

Youth unemployment in SA

By Catherine Wijnberg

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The level of unemployment in South Africa officially decreased in the fourth quarter of 2012 by 0.1%, down from 25% to 24.9% (2012 Fourth Quarter Labour Survey). Sadly though...

While any reduction in the unemployment rate is good news, in truth this marginal change reflects more an increase in the number of discouraged work seekers (youths who are no longer looking for work), than an actual increase in employment.

With limited jobs and a mounting sense of despair, one would expect the unemployed youth of South Africa to be keen to seek alternative, or indeed any, forms of employment. It seems though that this is not the case. The recent article " When a McJob is worse than no work at all" by Jonny Steinberg in the Sunday Times (12 Jan 2013) raised a perspective I had not really considered before, namely that many young South Africans have a deep disdain for work they perceive to be misaligned to their dreams.

As an entrepreneur raised with the belief that 'any road that gets you to the top is the right road', I am reminded of the many successful people I know who have worked their way up through newspaper rounds, bar jobs and manual labour - far more in fact, than those for whom success was magically bestowed.

Youngsters are often astounded to hear the story I relate of John Smith a young, highly educated man I knew who moved to Australia and, unable to find 'real' work in his new country, and without the capital to start his own business, took a job as a manual labourer picking carrots for year. During that year, he learnt about the people, the culture, the farming industry, the climate and about how, when and where business was happening. That one year as a carrot picker gave him the tools he needed to become a successful and wealthy business owner.

The big issue

So what is behind South Africa's youth unemployment crisis? Is it simply that there are no jobs or is it that young people are reluctant to take jobs that are not in line with their studies or aspirations for a (much) better life? The truth, especially for graduates, (and according to Adcorp 2012, there are around 600,000 of them unemployed in South Africa), is that there are many factors that play a part in this dilemma.

That our education system is lacking is well known, but the role education establishments play in meeting the needs of the business sector (rather than simply the needs of the student) is not always considered. Educational institutions have a critical responsibility in bridging the gap between the market (employers) and graduate skills. Many international students come to South Africa for workplace experience because this forms an integral and compulsory part of their course

requirements. Their universities have learned that they serve society (and their students) best by incorporating experiential learning (specifically internship) programmes into their education process.

This is rare in South Africa, where more often than not our graduates leave colleges and universities with no work experience whatsoever. As an employer, this is a problem - too many candidates with qualifications are lacking in the skills that are really needed by business, such as computer skills, communication skills, teamwork and an understanding of the workplace ethic - for example arriving on time, working hard and delivering 100% (not 30%). Formal education is vital and valuable to develop critical learning, analysis and interpretive skills, but in a tight market the employer needs more.

A global problem

A study by <u>PepsiCo</u> USA reminds us that this is indeed a global problem. Their results confirmed that graduates with a year of work experience under their belt were far more likely to be employed than those with no industry experience.

Shelby Thompson, PepsiCo's head of recruitment, said: "With one in five graduates struggling to find work after university, this research highlights the need for students to be thinking about gaining valuable industry experience outside their university courses.

"The graduate market is tougher and more competitive than ever before, meaning that students must work harder to develop the business skills needed to make them stand out from the crowd. A placement year is a great way to build this experience," says Thompson.

Here in South Africa I would like to see a situation where tertiary institutions develop far closer working relationships with the business sector into which their graduates move, using internship and work-placement as a way to bridge the gap between academia and the practical world, and creating a two-way information stream to keep education relevant to market place needs.

An additional challenge in South Africa is that scholars are often greatly misled about the speed at which success happens in the workplace. The realisation that in most cases they will have to start at the bottom and earn their stripes, can be very distressing to a grad who was led to believe he/she would be a senior manager within two years. This expectation of instant success, fuelled by family, friends and teachers, and fanned by an overdose of tenderpreneurs and flashy politicians, is in direct conflict to the reality of the world, which is that the path to success is found alongside hard work, commitment and effort.

A South African solution

In South Africa, there is a third dimension that is often forgotten, namely a deep fear of failure and of the unknown. Fear is normal for any new employee, but for a youth raised by parents who have held either menial jobs, or indeed no job at all, the workplace is truly an unknown factor. Add to this the enormous pressure to succeed from a family for whom this may be the first graduate, or indeed the first real job, and one begins to understand some of the pressure.

Our new Graduate Asset Programme (GAP) seeks to bridge the gulf between the academic world and business by matching 24,000 graduates to small and medium host enterprises. The ethos of GAP is to boost growth in the host business with the assistance of these young, energetic graduates, whilst providing grads with much-needed work exposure. The initiative is very much business - needs driven, and seeks to create a genuine win-win for the business, the graduate and the country as a whole. Statistics show that 30% of internships translate into longer-term placement, and where the business is growing, this creates a genuine job expansion.

While many graduates exiting tertiary institutions may be 'diamonds in the rough', our own experience has shown that with guidance they can deliver valuable work, especially in the SME sector, where flexibility and youthful energy is valued. So whilst it's true that South African Graduates have dreams of achieving great success and are loath to take just any job, given the chance most are willing, capable and eager to learn, and desperate to grab with both hands the opportunity to

shine.

GAP will launch in July 2013. Its rollout is one of partnership with corporates, implementation specialists, workplace readiness providers, sector bodies and Host Businesses. To learn more, please visit www.fetola.co.za.

ABOUT CATHERINE WIJNBERG

Catherine Wijnberg is the Director and Founder of the Fetola Foundation (www.fetola.co.za) = Top hiring tips for SMEs - 21 Jan 2014 = How to ace your first job interview - 12 Dec 2013 = Making what's good for your country, good for your business - 3 Oct 2013 = Youth unemployment in SA - 18 Mar 2013 = Navigating stormy seas: What to do when your business is in turmoil - 5 Sep 2012

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