

**VOCATIONAL EDUCATION AND  
TRAINING IN ZIMBABWE: THE ROLE OF  
PRIVATE SECTOR PROVISION IN THE CONTEXT  
OF ECONOMIC REFORM**

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**SUMMARY**

This paper presents and discusses the results of empirical research into the provision of vocational training by private sector training institutions (PSTIs) in Zimbabwe. Representative samples of registered and non-registered PSTIs in Harare were surveyed in early 1997. With economic liberalisation during the 1990s, there has been an extremely rapid growth in the number of students enrolled on a wide variety of courses offered by registered, for profit PSTIs. However, private sector provision of vocational training for the urban poor is very limited, both in terms of enrolments and areas of skill development.

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## CONTENTS

<b>1</b>	<b>Introduction</b>	<b>5</b>
<b>2</b>	<b>Registered Vocational Training Institutions</b>	<b>7</b>
2.1	Survey Design and Methodology	7
2.2	The Evolution of PSTIs	7
2.3	Key Features	9
2.4	Clients and Courses	12
2.5	Certification and Accreditation	15
2.6	Enrolment Growth 1990-96	17
2.7	Facilities and Staffing	21
2.8	Costs, Fees and Profitability	23
2.9	Drop-Outs and Examination Pass Rates	27
<b>3</b>	<b>Informal Sector Provision: Non-Registered PSTIs in Harare</b>	<b>28</b>
3.1	Introduction	28
3.2	The City Centre	29
3.3	Highfield, Mufakose and Tafara	31
3.4	Chitungwiza	33
<b>4</b>	<b>Private Sector Provision in Zimbabwe: An Overview</b>	<b>34</b>
4.1	Registered PSTIs	34
4.2	Non-registered PSTIs	35
4.3	Total PSTI Provision	36
<b>5</b>	<b>Creating the Enabling Environment</b>	<b>36</b>
5.1	Introduction	36
5.2	Levelling the Playing Field	37
5.3	A National Training Agency	37
5.4	Industrial Training Boards	38
5.5	Training for the Poor	39
5.6	Private Sector Training and Provision	40
5.6.1	Registration and Inspection	40
5.6.2	Market Information	40
5.6.3	An Association of Vocational PSTIs	41
5.6.4	Local and Overseas Courses	41
5.6.5	Staff Development	42
	Annex to Tables	43
	Notes	53
	References	58



## 1 INTRODUCTION

Successful long run development in Sub-Saharan Africa will require very significant improvements not only in basic education but in the provision of technical, commercial and managerial skills across all economic sectors. In particular, major increases in labour productivity in tradable goods and services are essential in order to achieve and/or sustain international competitiveness. However, while there is a general consensus that governments should take primary responsibility for the funding and provision of basic education, no such consensus exists concerning the role of the state with respect to vocational education and training (VET).

There has long been widespread disenchantment with vocational training provision by government institutions in Sub-Saharan Africa. The main concerns are that public sector training tends to be poorly related to (effective) demands for skills among producers, is “overextended”, and has been strongly biased towards particular sectors (central government, parastatals, and manufacturing) and groups (young, urban-based males in high-middle level occupations). Typically, public sector training has been poorly planned, managed and resourced resulting in low quality but high cost provision.

One possible solution to this poor performance of state training institutions is to privatise the planning, funding and provision of VET. World Bank economists and educationalists have taken the lead in advocating this approach for developing countries. In their influential book, **Skills With Productivity**, Middleton, Ziderman and van Adams argue that “the challenge is to move from policies dominated by social and supply objectives and programs funded and provided by governments to policies and programs that respond to market forces and promote employer and private training and establish appropriate complementary and supportive roles for the state” (Middleton et al, 1993:253). Interestingly, the Bank’s assertion that VET is “generally best provided on the job by employers” has attracted most comment and criticism. There has been hardly any discussion about the proposed increase in the role of private sector training institutions. Part of the reason for this silence is probably because so little is actually known about the size and performance of these institutions, especially in developing countries. To date, no detailed research on this topic has been undertaken in any country in Sub-Saharan Africa.

This report presents and discusses the results of empirical research on the provision of vocational training by independent private sector institutions in Zimbabwe.<sup>1</sup> This research is part of a wider study sponsored by the Department for International Development (formerly ODA) whose main objective is to assess how and why VET provision has changed in the context of comprehensive economic reform programmes in two countries, Tanzania and Zimbabwe. As a middle income developing country, Zimbabwe makes a particularly interesting case study because it has one of the largest and most sophisticated economies in Sub-Saharan Africa with a strong private sector. Furthermore, in 1990, the government effectively abandoned its socialist development strategy which it had pursued since political independence in 1980 and embarked on a comprehensive programme of economic liberalisation spearheaded by the private sector. Thus, compared to most other countries in the continent, Zimbabwe has especially favourable conditions for the development of private sector training institutions (PSTIs).

Given the limited time and resources available, this study has concentrated on obtaining an overview of the activities of a representative sample of registered PSTIs located in Harare Province. Twenty-five PSTIs (approximately one-third of the total) were randomly selected from the 1996 edition of the Ministry of Higher Education's Directory of Registered Private Vocational and Technical Training Institutions in Zimbabwe. The main objective of the survey was to obtain the following information:

- the size and characteristics of the training clientele served by these institutions
- enrolment trends since the start of the Economic Structural Adjustment Programme in 1990;
- the main characteristics of PSTIs, most notably location, ownership, date of establishment, facilities and staffing;
- courses offered including qualifications, tuition fees, patterns of attendance;
- course outputs including dropout and pass rates
- the profitability of PSTIs;
- the impact of government regulations and other policies.

Under the 1984 Manpower Development Act, all PSTIs offering vocational training must obtain registration from the Ministry of Higher Education (MOHE) before they can sell training services to the public. To be registered, a PSTI has to meet certain minimum standards, particularly with respect to facilities, finances and staffing. It was decided, therefore, to undertake another more informal survey in order to establish how many non-registered, 'backyard' PSTIs were operating illegally in Harare Province and to obtain as much information as possible on their activities.

PSTIs can be further classified into two other groups- those that are run 'for profit' by individuals or companies and those that are 'not for profit' which are mainly non-governmental organisations (NGOs) providing free or nearly free training to the poor and other disadvantaged groups. Understandably, the MOHE has been mainly concerned to regulate the activities of 'for profit' PSTIs. Only a few 'non-profit' PSTIs are, in fact, registered. Consequently, this research focuses mainly on the activities of 'for profit' PSTIs in an urban context.

The discussion is structured as follows. Sections 2 and 3 present the main findings of the survey of registered and non-registered PSTIs. In Section 4, an attempt is made to estimate the overall size of private sector vocational training provision for the country as a whole. Finally, in section 5, the main features of an enabling policy environment that will encourage the rapid development of private sector training in Zimbabwe are outlined.

## 2 REGISTERED VOCATIONAL TRAINING INSTITUTIONS

### 2.1 Survey Design and Methodology

The survey of 25 registered PSTIs in Harare was undertaken between January and March 1997. Written requests for interviews were made to proprietors and/or principals. Two refused and another three centres were no longer in business. These five centres were replaced with other PSTIs from the official directory.

The interviews were deliberately informal, unstructured and as open-ended as possible in order to help allay the suspicions of many respondents about the purpose of the survey and create an atmosphere that was conducive to a frank, in-depth discussion about both individual PSTIs and private sector vocational training provision in general. Consequently, no formal questionnaire was used and note-taking during the interview was kept to an absolute minimum. Nevertheless, at some stage of each interview, all respondents were asked to furnish both qualitative and quantitative information about the history and development of the PSTI, its owner(s), facilities and instructors, courses offered, total enrolments and student characteristics, course fees, total running costs, and the impact of MOHE and other government policies and regulations. More detailed data on training outputs (in particular drop-outs and pass rates) were not generally sought mainly, because even for small PSTIs offering a limited range of courses, they were not generally available. Similarly, questions about the turnover and profitability of each centre were avoided because respondents were obviously wary about disclosing such financially sensitive information, especially given the intense competition that exists in most areas of training provision. Asking questions of this kind would have heightened suspicions about the purpose of the survey and, by being seen as intrusive, would have adversely affected the quality of data collected as a whole.

