

Key to unemployment crisis lies in supply chain development

When considering South Africa's unemployment crisis, Max Oliva, CEO of Spar Southern Africa, says that despite economic struggles, it is crucial for corporates to find new ways to build and grow sustainable jobs. He believes developing and growing broad supply chains is where the best impact on job creation and the real economy will be felt.



Supplied image: Spar YES4Youth learnership programme participants

For instance, the Spar Supplier Development Programme is aimed at actively helping introduce more micro and small food suppliers into the large and growing food supply chain – which is often more focused on securing share for bigger players.

“Our programme has been specifically designed to ensure that micro and small suppliers have all the tools, knowledge and access to industry specialists they need to help them grow their businesses and achieve their full potential, in the most effective and affordable way,” says Oliva.

Spar’s initiatives are being constantly evolved to ensure broader sustainable impact in areas like agriculture and manufacturing, which is where SA can accelerate its search for jobs.

“By embracing micro and small suppliers within the agriculture and manufacturing sectors, we are not only living The Spar Group values of entrepreneurship, family values and passion but also adapting to economic change. Having recently experienced a global pandemic and the impact this has had on food retail, customer demands have changed, and we need to remain agile enough to adapt accordingly. This in turn will support the growth of local businesses and create employment,” says Oliva.

Rural Hub model

In 2016, The Spar Group embarked on the journey to develop and invest in small-scale farmer entrepreneurs. This led to the establishment of the Group’s first Rural Hub in Ofcolaco, in the Mopani District of Limpopo.

“Our Rural Hub model is intentionally focused on rural community development and supports small-scale farmers by providing guaranteed markets for their products and by providing relevant technical and food safety training, as well as facilitating access to funding,” explains Oliva.

However, growing community businesses and creating opportunities requires funding to match the commitment.



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“We have enabled the Rural Hub farmers to produce commercial quality and quantities of high-value crops grown under the protection of net houses. And have, to date, financed all operational costs and funded the capital assets,” says Oliva.

The Spar Rural Hub today supports 12 small-scale farmers in Limpopo and has created 103 jobs at farm level and 62 secondary jobs at packhouse and technical services level.

Notably, a total of 63% of the product grown by the participating Rural Hub farmers is supplied to Spar under the Freshline and Country Value labels and delivered to Spar South Rand, North Rand and KwaZulu-Natal distribution centres. High-value crops through the Spar Freshline brand are ultimately more profitable for the farmer.



Community development

“Our model is intentionally focused on rural community development and is different to other programmes in that we address systemic issues such as food security. Our purpose is to inspire people to do and be more. This is core to our way of doing business and strongly feeds into our vision of being the first-choice brand in the communities we serve,” says Oliva.

“This model continues to contribute positively to economic transformation, improving food security and the health and well-being of people within rural communities, and we are very proud of our achievements. We want to take this to the next level now,” says Oliva.

Education and leadership are the key pillars to ongoing jobs growth and skills development and in this regard the Spar Academy of Learning and its JumpStart programme is playing a unique role in leadership development in the South African landscape.

“Both programmes draw on thought leadership academically, conceptually, and practically in a way that makes them highly relevant,” says Oliva. “JumpStart for instance, lays the foundations to address unemployment through a sustainable conduit giving young people the opportunity to experience the world of work, and the world of retail.”



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Work experience and training

The Spar Group has also partnered with FutureMe since 2016, working with high school learners to inspire them to follow a career in retail. Topics such as values, personal branding, business ethics, customer service, problem solving, and entrepreneurship are all addressed in the programme. Graduates from FutureMe’s Go-Getter Challenge who want to pursue a career in stores are also encouraged to join Spar’s JumpStart programme where they can get hands-on experience in a retail store environment.

Meanwhile, the Spar Distribution Centres and central office teams continue to provide opportunities for graduates to gain work experience through internships, with 772 people participating to date.

To further ramp up opportunities in the modern digital age, in 2022 Spar Southern Africa embarked on a second round of the Spar YES4Youth learnership programme, with an initial cohort of 441 learners.

“We are delighted to report that as at the end of March 2023, with the conclusion of the 2022 programme, we managed to permanently employ 46 learners which, at 10.43%, is higher than the YES requirement of an absorption rate of 2.5%,” says Oliva.

“We commenced with our 2023 YES4Youth intake at the beginning of April 2023 with a total of onboarded. Our learners have been provided with smartphones to complete their modules through the YES4Youth app and are paid a monthly stipend as they get real workplace experience through training in retail stores, at our distribution centres and at Spar’s central office.

“Corporate South Africa needs to work harder to plug the rising unemployment gap in our country. In doing our part, we’re accelerating our commitment to education so that we are part of the solution in finding and growing jobs to help turn the alarming jobs situation around,” concludes Oliva.

Micro and small-scale food producers are encouraged to sign up for the [Spar Supplier Development Programme](#).

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