



EQUIP. EMPOWER. EXCEL.

NGOs, Education, and Opportunity in South Africa

*An analysis of macro and industry
trends and capacity need*



INTRODUCTION

Understanding the Context

There is now a sense of impatience over the pace of change in South Africa. For many, the country's advance towards Mr. Mandela's vision of a "rainbow nation" has slowed to a crawl. The government is well aware of this, and is now intervening in more and more areas of national life to try to speed up change... South Africa has some good stories to tell about change, but few of them are entirely the ANC's doing. From education to foreign policy to crime-fighting, the South African people have found creative solutions to many of their problems. That creativity is South Africa's most impressive asset, and increasingly comes from the poorest and historically most disadvantaged of South Africa's communities, who are now building their own ladders out of poverty.

-The Economist Survey of South Africa, April 6th, 2006

Any discussion of opportunity in South Africa today must begin with the advent of democracy in 1994. Until 1994, South Africa was under the Apartheid regime of official segregation with its various policies of "separate and unequal" treatment of its citizens. The word apartheid literally means "apartness" and was set up as a system of separate development for the races of South Africa. The struggle of South Africans to claim their freedom was supported around the world, culminating in the historic 1994 elections, when Nelson Mandela was elected president. The new South Africa would be colour-blind, giving opportunity to all who wanted to succeed.

Although 95% of the poorest 20% of all households in the country are black, 38% of

the top-earning 20% of households are also black, pointing to some progress since the historic 1994 elections. "Depending on how it is measured and by whom, the estimates of the proportion of blacks in the middle class range from 22% to 40%. Estimates suggest that the black middle class has doubled since 2000" (The Economist Survey of South Africa, April 6th, 2006). Concurrently, unemployment has fallen from a peak of 31% in 2003 to 27%, though a significant portion of these job seekers are in the informal sector. Finally, while the economy grew 5% last year and is generating jobs, just not enough to keep pace with the number of new entrants into the labor market. Essentially, although opportunity is increasing, it is not doing so equitably.

Additionally, there is a severe shortage of skills that threatens to slow economic growth. "Apartheid's most devastating and enduring legacy was that it destroyed the human capital of our nation. For the most part black people were not educated, the family unit was shattered, leadership icons outside of the struggle were scarce, and confidence, self-esteem, and humanity were insidiously and systematically destroyed. Concurrently a generation of moral, despondent white talent emigrated" (South African Institute of Race Relations, 12 December 2007). 30% of civil service posts stand vacant, and estimates on the high end are up to 60% for technicians and highly skilled labor (SA Good News, 31 March 2006). Still, many leaving secondary school find themselves unable to find work due to the vicious combination of their lacking skills in demand and the job market unable to produce enough jobs overall.

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The government has now embarked on a more ambitious program to find the jobs the country needs: the Accelerated and Shared Growth Initiative for South Africa (“ASGISA”). According to Joel Netshitenzhe, the government’s chief spokesman, this is “very Keynesian, with a bit of Roosevelt’s New Deal”. It will involve spending 370 billion Rand over the next three years on public works, mainly infrastructure, to boost jobs and create more demand that will also be spread more

evenly. Some sectors, such as tourism, will be specially targeted. The longer-term aims are to raise the growth rate to 6% by 2010 and to halve unemployment and poverty by 2014.

-The Economist Survey of South Africa, April 6th, 2006

This is obviously good news for the creation of jobs, but what of the skills deficit? How will opportunity be created for equitable development and participation in the economy?

KEY TRENDS

Black Economic Empowerment: Definition

The Broad-Based Black Economic Empowerment Act of 2003 defines “black people” as a generic term that includes “Africans, Coloureds and Indians”. According to the Act, “broad-based black economic empowerment” or “BBBEE” – with an emphasis on broad-based’ - refers to the economic empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas.

The Black Economic Empowerment Commission was established in 1998 and the Commission’s approach was based on the principle that a substantial increase in the level of black participation in South Africa’s economy is fundamental to growth. The organization extends the definition of empowerment beyond transfer of ownership of companies, describing it as “an integrated and coherent socio-economic process ... which aims to redress past imbalances by transferring and conferring ownership, management, and control of SA’s financial and economic resources to the majority of its citizens and ensure broader participation

of black people in the economy in order to achieve sustainable development and prosperity”.

The Commission defines three categories of black empowerment: “black” companies are at least 50.1% owned and managed by black people; “black empowered” firms are at least 25.1% owned and managed by black people; and “black influenced” firms are 5%-25% black-owned and managed.