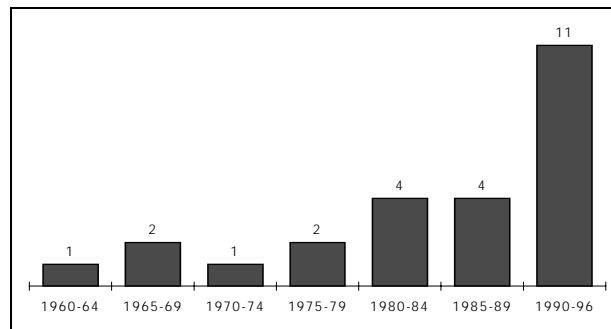
All respondents were assured of strict confidentiality and for this reason the identities of the surveyed PSTIs cannot be revealed. Follow-up visits and telephone calls were made to most surveyed PSTIs in order to obtain additional and/or missing information. Generally speaking, this information was readily forthcoming.

### 2.2 The Evolution of PSTIs

Figure 1 shows the distribution of surveyed PSTIs according to their date of establishment. Broadly speaking, the three distinct phases can be identified in the development of PSTIs in Harare:

**(a) The pre-independence period.** Six PSTIs (24 per cent of the sample) have been in business since before Independence in 1980. The two centres located in the 'Avenues' area of Harare, originally catered for a predominantly white clientele while the remaining four (two of which are NGOs), have always trained mostly Africans, the majority of whom are already in employment and living in or near Harare. Since Independence, Centre X (see annex table 1), rapidly diversified both its clientele and course offerings and is now the unquestioned market leader with well over 10,000 courses sold during 1996.

**Figure 1: Date of establishment among survey PSTIs**



**(b) From independence to adjustment.** After 1980, formal employment opportunities for Africans who had previously been seriously discriminated against during the colonial and UDI periods expanded considerably, especially in the public sector. However, the growth in number of PSTIs was relatively limited, with only 8 (32 per cent) of the survey centres being established between 1980 and 1989. There are three main reasons for this. First, academic qualifications, and in particular ‘O’ levels and Cambridge Certificate largely determined access to ‘good’ jobs in the formal sector. Thus, acquiring these qualifications was the main priority for most young people during this period. Secondly, the Mugabe government was formally committed to Marxism-Leninism and was, therefore, ideologically opposed to private sector training provision which was regarded as exploitative, (particularly of low income Africans) and, with the rapid expansion of student enrolments at public sector training institutions, was seen as increasingly unnecessary (see Box 1).

And thirdly, the general unavailability of foreign exchange severely limited the scope for individuals to pursue VET courses leading to foreign qualifications. Not only was FOREX not readily available to pay for student registration and examination fees with foreign institutes and other examination bodies, but the shortage of foreign exchange meant that imports of new production technologies, particular information technology remained very limited. Consequently, there was little demand for the skills training and related qualifications associated with these new technologies. Throughout this period, correspondence colleges (in particular Rapid Results and the Central African Correspondence College) were the preferred choice of the large majority of Africans who wanted to obtain vocational qualifications through their own initiatives.

The range of courses available was also limited and was dominated by secretarial courses based on traditional office skills and the Chartered Institute of Secretaries (CIS) professional accountancy qualification.<sup>2</sup> Government policy was to replace foreign with local qualifications. City and Guilds of the London Institute, the most important examination body for technical skills, stopped offering courses in Zimbabwe by the mid-1980s and actively assisted government in developing the new national diploma and certificate courses (administered by the Higher Education Examination Council (HEXCO)) that eventually replaced them in the early 1990s.



**Box 1: The disabling policy environment**

For most of the post-Independence period, government policies and actions towards PSTIs have been openly adversarial and competitive. Politicians and senior policy makers at the Ministry of Labour (which, up until the creation of the MOHE in 1988, had overall responsibility for registration and inspection of PSTIs) and subsequently, the MOHE stated (both publicly and privately) that they could see no role for PSTIs and actively discouraged them. This included very stringent registration requirements which suited existing providers but clearly posed serious obstacles for potential new entrants,<sup>3</sup> discouraging PSTIs from offering national vocational qualifications, only allowing PSTIs to offer new courses where they could make a convincing case that such provision was justified, and arguing that PSTIs should be forced to offer either academic or vocational training, but not both.<sup>4</sup> The MOHE also established its own distance education college (funded largely with donor funds) in an attempt to force the correspondence colleges out of business.<sup>5</sup>

(c) **Economic liberalisation since 1990.** The government of Zimbabwe embarked on its own economic structural adjustment programme (ESAP) in 1990. The first phase of economic reform ended in 1985 and a new programme, known as ZIMPREST is currently being formulated. Although, this package of policies was largely ‘home grown’, ESAP was strikingly similar to the conventional economic reform programmes designed by the IMF and World Bank elsewhere in Sub-Saharan Africa.

There has been very rapid growth in the number of registered PSTIs during the 1990s. Eleven (44 per cent) of the surveyed PSTIs were established in the space of just seven years between 1990 and 1996. The underlying reasons for this explosive growth in private sector training provision will be discussed in Section 2.5. What is clear, however, is that economic liberalisation has considerably increased opportunities for individuals to study for foreign qualifications, partly because foreign exchange has become readily available. And, on the demand side, the influx of new technologies (especially computers) has led to a dramatic increase in training for the skills needed to operate, maintain and repair these technologies. Six of the 11 PSTIs established since 1990 specialise in computer programming and software training with three others also offering computer training.

### 2.3 Key Features

**Institutional type:** Twenty-one (84 per cent) of the 25 survey PSTIs operate on a ‘for profit’ basis. Two of the four ‘not-for-profit’ centres are church-related NGOs (Centres J and Y). As donor funding for NGO training has gradually decreased, all four organisations have in varying degrees had to commercialise their training activities in order to survive.<sup>6</sup> This has meant that they are increasingly catering for students who are already in relatively paid jobs or are being sponsored by better off parents and relatives. The governing bodies of these NGOs also recognise that, with well qualified and experienced instructors and good facilities, their training centres are in a good position to generate healthy profits which can be used to support the wider activities of each organisation. Thus, these training NGOs are increasingly being expected to become profit-centres in their own right. The main drawback of this strategy is, of course, that the training that is provided no longer meets the training needs of their original client group, namely the poor

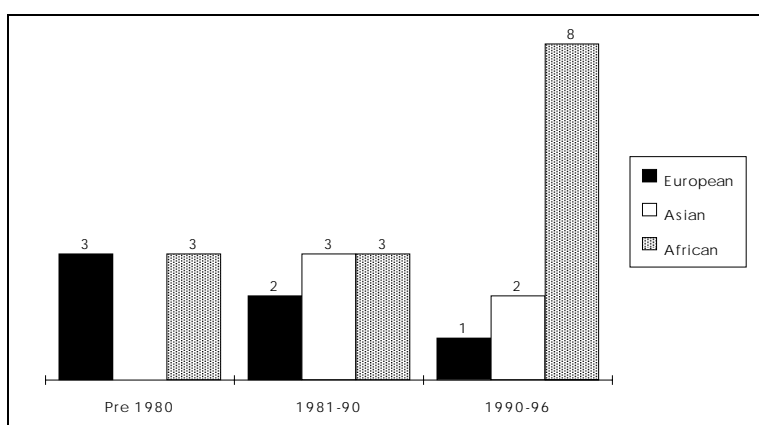
and disadvantaged working mainly outside the formal sector and is certainly too costly. Effectively resolving this basic underlying tension in the role of well established, registered NGO training centres will be a major challenge.

Excluding the NGOs, 14 (56 per cent) of the PSTIs surveyed were established by one entrepreneur who continues to own and manage the centre. Another 4 centres are owned by a small group of individuals. Seven of the 25 PSTIs have other training centres in Zimbabwe. Ten (40 per cent) are also engaged in other activities besides training (see Annex table 1).

