on the various research studies, there are no occupations in high demand. The industry is able to find candidates in all occupations to fill vacant posts.

Due to turnover and attrition, the supply of candidates for the following occupations should be prioritised:

<b>NO</b>	<b>PRIORITY OCCUPATIONS</b>
1	General Manager
2	Surveillance Manager
3	Systems & Network Administrator
4	Gaming Inspector
5	Gaming Manager
6	Gaming Dealer
7	Gaming Supervisor
8	Gaming Pit Boss
9	Gaming Table Operator
10	Slots Technician
11	Floor Supervisor