In addition, a number of sector or industry specific charters have established guidelines for targeted empowerment in the following “pillars” of empowerment for previously disadvantaged individuals (“PDI’s”).

- Equity – percentage of the company owned by historically disadvantaged people
- Management – percentage of management at senior / board level that are PDI’s
- Employment Equity – percentage of staff that are PDI’s
- Skills development – efforts related to up-skilling staff, with emphasis on PDI’s



- Preferential procurement – purchasing of inputs or services from companies that are black empowered (see def'n)
- Enterprise development – efforts to build sustainable enterprises for suppliers or staff
- Corporate Social Investment – community development initiatives in health, education and civil society

Affirmative action policies have seen increasing numbers of senior black personnel, particularly in government parastatals. Most of the growth in the black middle class is a result of public sector employment “where they have been ‘politically more able to get jobs’” according to a policy advisor for COSATU, the largest labor body in South Africa (*Ibid, The Economist*). In comparison, the number of blacks in senior roles in the private sector has increased only slightly to approximately 25%.

Progress was also slow in extending black ownership, with black equity in public companies estimated at 9.4% in 2002 compared with 3.9% in 1997, from being virtually non-existent before 1994. Black South Africans accounted for 61% of the country’s professionals, associated professionals and technicians in 2001, up from 57% in 1996, according to the latest census statistics. There is a relative scarcity of skilled black candidates in SA, and the resulting demand for qualified black managers and professionals has seen salary packages rising fast and very high job mobility. To meet their employment equity targets, corporates are now raiding the only consistent pool of trained black managers: the public sector. Because the private sector can offer significantly higher wages, the departure of skilled staff is exacerbating the skills crisis in government and in civil society.

EDUCATION AND OPPORTUNITY

Access to education expanded rapidly in the 1980s as international pressure on the Apartheid regime increased. However, schools were generally more a centre for protest than for learning—“No education before liberation” was the rallying cry. Students were used (generally willingly) as tools of the revolution while teachers fought for union rights. Add to that the fact that most teachers of colour grew up under “Bantu” education, a separate and extremely poor system of education. Thus it is not surprising that schools are still largely not centres of learning; an anti-establishment dynamic was created that persists.

However, the potential for education to provide a path out of poverty is tremendous. Economic development policies must be coupled with successfully implemented

education policies to create both a receptive economic environment and the opportunity to advance oneself within such an environment. Government clearly believes this as education is the largest item in the budget (2008-2009 Budget Speech, Trevor Manuel), and the Development Bank of Southern Africa (DBSA) has praised such spending as placing “[appropriate] emphasis on human capital and social expenditure in general, for its impact on the quality of life and potential” (*Sowetan Daily*, 20 February 2008). Assuming continued economic growth, the ability to transition seamlessly from learner to worker will be key to an individual’s opportunity to develop along with the country.

Still, the reality also remains that although South Africa now has the highest enrolment



rates on the continent, particularly for girls, it still generally lags in achievement results for the majority of learners in sub-par schools. Thus, access to education alone does little to reduce poverty unless the access is to something meaningful and relevant to workforce needs (Poverty, Equity, and Access to Education, 2008).

INTERVENTION IMPLICATIONS

Empowering individuals through solid and meaningful education opportunities enables them to pursue their own advancement, and has clear benefit to society at large. As job opportunities increase, there must be a deep and wide pool of skilled labour to take advantage and continue to grow the South African economy.

Thus a relevant question is whether at this juncture ameliorative measures beyond the scope of government are necessary? A foundational belief asserted in this paper is that the answer is yes, and further that there exist grassroots efforts by civil society in general and the NGO community in particular having transformational impacts. Amandla Development aims to support the unmet needs of such efforts that hinder fulfillment of their missions. This paper outlines an assessment of those needs and necessary measures to meet them.

In sum, this white paper will address how societal development needs can and must be addressed by education, how NGOs are currently best positioned to catalyze education quality and equity improvement, and then it will analyze specific capacity needs of non-

government operators in this space and how Amandla aims to meet those needs.

The following sections will outline the key findings of literature review and interviews conducted with approximately 40 organizations in Johannesburg and Cape Town, South Africa.

The findings in this report are divided into the most pressing macro trends directly affecting education opportunity (school functionality, teacher quality, etc.), a brief analysis of the positioning of NGOs (internal/external) operating in the space, then the key issues limiting those NGOs' impact.