**Owner Characteristics:** Annex Table 2 presents information on a centre by centre basis on the characteristics of survey PSTIs owners and principals. All 25 PSTIs are owned and managed by Zimbabwean nationals. Figure 2 summarises the racial breakdown of the owners of the ‘for profit’ PSTIs and, in the case of the four NGOs, their principals/directors. Prior to 1990, only three out of 11 ‘for profit’ PSTIs were African owned and managed and one of these (Centre G) has been in long-term decline.<sup>7</sup> However, all but 3 of the 10 ‘for profit’ PSTIs that have been established during the 1990s are owned by African entrepreneurs. Since the start of ESAP, there has been mounting political pressure in Zimbabwe to “indigenise” the private sector which has continued to be dominated by white Zimbabweans and foreign companies. Private sector training is, therefore, a good example of an area of activity where African entrepreneurs have been able to make major in-roads.

One-third of the 21 ‘for profit’ PSTIs surveyed are owned and managed by women (3 European, 1 Asian, 3 African). This is a much higher proportion of female entrepreneurs than in most other sectors in the formal sector (see box 2). The four non-African female proprietors specialise in secretarial training for an elite school-leaver market.

**Figure 2: Racial characteristics of owners/principals of survey PSTI by year of establishment**



Over two-thirds of the principals/managing directors among the survey PSTIs had previously worked in the public sector. All but two (both women) of the ‘for profit’ African proprietors had been public servants at some stage during the 1980s (see annex table 1). This very sizeable internal brain drain from the public to

the private sector is mainly the consequence of the dramatic fall in real incomes in the public sector since 1980.

**Box 2: Female training entrepreneurs**

The three African women training entrepreneurs among the survey PSTIs have very different backgrounds. The proprietor of Centre P was only in her late 20s when she started her training centre in 1986. Initially, the Centre offered mainly dressmaking and tailoring courses with a predominantly female clientele looking to become self-employed. Since the early 1990s, however, training provision has been diversified considerably, in particular because of increasingly intense competition from other 'for profit' and 'not for profit' PSTIs offering courses in clothing technology. The centre, which now trades from a block of flats close to the city centre, has a wide range of training courses including hotel management, travel and tourism, marketing, business studies, secretarial and computing. In addition, the proprietor also owns a farm, hotel and a small manufacturing company.

The remaining two female proprietors specialise in computer training. One (Centre B) is an experienced computer professional with specialised post graduate training (at a UK university) in computer servicing. She worked for a government parastatal until 1994 when she decided to establish her own training business. To raise the necessary capital for what is a well equipped centre, she had to sell her flat, and borrowed heavily from her husband and a commercial bank. Having to wait seven months for MOHE registration to be approved was the single biggest hurdle she has had to face in her three years of operations.

The proprietor of Centre X had no formal training or experience with computers when she started her training centre in 1990. Her husband, who is well known member of parliament for a Harare constituency, is her partner. The centre operated for nearly five years without being registered.

The proprietor of Centre F is a good example of a middle level civil servant who left government in the late 1980s (see Box 3). Typically, prior to starting their own training centres, they worked as part-time instructors at PSTIs. With fairly low barriers to entry for most types of professional and commercial training courses, they then decided to become full time training entrepreneurs. But since they had little or no capital, most were only able to rent one or two rooms in old, run down properties that were poorly located away from the city centre.<sup>8</sup> Given the long bureaucratic delays in obtaining MOHE registration, most were forced to operate illegally, frequently for more than a year. Once established, they were able to relocate to premises in or near the town centre.

Most (22 out of 25 respondents) have received tertiary level education and over half have undertaken long term, mostly post graduate training courses overseas. They are therefore a well educated group with considerable exposure to training and business practices in Europe and North America.

**Location:** 21 of one of the 25 survey PSTIs are located in Harare city centre- 13 in the central business district and 8 in the 'Avenues' area which is directly contiguous with the CBD.<sup>9</sup> Three of the remaining four PSTIs are in 'low density suburbs' with only one in a 'high density area'. The very heavy concentration of PSTIs in the city centre is a direct consequence of the composition of the main client groups, namely individual white collar workers in the formal sector and companies and other organisations. The single PSTI situated in a high density suburb (Centre K) is, in fact, a department of Centre X and is the only registered centre in Harare Province that offers technical training on any sizeable scale. Significantly, the centre's

principal cited its location in a high density suburb as the single most serious constraint on future expansion.

**Box 3: Making the break from government**

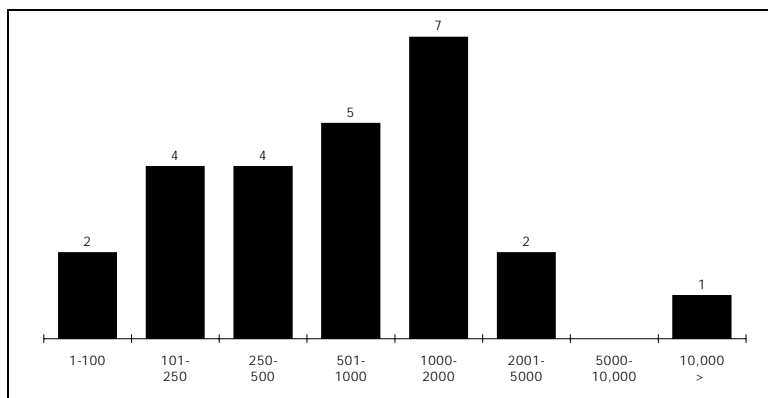
The proprietor of Centre F, which specialises in computer in-service training for school teachers, was one of the first African PSTI entrepreneurs to resign from government. Originally trained as a teacher, for most of the 1980s he worked as a Planning Officer at the Ministry of Education’s head office in Harare. Here he had the opportunity to acquire a considerable range of computer skills (with some formal training overseas). He also worked closely with private sector computer companies who were contracted by the Ministry to computerise its regional offices.

In 1989 he decided to leave government and went to work for a private computer services company. This was not an easy decision particularly because his long-standing colleagues at the Ministry regarded him as ‘deserter’. Two years later he started his own computer training company. He felt confident that, with just four computers, he could earn enormous profits selling software training courses to the general public. However, with his very limited resources he could not rent good offices in the city centre nor, equally importantly, afford to advertise heavily. The business would have probably failed had he not managed to secure a contract from his erstwhile employer, the Ministry of Education, to provide in-service training in the main computer software programmes to serving teachers.

**2.4 Clients and Courses**

Nearly 34,000 individuals enrolled on training courses offered by the 25 survey PSTIs in 1996. Figure 3 shows the size distribution of these enrolments across the training centres. Centre X had by far the largest enrolments with over 11,000 individuals paying for courses in 1996. The smallest was Centre O with just 26 students (see annex table 3). The median enrolment was 500 students.

**Figure 3: Size distribution of survey PSTIs**



Training is provided in six main subject areas - academic, secretarial, commercial, computing, clothing, and technical. Fifteen of the PSTIs surveyed specialise in just one area of training provision- 8 computing, 3 secretarial, 2 commercial, 1 clothing, and only 1 technical (see table 1). The remaining 10 centres offer training in at least two subject areas. Secretarial, commercial and computing training accounted for nearly three-quarters of all enrolments in 1996 whereas technical training in trades such as motor mechanics,

masonry, electricians, comprised barely five per cent. A wide range of commercial courses are available, including accounting, marketing, bookkeeping, general, credit and supervisory management, salesmanship, purchasing and supplies, banking, and hotel and tourism management.

