

Why your business should sponsor a learnership

The disruption caused by the coronavirus pandemic has seriously impacted business, leaving companies to scrutinize their spend which includes the costs incurred by B-BBEE and skills development.



Rajan Naidoo, director of EduPower Skills Academy

Rajan Naidoo, director of EduPower Skills Academy cautions against putting this spend on hold: "More than ever, companies need to rigorously protect their B-BBEE status as it could provide a much-needed competitive edge."

Despite Covid-19, no exemptions have been made with regards to B-BBEE and companies are still expected to conduct their audits. Naidoo therefore encourages organisations to view their skills development – and their learnerships – not as a compliance exercise, but as a business asset.

Skills development facilitates up to 25 points on B-BBEE scorecards. It is one of the three priority elements under the Codes of Good practice and according to Naidoo, one of the easiest in which full points allocation is possible.

He explains, “Companies that plan strategically around B-BBEE may find a silver lining in the Covid-19 situation. The strategic question businesses should be asking right now is how skills development spend – and learnerships in particular – can be leveraged to make their organisations more competitive.”

Here are five reasons why companies should consider sponsoring a learnership.

1. A competitive advantage

Businesses should keep their B-BBEE initiatives up-to-date so they can take advantage of every business opportunity. Companies with a strong B-BBEE certificate will have an advantage over their competitors whose compliance has lapsed.

Learnerships are also key to achieving all the points available under skills development. When companies plan their spend timeously, identifying the right learnerships for their businesses can save money and give them the necessary points to retain their B-BBEE status. This will ensure that the business continues to meet the terms of procurement agreements and will be advantageous when bidding for new business.

2. Future-proof your skills

B-BBEE points should not be the only reason to sponsor learnerships. Learnerships and their associated work-based training could be the answer to addressing a company’s critical skill gaps.

By identifying the skills the organisation needs in the long-term and planning Learnerships around this, companies can proactively develop a talent pool that will grow and sustain their business into the future.

3. Retain your people

With many companies strained financially, retrenchments are a reality. But instead of losing valuable employees who meet the B-BBEE Skills Development criteria, companies can enrol these candidates on a 12-month work-based learnership to build their organisational capacity. Research proves that skilled staff perform better, so upskilling employees through learnerships should be viewed as an investment in building the human capital element of their balance sheets.

And, with incentives and tax rebates of up to R80,000 for an able-bodied learner or up to R120,000 for a learner with disabilities, companies should consider learnerships as an viable alternative.

4. Screen potential recruits

Learnerships are tools to groom new recruits. A blend of theory and work-based experience, learnerships give companies an opportunity to screen their candidate’s capabilities before employing them permanently.

5. Good for business - business for good

Learnerships for unemployed people, especially those with disabilities, are a powerful intervention that provide career opportunities to those who need it the most. With South Africa’s unemployment rate at record highs, learnerships are now more essential than ever to help establish a capable labour force.

“Work-based learnerships are key to B-BBEE skills development and can unlock business growth. Candidates build their knowledge and are more accomplished in a specific area of business while employer’s benefit from their candidate’s enhanced technical expertise and skills. These are the skills they will need as their businesses grow and growth is what South Africa’s economy desperately needs,” concludes Naidoo.

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