MACRO TRENDS

Finding 1: Dysfunctional school culture: Schools are often not viewed as the primary centres of learning, equipping people for the future.

Education access expanded rapidly throughout the 1980s such that almost all South African young people found a place in a school. Current primary school enrolment stands at 97%. Inequities persisted to the end of apartheid, though, with government spending at approximately R2,50 per white child for every R1 spent per non-white. Those schools, moreover, were often used to organise protests rather than serious learning.

The oppositional culture in schools persists. Most non-white teachers came up under the inferior Bantu education system and extremely difficult working conditions. Thus, teacher conditions often serve as a focal point for union politics, and the teachers and other school leaders themselves did not receive proper training.

- Lack of teacher professionalism/lack of strong leadership

Anecdotal evidence abounds of teachers arriving at school drunk if even on-time and of school leadership unwilling or unable assert control.

As stated by Kgotsi Schoeman of Kagiso Trust: "I wish I could say teachers must not belong to unions. But given the conditions in this country, they need to be unionised. But unless we move to a stage where teachers see their role completely differently from other

public servants, we have a problem. They need to be willing to be held accountable."

Where teachers are willing to be held accountable and where the leadership is assertive, the issue of functionality appears greatly diminished. Consistently, where teachers cite strong leadership, the effect is a broadly more functional school. Of the many components that serve as drivers for learner achievement, the basics of leadership and engaged teachers are always present. Still, policy cannot be built on the presence of exceptional individuals.

- Lack of organisational capacity, good management, and good Monitoring and Evaluation (M&E); administrative systems need to be improved at the district level; politics of the school system interfere with performance.

According to JET Educational Services, "The lowest level of schooling governance is at the circuit level. There is not sufficient capacity in the district or the circuit to support and monitor schools."

Thus, although government leadership is necessary for long-term education quality improvement, the locus of key problems at present are closer to the ground.

"SADTU (South African Democratic Teacher's Union) and government don't trust each other. The department and SADTU hold us ransom. Unless they realise how much they need each other, whatever we do will never have a sustained impact. We must bring back a policy



that monitors and evaluates on a continuous basis. It's ridiculous not to have that. There's too much politics surrounding education," says Schoeman.

In short, school effectiveness is damaged broadly by lacking functionality that stems specifically from lacking skills and leadership in administration and deficient systems on the district level, all hampered by politics

Finding 2: Disconnect between schools and communities: Communities must become invested in and supportive of their schools.

Again, the lived reality is that most parents are to some extent in awe of educators and also unaware of what a quality education should look like. The schools exist largely disconnected from their communities such that the needed pressure of constituents on government is not there. There's a case to be made that the presence of quality will inspire more quality as people see what it looks like and in turn demand it for themselves and their children.

The SA government has already given much attention to education and is clearly not in denial. Yet one comes up constantly against the issue of capacity. An appropriate question therefore is how government capacity can be increased.

Equal Education believes "[The] community-based approach helps increase capacity, pressure the government to implement policies people want, and improve the research out there."

- Becoming informed of their rights and responsibilities

Mass movements since the anti-apartheid struggle have mostly failed for one reason or other. Government's inability to thus far improve learner achievement has yet to stir mass discontent. Thus some groups believe that bottom-up organisations can solve the ground-level problems of policy implementation and create greater accountability for continued progress. But organising communities in such a manner requires extensive education of citizens.

"Public education can equip people with the knowledge to confidently organise and advocate to demand things from their own government," notes Equal Education.

Finding 3: Many schools don't succeed in transferring skills to students: There need to be stronger pathways from education to good jobs.

Amandla's work is predicated upon a growing economy and functioning mechanisms for getting learners from school to work. The issue is less whether education will drive economic growth (research shows it typically doesn't) and more whether education can drive opportunity and create equity within a growing society. Thus the focus of growth is in the education industry and its success in preparing students to contribute to the larger development picture.



- Part of the problem is the lack of skills in teachers themselves.

"The next big thing is teachers. Three quarters of them in the system were themselves victims of bad curricula. [Government has] revised it and are slowly but surely trying to make it more accessible. But the real redress and support must be in the teaching arena," says the Primary Science Programme.

As noted already, the problems are not all in one arena and effective ameliorative measures must take into account the multiple factors that influence learner achievement, but within the schools, it cannot be understated that teachers do indeed need much more support.

- Part of the problem is the difficulty/impracticality of the curriculum

Most teachers would agree the current curriculum requires far too much time devoted to required assessments for one. Additionally, Outcomes Based Education (OBE) such as it is does not account for the basic content that many learners had not mastered that would make its conceptual integration approach effective, let alone the projects that the average township child lacks the resources to undertake.