**Table 1: Enrolments by main subject area at the survey PSTIs, 1996**

Subject area	Number of centres		Total enrolments	
	Specialist <sup>a</sup>	Others	Number	% Total
Academic	0	8	4814	14.3
Secretarial	4	12	} 12906	38.3
Commercial	1	12		
Computing	8	11	11871	35.2
Clothing	1	4	1459	4.3
Technical	1	4 <sup>b</sup>	1570	4.7
Other	0	3 <sup>c</sup>	1082	3.2
<b>Total</b>	<b>15</b>	<b>-</b>	<b>33702</b>	<b>100.0</b>

- a** more than 75 per cent of enrolments
- b** computer servicing
- c** mainly 'English as a second language'

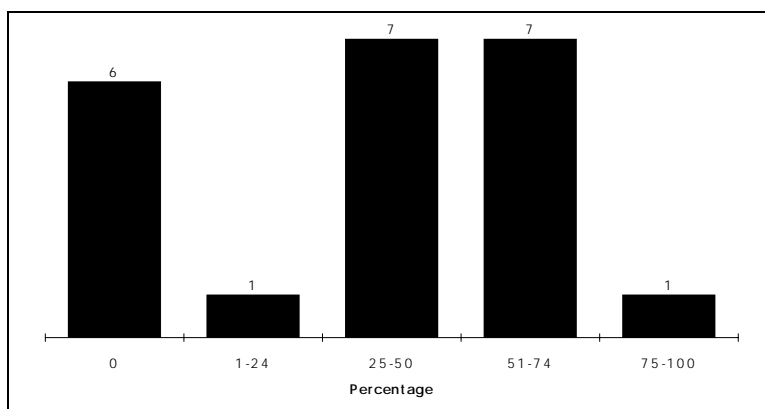
This enrolment pattern is the outcome of both supply and demand side factors. The very high capital and running costs of providing technical training that satisfies the MOHE's registration requirements deter most training entrepreneurs. Given these relatively high costs, fees for technical courses are too expensive for most school leavers wanting to learn a trade (and also for workers already employed in the informal sector) but are unable to obtain one of the very places on the formal apprenticeship scheme or gain admission to an MOHE technical training institution.<sup>10</sup> Precise data are not available, but the demand for artisans by employers in the formal sector has slumped since the start of adjustment.<sup>11</sup>

Furthermore, the 1992 Population Census recorded only around 57,500 individuals in Harare Province as being 'own account' workers compared with 437,000 wage earners. Thus, quite apart from cost issues, the potential demand for formal technical training by informal sector workers is likely to be quite limited. In contrast, secretarial, commercial and computing training courses are much less costly and demand for these qualifications from white collar workers employed in all sectors of the formal economy is burgeoning (see section 2.5).

PSTIs in Harare cater to three main client groups: (i) individuals already in wage employment in the formal sector who are seeking to obtain relevant professional and other vocational qualifications mainly in order to advance their careers and thus improve their incomes. Precise data could not be collected but this group comprised at least two-thirds of all enrolments in 1996 on commercial and computing courses. Since these individuals are in full time employment, almost all attend evening classes after work. Evening class students are therefore the largest and hence most lucrative market for many PSTIs (see Figure 4); (ii) School leavers who are either re-sitting 'O' and 'A' level examinations or are full-time students mainly on

secretarial, commercial, clothing and technical courses. The three, small specialist secretarial PSTIs (I, N and O) cater exclusively for both African and European female school leavers from elite family backgrounds. They provide 'top flight', executive secretarial training and nearly all of their graduates quickly find relatively lucrative employment. In total, school leavers comprise approximately one-quarter of all enrolments; (iii) Trainees directly sponsored by their employers as part of in-house staff development activities. The bulk of this training is short term computer software courses which accounted for around one-third of the nearly 12,000 students who attended these courses during 1996.

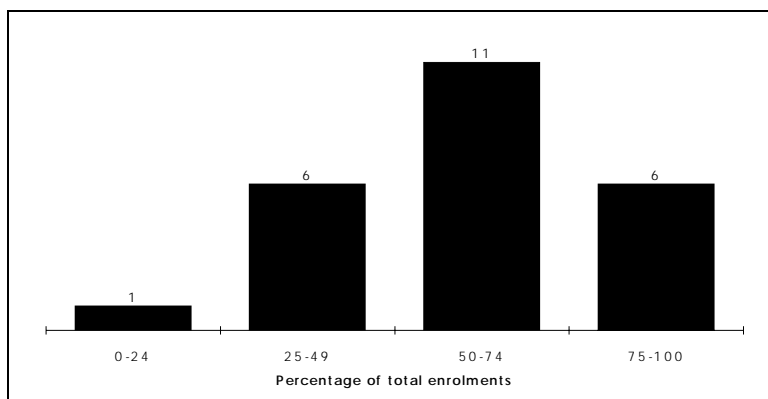
**Figure 4 : Evening class students as a percentage of total enrolments among survey PSTIs**



Training geared towards self employment and targeted mainly at lower income groups has been largely confined to clothing technology courses for both female school leavers as well as older women. The bulk of this training has been provided by the two large NGO (Centres J and W). Government retrenchees are also a rapidly growing client group, with the emphasis again on providing skills for self employment. But, in overall terms, over 95 per cent of all training provision has been oriented towards wage employment in the formal sector.

Almost 60 per cent of the individuals who purchased training at the 25 survey PSTIs in 1996 were women. Female trainees comprised at least half of enrolments at 17 centres (see Figure 5). Enrolments on secretarial and clothing technology courses were overwhelmingly female, but approximately 45 per cent of trainees who purchased the computer software short courses (ranging from 8 to 25 hours per course) were also women. This high proportion of female trainees at PSTIs is in marked contrast to government technical colleges with their heavy emphasis on training for the traditional artisan trades and for other technical occupations that continue to be male dominated. For example, at Harare Polytechnic, only 29.6 per cent of students were women in 1995.<sup>12</sup>

**Figure 5: Percentage of female students among survey PSTIs, 1996**



Note: Data not available from one centre

## 2.5 Certification and Accreditation

All long term courses (ie. more than three months in duration) in the secretarial, commercial, and computing subject areas offered by the survey PSTIs are formally certified. While national courses accredited by the Higher Education Examination Council (HEXCO) are now available for secretarial, clothing, computer and business studies, the qualifications offered by British and South African professional institutes and other examination bodies dominate the private sector training market in Zimbabwe. This is largely because most individuals as well as employers have a marked preference for foreign, internationally recognised qualifications. By contrast, the national professional and vocational examinations lack status, have been poorly administered, and up until recently, pass rates were low.<sup>13</sup> Also, in numerous areas of training (most notably marketing), national courses have still to be developed.

Prior to adjustment, only a limited range of mainly local qualifications were offered by PSTIs.<sup>14</sup> The only foreign qualifications that was widely available were the UK Pitman<sup>15</sup> secretarial courses. Not only was foreign exchange difficult to come by in order to pay for registration, examination fees and textbooks and other learning materials for overseas courses, but the economy remained relatively cut off from new production technologies and management practices and direct competition from imports was very limited. Consequently, employers had little incentive to take the in-service training of their staff seriously.

Since 1990, however, the number of foreign training courses has grown very rapidly. Table 2 shows the most important foreign qualifications offered by the survey PSTIs in 1996.<sup>16</sup> Only three computing PSTIs (Centres Q, R, and S) which specialise in short course software training do not offer any foreign qualification. While UK professional institutes predominate, with the ending of apartheid and the normalisation of political and economic relations with South Africa, there has been a marked increase in the scale of operations of South African examination bodies, particularly in marketing and accounting.<sup>17</sup> As foreign courses have proliferated, competition between institutes catering for the same or similar clientele has intensified.<sup>18</sup> While almost all overseas institutes are registered as non-profit organisations, they have become increasingly aggressive and sophisticated in marketing their courses during the 1990s, with the PSTIs themselves being the key initial targets.<sup>19</sup>

**Table 2 : The growth of foreign vocational training courses, 1990-1996**

	Local representative	Number PSTIs		Number students		PSTI accreditation/ inspection
		1990	1996	1990	1996	
<b>SECRETARIAL</b>						
Pitman	Yes	na	180	30,000 <sup>a</sup>	44,000 <sup>a</sup>	Minimal
<b>COMMERCIAL</b>						
<b>British:</b>						
London Chamber of Commerce & Industry (LCCI)	Yes	10	24	726	1,626	Minimal
Association of Chartered Accountants (ACCA)	No	0	2	-	-	Yes
Chartered Institute of Management Accountants (CIMA)	Yes	1	3 <sup>b</sup>	700	800	No
Chartered Institute of Purchasing & Supply (CIPS)	No	0	1	-	-	-
Chartered Institute of Transport (CIT)	No	0	1	-	-	Yes
Chartered Institute of Marketing (CIM)	No	0	2	-	-	-
Institute of Commerce & Management (ICM)	No	0	10	-	-	-
<b>South African:</b>						
Institute of Marketing Management (IMM)	Yes	1	10	1,000	3,000	Yes
Institute of Administration and Commerce (IAC)	Yes	1	7	500	1,900	No
Salesmanship Institute	Yes			1,367 <sup>c</sup>	2,153 <sup>c</sup>	-
Institute of Certified Bookkeepers (ICB)	No	-	-	-	-	-
<b>Other:</b>						
International Air Transport Association (IATA)	No	-	-	-	-	-
<b>COMPUTING</b>						
Association of Computer Professionals (ACP)	Yes	2	7	120	320	Limited
Institute of Data Processing Management (IDPM)	No	0	2	-	-	-
National Computing Centre (NCC)	No	0	1	0	100	Yes
<b>TECHNICAL</b>						
City & Guilds of the London Institute (CGLI)	Yes	0	5	-	-	Yes

**Notes:** <sup>a</sup> Examinations sat

<sup>b</sup> Local representative did not know exactly how many PSTIs offered CIMA courses  
- information not available

<sup>c</sup> Number of scripts for the period November 1993 to November 1996 only



With some exceptions, both local and overseas institutes either make no attempt whatsoever to accredit PSTIs in Zimbabwe wishing to offer their courses or accreditation criteria are lax and rarely enforced.<sup>20</sup> Furthermore, even where accreditation arrangements do exist, students from unaccredited PSTIs are frequently allowed to sit as private candidates at local examination centres. Thus, it is generally quite easy for a PSTI to offer overseas courses in marked contrast to national HEXCO courses where stringent accreditation requirements have to be met. This clearly acts as an additional disincentive for PSTIs to offer national courses. Up until the early 1990s, the government actively discouraged PSTIs from offering national examinations. Since then however, this policy has been reversed and PSTIs seeking registration are now formally required to offer national courses. Government attempts, therefore, to localise professional and other vocational courses have intensified precisely at the same time as training markets have become increasingly dominated by foreign courses and qualifications. Among the PSTIs surveyed, the only HEXCO qualifications that are being offered are for computing and clothing courses, and the numbers of students taking these courses is generally less than 25 per cent of total enrolments for all certified courses.

The preference for internationally recognised qualifications has almost certainly increased still further with economic liberalisation. For individuals, in particular, they provide a competitive edge in increasingly tight labour markets both nationally and in the Southern African region as a whole where up to one million Zimbabweans are reported to be working.<sup>21</sup> Employers are also increasingly recognising the importance of these qualifications as international competition intensifies and the Zimbabwean economy becomes more closely integrated in a rapidly global economy.<sup>22</sup> However, among the survey PSTIs, it is mainly individual demand that has been the driving force behind the proliferation of foreign courses and the growth in enrolments (see below).

Three areas of training provision among the surveyed PSTIs are not formally certified with each PSTI instead awarding their own certificates of attendance and/or achievement - short computer courses, clothing technology, and manual artisan trades. In total, these non-certified courses accounted for approximately 40 per cent of total enrolments in 1996. Among the six PSTIs who offer clothing technology courses and the single large PSTI that provides artisan training, the lack of formal certification is justified on the grounds that either the training is primarily intended to equip individuals for self employment and is, therefore, unnecessary or that their own certificate is generally known and respected by local employers.

## **2.6 Enrolment Growth 1990-96**

Although precise enrolment figures for 1990 were not available among the 14 PSTIs surveyed that were in business at this time, total enrolments increased from approximately 15,000 in 1990 to 33,700 in 1996. Tables 2 and 3 show that the number of students registered with the main professional institutes and other examination bodies, both local and overseas, also increased by similar orders of magnitude during this period.

The survey PSTIs that have grown the fastest have done so mainly by rapidly diversifying their course offerings and advertising heavily while at the same time maintaining reasonable standards of training. Centre X, the market leader, is a prime example of this strategy. Whereas it offered only four commercial

courses in 1990, by 1996 this had been increased to 24 and student enrolments had almost tripled. Only a few PSTIs (in particular Centre V) have failed to exploit the new opportunities for expansion during the 1990s and have experienced a contraction in the level of student enrolments (see Figure 6).

**Table 3: The growth in students registered with local professional institutes, 1990-1996**

Examination Body	Exam candidates			Number PSTIs		PSTI accreditation/
	1990	1996	% increase	1990	1996	
Institute of Bankers (IOB)	2,493 <sup>a</sup>	8,179 <sup>a</sup>	228	1	- <sup>c</sup>	No
Chartered Institute of Secretaries (CIS)	3,000	8,000	167	6 <sup>b</sup>	16	No
Foundation for Business Studies (FBS)	2,000	4,000	100	3 <sup>b</sup>	10 <sup>b</sup>	No
Zimbabwe Association of Accounting Technicians (ZAAT)	> 1,000	3,000	200	2	20	No
Zimbabwe Institute of Management (ZIM)	250	2,000	700	1	6	No

Notes: <sup>a</sup> Number of examination papers

<sup>b</sup> Harare only. Four PSTIs outside Harare offered FBS courses in 1996

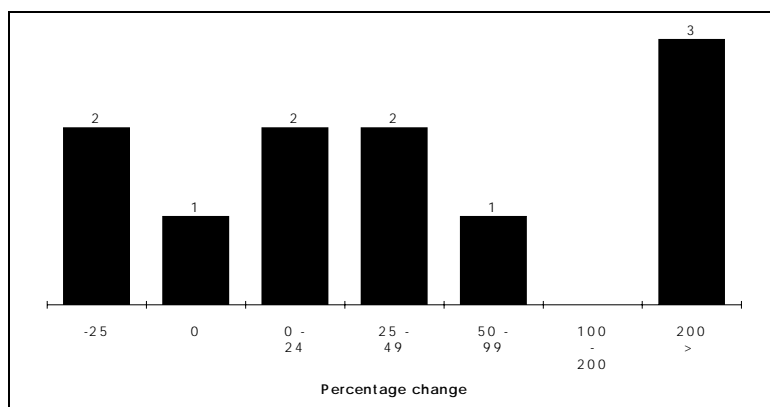
<sup>c</sup> Not even known by examining body

What is particularly interesting is that this is very large increase in enrolments occurred at time when formal sector employment was relatively stagnant (mainly as a result of mass retrenchments from mainly private sector companies and generally low economic growth) and individual incomes were, in real terms, declining quite significantly.<sup>23</sup> A number of specific reasons for this expansion in the size of private sector training provision have already been mentioned - in particular better availability of foreign exchange and new technologies (especially computers) and the proliferation of new, mainly overseas courses. More generally, however, it is clear that the demand for commercial, secretarial and computing courses and qualifications has far outstripped the capacity of public sector training institutions to supply them and, with major cuts in the real value of government funding for VET, concerns about the poor and falling quality of the training provided have mounted.

The growth in the demand for this training is, to a considerable extent, the consequence of an on-going process of qualification escalation. After Independence, the acquisition of academic qualifications (ZJC and 'O' levels) ensured access to 'good jobs' in the formal sector. Consequently, demand for secondary education grew enormously and both private but especially public sector secondary school enrolments increased extremely rapidly. By the early 1990s however, even university graduates were finding it increasingly difficult to secure relatively well paying jobs. Apart from teaching, public sector recruitment has been heavily curtailed and employment opportunities in the private sector are very limited. Faced with this situation, both school leavers but those already in employment have sought additional professional and

vocational qualifications that will enable them to compete successfully for the relatively few entry-level jobs in private sector enterprises that are available and maximise their future career prospects and life time earnings.