According to Education Africa: "There's a big curricular problem that our matriculants aren't employable. The curriculum isn't aligned well with the employment needs."

MACRO TRENDS IN EDUCATION

- Dysfunctional schools: school culture and governance is often not conducive to learning
 - School-community disconnect: communities aren't invested in their schools and can help add capacity and pressure government for improvements
- Poor skill transfer: learners are nonnecessarily leaving school with the necessary skills or knowledge of the employment sector to be immediately employable

HOW NGOs ADD VALUE

Finding 4: The non-profit sector is uniquely positioned to bring together the needed elements of government policy execution and community involvement.

The task of the South African government in redressing past wrongs is massive simply on a logistical scale, let alone with the effort being made largely by individuals who themselves were denied the opportunity to acquire high-level skills. Moreover, government generally functions on a level significantly removed from the complexities that complicate policy implementation. Yet, its capacity to put forward potent measures of reconciliation can be increased dramatically by the addition of a broad base of talents and capacities of individuals.

- The problem is multifaceted leaving most single-sector solutions insufficient.

But there certainly are commonalities amongst the various facets of the issue, and one not to be overlooked is the issue of needed capacity in making high-level policy measures significant all the way down to the individual child they affect. That requires work done on the ground by skilled individuals. Outcomes to policies affecting humans are unpredictable and require a human element to respond to the ensuing complexity of realities in people's lives.

That is, this isn't strictly a matter of policy makers in one arena creating a set of edicts for schools to follow. The needed capacities are far broader.



"[There are] socio-economic, medical issues that can be having a significant impact on how learners achieve... we don't fully understand and have a solid enough theoretical framework of how teachers are teaching. There's a lot of funding going into education, but much of what's being funded must be failing, and so we need to hear more about what's failing and why," notes the Schools Development Unit of University of Cape Town.

According to Equal Education, "You can't put all your eggs in one basket. There's no silver bullet. There have been efforts trying to solve the education problem in a very innovative or clever way. This is going to be a 20-year effort, and it's going to be slow and hard to measure. But there must be a multi-pronged approach to dealing with a number of policy areas simultaneously."

- The NGO sector can act as an external lever, functioning largely as an intermediary step between policy mandates and actualised effects in people's daily lives.

Not only does the research show that government is often lacking capacity to spend

allocated funds and to have lasting impact, but NGOs are also closer to the communities in which they operate and can respond more quickly to needs. NGOs can also communicate more efficiently with government to make known the successes and failures of various policy actions.

- There do, however, exist weaknesses in an NGO-driven approach.

Long-term success will depend on government taking up ultimate responsibility. Not only does government have access long-term to constant streams of revenues, but government can be held accountable in a way that NGOs cannot. But the two processes are not mutually exclusive—civil society and NGOs can bring capacity to bear, aiding in government's ability to take up more of the burden. Additionally, NGO interventions cannot substitute for well-designed and executed policies.

Hugh McLean of Open Society Foundation notes, "Revitalising the state sector will be the only way to have sustained impact. Private initiatives will run out eventually."

LIMITING FACTORS

Finding 5: Underdevelopment of funding streams

- South Africa does not have a well-developed culture of philanthropy
- Organizations are not adept at fundraising strategy
- Donors reluctant to invest long-term and/or have difficulty identifying worthy investments

According to Inyathelo, "We can't rely on international funding forever. Getting individual giving going is critical, and it's a huge gap. The systems that need to be put in place for individual giving, for example, aren't known here."

Individual giving to philanthropies or nonprofits is far less robust than in the U.S. Very



few NGOs have a strategy for fundraising from individuals and are therefore too dependent on potentially fickle funding streams such as bilateral donors and/or corporate donors and foundations whose priorities can easily shift without much notice.

Various intermediary groups have risen to meet the challenge of donor confidence and work to build a philanthropic culture, but there is still room for further involvement to broaden the scale of such operations.

WHAT AMANDLA SHOULD DO:

- identify NGOs worthy of investment
- document and make known such NGOs' best practices to donors
- advise NGOs on building stronger fundraising strategies (especially to get local as well as international funds)
- help fund NGOs while they are getting stronger and setting up better systems

circuit levels of the school system. This makes it doubly important for the sector of society aiming to resolve these issues to have solid capacity to do what it says it will do.