**Figure 6: Percentage change in enrolments at survey PSTIs, 1990-1996**



Most employers, in particular larger companies, have been supportive of employees who study part-time for professional qualifications with many of them reimbursing tuition and examination costs on successful completion of courses.<sup>24</sup> For some occupations (for example, bankers and accounting technicians) obtaining professional qualifications has been made a prerequisite for career advancement.<sup>25</sup> There is a widespread perception among employers that the quality of training at public sector training institutions has fallen quite significantly since the 1980s and that, therefore, additional training by employees relying mainly on overseas qualifications can compensate for the increasingly serious shortcomings of public sector provision. As has already occurred in Latin America and parts of South East Asia, we can expect to witness, therefore, a progressive privatisation of training provision in Zimbabwe at the tertiary education level, in particular in commercial and other non-technical subject areas. This process will accelerate as increased cost recovery is introduced at government training institutions thereby creating a more level playing field between the public and private sectors.

Another important factor that has contributed to the growth of enrolments at PSTIs is the fact that it has become increasingly difficult to train overseas. With the major devaluation of the Zimbabwe dollar and increasingly stringent immigration controls (especially into South Africa), students who would in the past gone overseas for professional training, are now being forced to seek this training in-country. This is particularly the case for white Zimbabweans who have generally shunned the local university and other public sector training institutions. Local PSTIs offering internationally recognised courses and qualifications represent therefore a second best alternative to overseas training.<sup>26</sup>

Numerically more important still are the growing number of school leavers who are unable to find places at government higher education and training institutions. While minimum academic entry requirements for these latter institutions have been increased almost every year as the number of eligible candidates has continued to increase rapidly, entry requirements at PSTIs are generally much lower and, for many courses, none are prescribed.<sup>27</sup> Faced with this situation of chronic excess demand, the government of

Zimbabwe now recognises that PSTIs have an increasingly central role to play in satisfying demand. This represents a fundamental change in the policy environment that has contributed significantly to the growth in PSTIs enrolments (see Box 4).

**Box 4: Government policy at the crossroads**

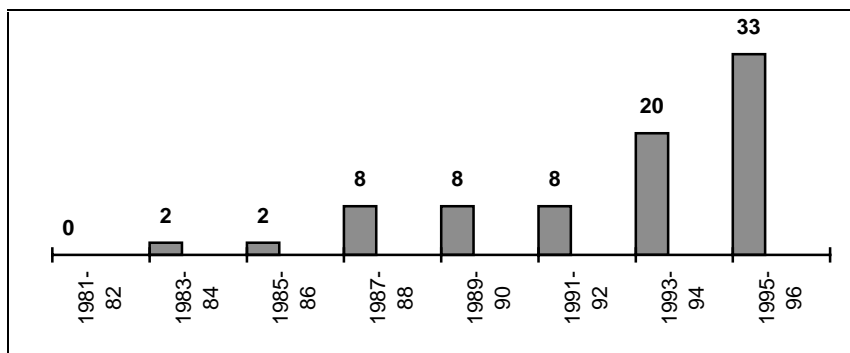
Since the early 1990s, politicians and policymakers have become increasingly aware that public sector institutions cannot begin to meet the enormous demand for VET in Zimbabwe and that, consequently, PSTIs should play an increasingly important role. The MOHE has, therefore, relaxed very considerably what had been fairly stringent requirements for PSTI registration. As a result, new PSTI registrations have increased very rapidly, particularly since 1993 (see Figure 7). The appointment of the proprietor of the largest African ‘for profit’ PSTI in 1995 as Deputy Minister of Higher Education was perhaps the strongest signal that government attitudes towards private sector training provision had changed.

While there has been a definite improvement in the policy environment for PSTIs, there are still serious weaknesses. For new entrants, the registration process is painfully slow, typically taking between 6-12 months.<sup>28</sup> On the other hand, many established PSTIs complain that registration standards have fallen to unacceptably low levels, and that the poor standard of training at some new PSTIs is seriously tarnishing their reputation. A widespread perception is that PSTI registration has become too politicised. MOHE inspections are extremely rare and only under exceptional circumstances are PSTIs de-registered.<sup>29</sup> A PSTI is only likely to come to the attention of the MOHE if there is any change in premises and/or owners. In a number of key respects, therefore, MOHE policy and practice have become too permissive.

The MOHE is seriously under-resourced to be able to register and inspect PSTIs in an efficient and effective manner. Only three officers were employed in 1996 to cover all secretarial, computing and commercial private sector provision in Zimbabwe. Funds for subsistence and travel are so scarce that it has become extremely difficult to make the necessary visits to PSTIs, in particular outside of Harare.<sup>30</sup>

Policy transparency and credibility are also major issues. While the government’s policy stance on private sector vocational training provision did clearly shift in the early 1990s, no policy document or statement has ever been produced that coherently outlines the new policy regime. In order to reduce the risk and uncertainty facing existing and potential PSTI entrepreneurs, it is also important that the new policies and practices are seen as credible and ‘locked-in’ ie. they will not be reversed in the future. However, as late as 1994, the MOHE announced that all PSTIs would be obliged to offer only national vocational qualifications and that standardised fees were to be introduced. Not surprisingly, this provoked a strong reaction from PSTIs and, eventually, these proposals were abandoned. But most proprietors among the survey PSTIs remain deeply suspicious of the MOHE and government policy.

**Figure 7: Number of new PSTI registrations, 1983 - 1996**



While PSTI enrolments in commercial, computing and secretarial courses have expanded rapidly, those for academic, clothing technology and technical subjects have, in overall terms, stagnated and, at some training centres, declined. The profitability of 'O' and 'A' courses in what is a relatively slow growing and heavily saturated market is low. Competition from non-registered PSTIs (both for profit and NGOs) that charge much lower tuition fees has meant that registered PSTIs offering clothing technology have struggled to maintain student numbers. Enrolments at the one large PSTI in the sample offering technical training (Centre K) have also fallen. Senior management at the centre attribute this to the negative impact of the 1992-3 drought years and declining real incomes among the main target group ('people have much less money in their pockets to spend on training'). As a direct response to the fall in enrolments, course provision has been significantly diversified to include trades such as refrigeration, welding, and auto electrics.

## **2.7 Facilities and Staffing**

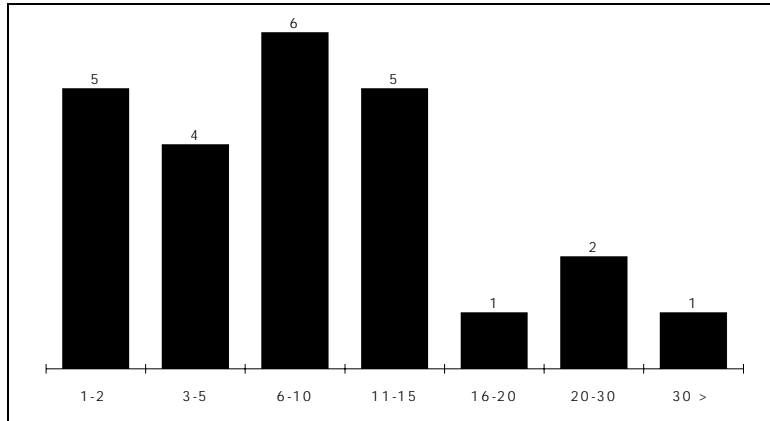
**Premises:** To be commercially viable, PSTIs must be located in or very near the city centre of Harare. Given the chronic shortage of affordable office space to rent, finding suitable premises is invariably the single biggest challenge for PSTI entrepreneurs. Among the surveyed PSTIs, 12 are in office blocks of various vintages, 4 in residential flats, 4 in houses, 1 in an old school, and only 4 have their own in purpose-built premises. In total, 19 PSTIs (76 per cent) are in rented properties. Rents are high, and typically account for 25-30 per cent of total recurrent costs.

It can be observed in Figure 8 (and also Annex Table 4) that while five (20 per cent) of the surveyed PSTIs operate out of only one or two rooms, the large majority (16 out of 25) have six rooms or more. However, with the very large number of enrolments at most PSTIs, overcrowding is the norm.

Given that most PSTIs are forced to rent offices, flats and houses usually in relatively old ie. pre-independence properties, most 'classrooms' are very small and cramped and can usually only seat 10-15 students. Four of the PSTIs surveyed are in poor physical condition (seriously inadequate, lighting, leaking roofs, decrepit/broken down equipment, etc) but, with no regular system of inspections, these centres have remained open for business.

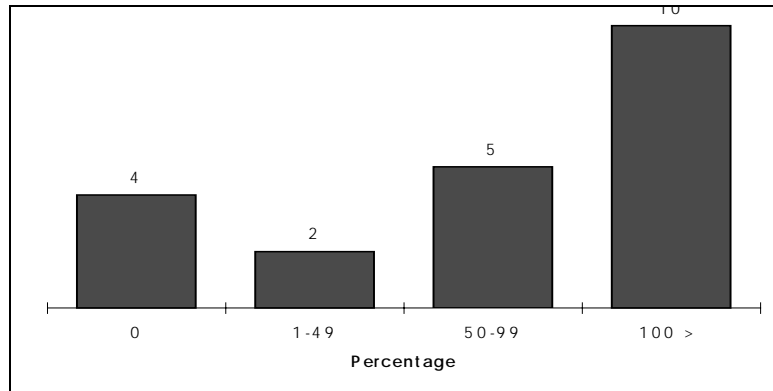
**Equipment:** Apart from a blackboard, no other equipment is normally used to teach commercial courses. Only a handful of PSTIs have more advanced teaching equipment (such as videos and overhead projectors). The typewriters used for secretarial courses are mostly very old manuals which breakdown frequently and are costly to maintain and repair. Good quality computers capable of handling most of the software packages can now be purchased relatively cheaply in the local market. Five survey PSTIs had more than 20 computers and another 13 centres had between 10-19 at their disposal. The one technically-oriented PSTI (Centre K) is poorly equipped for all the trades that are offered (with the exception of clothing technology).

**Figure 8: Number of classrooms among the survey PSTIs, early 1997**



**Staffing:** A minority (5-6) of the survey PSTIs employ experienced and well qualified full time instructors. In order to attract and retain these instructors, they have to pay relatively high salaries (at least Z\$5000 a month) which, in turn, means that their tuition fees are also higher. Full time instructors employed by the remainder of the survey PSTIs tend to be relatively inexperienced and poorly qualified. For computing courses, instructors typically are diploma holders only, usually with less than three years of experience. Pay is generally poor with monthly starting salaries in the range Z\$1,500-2,500 rising to Z\$3,000-3,500.

**Figure 9: Reliance of part-time instructors among the survey PSTIs, early 1997**



As can be observed in Figure 9, there is a very heavy reliance on part time instructors. Excluding owners/principals, part timers make up over half of the teaching staff at over three-quarters of the survey PSTIs. The preponderance of part time instructors is largely due to the importance of the evening class market and the desire of proprietors to minimise staff costs. Typically, at each centre, the day is divided up into 1-2 hour sessions and part-time instructors are then recruited to teach these sessions. Most survey PSTIs only pay their part time instructors Z\$20-40 an hour. But a few centres, in particular those offering overseas professional courses, pay a lot more ie. Z\$120 up to Z\$200 an hour.<sup>31</sup> Absenteeism and generally low teaching standards as a result of poor motivation and lack of commitment are widespread among part time instructors. Many PSTIs would like to employ more full time staff over whom they have better control

but are unable to attract sufficient numbers of students to fill day time classes in order to make this financially viable.

## **2.8 Costs, Fees and Profitability**

Apart from two NGOs (Centres W and Y), all the survey PSTIs are entirely financially dependent on income generated from mainly tuition fees.<sup>32</sup> The tuition fees for the main course offerings are presented in Table 4. Except for computer short courses, these fees are charged on a monthly basis. It can be observed that the overall level of fees for commercial, computing and secretarial courses are significantly higher than for academic, clothing technology and technical courses. The core clientele for the first group of courses are individuals who are already in relatively well paid jobs and school leavers from middle class family backgrounds. Furthermore, the demand for these courses has grown very rapidly during the 1990s. By contrast, clothing technology and technical training are targeted at individuals from low income groups residing mainly in the high density areas who want to acquire vocational skills in order to become self-employed. Given the relatively low fees charged at most government schools, it has proved difficult for PSTIs to charge significantly higher fees for 'O' and 'A' level courses. For this reason, academic courses are being phased out at most PSTIs.

Another noticeable feature is the wide range of fees charged for the same or similar courses by the survey PSTIs. As noted earlier, there are large differences in the quality and hence the costs of training provided. Almost all PSTIs rely on a cost plus formulae in setting course fees. Consequently, these differences in costs per student are directly reflected in course fees. However, ability to pay is another important factor that influences the size of the margin that is generated from each student. For example, the three executive secretarial PSTIs (Centres I, N and O) are patronised by an elite European and African clientele, have relatively high costs but also earn high profits per student. By contrast, the 'executive secretarial' courses offered by the non-profit NGO (Centre J) have much lower costs per student mainly because much large numbers of students are enrolled on these courses and salary and other running costs are much less.<sup>33</sup>

Two other factors are worth mentioning. First, the high prestige of a few colleges (in particular Centre X) is an important factor that serves to differentiate still further the training that is being offered both among prospective students and employers. And secondly, relevant market information is not readily available. Most PSTIs are, in fact, quite secretive about their fees, pass rates and other relevant information concerning the quality and efficacy of the training provided. Because it so difficult for prospective students to assess in a reasonably objective manner identical courses that are often being offered by a number of PSTIs, it is likely that price/fee differentials are considerably higher than they would otherwise be had this information been freely available in the first place (see Box 5).

**Table 4: Tuition fees for selected courses at PSTIs in and outside Harare, 1996 (Z\$/month)**

Full Course	Number Centres	Harare †			Number Centres	Outside Harare		
		Minimum	Median	Maximum		Minimum	Median	Maximum
<b>COMMERCIAL</b>								
Foundation (ACCA)	3	420	580	690	0	-	-	-
Part A (CIS)	5	240	420	585	1	355	-	-
Marketing diploma	7	280	400	616	1	225	-	-
Accounting technician certificate (ZATT)	3	355	375	422	2	180	-	3320
Marketing diploma (IMM)	4	355	470	633	0	-	-	-
Business studies diploma (FBS)	3	253	355	654	1	140	-	-
Executive secretarial (Pitman)	14	125	537	1790	7	160	308	485
<b>ACADEMIC</b>								
'O' levels 1	4	90	105	120	2	70	-	80
5	5	120	160	350	4	100	162	200
'A' levels 1	3	100	115	210	2	80	-	95
3	4	145	152	686	4	135	175	210
<b>CLOTHING</b>								
Registered	6	85	140	267	1	80	-	-
Non-registered	3	100	110	150	10	53	81	180
<b>MOTOR MECHANICS</b>								
Registered	1	174	-	-	4	80	147	300
Non-registered	1	167	-	-	0	-	-	-
<b>COMPUTING</b>								
Computer programming certificate (ACP)	4	280	450	500	2	400	436	472
Computer studies certificate (HEXCO)	4	540	580	583	-	-	-	-
Computer studies diploma (HEXCO)	3	500	583	583	-	-	-	-
Computer studies certificate (IDPM)	2	383	-	550	-	-	-	-
Word processing introduction (own) per course:								
Registered	12	200	370	500	5	115	300	450
Non-registered	13	100	390	600	1	100	-	-