"Generally, there aren't enough of the organisational development people out there. Building of capacity is sorely needed," says Greater Good SA. "We know there's lots of needs and lots of resources. People want to give for various reasons. They don't do it because they don't trust the mechanisms to be able to do it. They also don't see results."

Understanding how to build capacity and make available services that will do so would add tremendous value. Robust assessment systems that account for the varied reasons for turnover and grasp the complexities of human behaviour that defy textbook standards are called for.

As Greater Good also remarks, "There's not enough broad thinking on a large level for all the organisations coming together to capacitate each other. The service providers in between the haves and have-nots seem to look like the beneficiaries rather than the people. Why can't they all just work together in an integrated fashion? "

Finding 6: Lacking organizational capacity of NGOs

- Sometimes standardized procedures are lacking for organizing/filing information, for running programs, etc.
- High staff turnover/poaching: difficulty finding good personnel and managers
- Understaffing or an inability to expand (lack of funds contribute to this)
- Need better understanding of how to do and use M&E well

The lack of organisational capacity is perhaps the most important need Amandla has identified to date. Lacking capacity slows growth all the way down the chain from government, through the private sector, to the district and

WHAT AMANDLA SHOULD DO:

- consult with NGOs to develop organizational capacity so they will qualify for assistance and funding from other NGO actors or become self-sustaining
- develop a re-imbursement structure for Amandla's organizational development services that will not further burden growing NGOs; staff/management training mentorships
- solicit and distribute in-kind donations of computers, technology, etc.



Finding 7: Need for better knowledge sharing and partnerships

- oNeed for informal, like-minded peer organization networking to learn about successful and failed strategies, new sources of funding, etc.
- oForced partnerships by donors are not helpful
- oDesign and scaling up new innovations works better if strategies are shared
- oPartnerships should facilitate NGO work, not siphon away time and money

WHAT AMANDLA SHOULD DO:

- develop itself as an information hub and convener of other NGOs
- build a knowledge center so it can collect and share relevant research & key strategies
- develop systems for organizations to network/share information in easy ways that don't consume time and money, with an emphasis on seeking electronic solutions where viable

Networking and partnering is often feared in the NGO community as a potential source of competition for limited funds. If the goals are larger than the individual organisations, this should clearly not be the case. Networking need not always take the form of distracting activities, but rather can be activity that shares best practices and puts mission and vision ahead of mere survival.

"Something like [an] eco-system could be really interesting. There's a complete gap in tracking how a sector makes inroads into a macro problem," says Inyathelo.

Further, as individual NGOs work on particular aspects of the larger equity issue, it would be very difficult for them to keep track of national progress vis-à-vis the macro problems. But as a common service provider, Amandla can help focus efforts where they are having the greatest impact and channel energies efficiently.



CONCLUSIONS

South Africa has indeed made great progress in its economic development and in the creation of an equitable society. That makes it all the more crucial to seize the opportunity at this critical juncture—reconciliation must not stall and development must proceed equitably.

While it is ultimately government's responsibility to provide these opportunities for individuals, there are limits to government capacity, but those limits can be extended by adding capacity via civil society mechanisms as civil society can tap into broader based innovation of communities and individuals at the grassroots level. Therefore, if the capacity of civil society is increased, opportunity can also greatly increase. It is here where Amandla Development will add value.

Amandla will partner deeply with NGOs to help them align their structures and strategies with their desired long-term impacts. In particular

through fundraising development, leadership and professional development, and the development of robust networks, Amandla can help build the capacity of organisations to serve those most in need and increase the benefit for all.

Strategy and case development can help build trust between local donors and opaque NGO processes. As the majority of drivers for employee retention relate more to management relationships than salaries, strengthening managers' competencies and bolstering horizontal as well as vertical processes within NGOs is critical. And acting as a common service provider and researcher of macro trends related to equity and development, Amandla can truly help foster an eco-system in which societal progress is paramount.

Amandla Development will partner over time with NGOs to
Help align organisational structures and systems with strategies and desired long-term impacts
Develop financial development capacity
Develop leadership and professional succession pathways
Develop robust networks and an eco-system of NGOs working toward common goals



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ELRU
Shine Centre
Youth for Christ, George
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Learn to Earn
Impact Consulting
Greater Good SA
Centre for Early Childhood Development
SAIA/Inyathelo
Educational Support Services Trust
Primary Science Programme
Wesgrow
Zenzele
Equal Education
Equal Opportunity Foundation
LEAP School, Cape Town
Catholic Welfare and Development
Western Cape Youth Peer Education