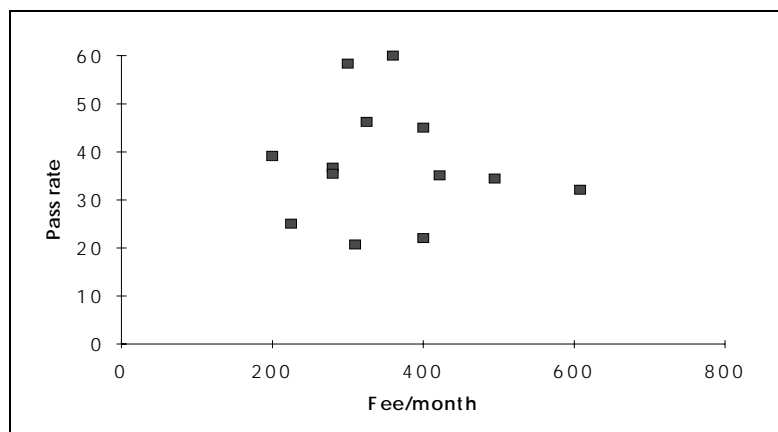
† excludes Chitungwiza



**Box 5: Tuition fees and examination performance: the LCCI full diploma in marketing**

The LCCI's full diploma in marketing is one of the most popular commercial courses in Zimbabwe. Figure 10 is a scatter diagram of the tuition fees charged by the 10 PSTIs in Harare that offered this course in 1996 and the examination pass rates of students at each of these centres. If markets are functioning well, one would expect to see a fairly close positive relationship between these two variables since relatively higher performing PSTIs are likely to have higher costs (in order to deliver better quality training) as well as being able to charge higher prices because prospective students will be attracted to them. However, it can be observed that no relationship of this kind exists among the PSTIs offering the LCCI marketing diploma.<sup>34</sup> If anything, the relationship could even be negative with the some of PSTIs with the highest fees having among the lowest pass rates.<sup>35</sup> This is symptomatic of the lack of relevant market information that is readily available to prospective students. The larger, longer established PSTIs may, therefore, be attracting more students not because they provide better quality training but simply because of their overall reputation and status value coupled with their ability to advertise heavily.

**Figure 10: Relationship between fees charged and pass rates at PSTIs offering the LCCI marketing diploma**



The tuition fees charged by most of the survey PSTIs, in particular for commercial, computing and secretarial courses, are well beyond the reach of the poor. Median tuition fees for most of these courses are at least equivalent to the minimum wage of Z\$480 per month in 1996. In addition to tuition costs, registration and examination fees also have to be paid. As can be observed in Annex table 5, these additional outlays frequently amount to a very sizeable proportion of the total training costs. The CIMA accountancy qualification is a good example. Even assuming that the student is able to complete the full course in the minimum period of four years (which given very low pass rates is very unlikely), total training costs are likely to be in the region of Z\$40,000.<sup>36</sup> Sub-professional foreign qualifications (such as ACP, IAC, ICM, and LCCI) are less costly, (ranging from around Z\$5000 to Z\$15,000 per course). While local qualifications tend to lack prestige, initial and annual registration and examination fees are generally 3-4 times less than for equivalent foreign courses. As the Zimbabwean dollar has depreciated during the 1990s, the costs of acquiring foreign qualifications has increased very rapidly. To reiterate, therefore, the bulk of the training services offered by registered PSTIs, at least in Harare, are purchased mainly by the better off sections of the community who are employed in predominantly white collar jobs. Although data are limited, Table 5 shows that, in real terms, tuition fees fell considerably between the start of adjustment in 1990 and

1996. With the exception of Centres K and X (which are part of the same company), fees measured in constant 1990 prices were typically only 40-60 per cent of their 1990 levels. It would appear therefore, that increasing competition among a rapidly growing number of PSTIs coupled with falling real incomes among the main target clientele have driven prices down which has helped ensure that enrolments have continued to increase during what has been a period of increasing economic hardship for most households in Harare.

While the direct costs of privately provided training are generally quite high, the opportunity costs ie. income foregone which typically account for the largest proportion of total training costs, are low. This is because most of the training is provided outside of work, mainly in the evenings but also at weekends. In comparison therefore with government training courses which are generally for school leavers and require full time attendance (with correspondingly high opportunity costs), PSTIs are providing training that meets the needs of a large section of the work force. Since opportunity costs are minimal and the training is closely linked to real opportunities for career advancement, the private rates of return to this training (if successfully completed) are likely to be very high. It is, of course, the lure of these high rates of return that have resulted in the explosive growth in enrolments in recent years.

**Table 5: Tuition fee increases at selected PSTIs, 1990-1996**

Course	Centre	Monthly fee (Z\$)		Index (1990=100)	
		1989/90	1996	Nominal	Real
Executive Secretarial	J	85	120	141	34.7
	Y	160	650	306	75.2
	X	260	840	323	79.4
Computing (long)	J	130	280	292	71.7
Computing (short)	J	120	300	250	61.4
	Y	220	450	204	50.3
Dressmaking	J	60	120	200	49.1
	Y	70	165	236	57.9
	U	90	140	156	38.2
'O' levels (5)	K	48	175	363	89.2
	J	85	130	53	12.9
	X	134	554	414	101.7
Accountancy (CIS Part A)	U	125	175	140	34.4
	C	132	585	443	108.9
	X	121	555	459	112.7
Marketing (LCCI)	X	121	555	459	112.7
Motor Vehicle Maintenance	K	51	166	325	79.9

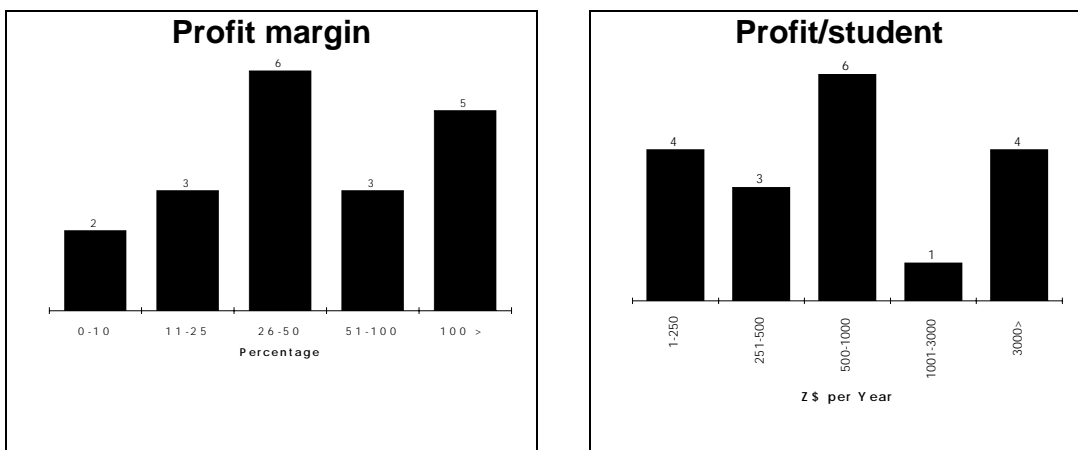
**Profitability:** Survey PSTIs were not asked to furnish information on total income and profits. However, it is possible to derive rough estimates using the information that was provided on course enrolments, tuition fees and total average monthly operating costs. Sufficient data were obtained from 18 survey PSTIs to be able to calculate profit margins (ie. operating profits expressed as a percentage of total operating costs) and profit per student (see annex table 6). These are summarised in Figure 11. Eight out of 18 centres (44.4 per

cent) had operating profit margins of over 50 per cent. This group includes three PSTIs that have rely heavily on short courses (mainly computing) and are able to achieve high enrolment rates as well as the two low cost-high volume centres. The elite secretarial PSTIs as well as the one artisan training centre enjoyed moderate profit margins of between 25-50 per cent.<sup>37</sup>

The least profitable PSTIs are the recently established centres struggling to build up their enrolments but with relatively high start up costs (in particular marketing) (Centres B, F and H), Centre V whose fees are not competitive, and the well established NGO, Centre W, that has high costs and is attempting to commercialise its training activities. Precise data on the costs and turnover of the market leader were not available, but from the rough figures that were forthcoming, its profit margin is likely to be in the region of 45-50 per cent.

The highest profits per student (of over Z\$3000 per annum) are earned by the elite secretarial college which charge high tuition fees but have low enrolments and Centre T which also has high tuition fees for its full time academic courses which comprise the bulk of its enrolments. One-third of the survey PSTIs earn profits of Z\$500-1000 per student. As expected, the centres with low profit margins have low profits per student as also do the PSTIs that offer mainly short computer courses.

**Figure 11: Profit margins and profit per student among survey PSTIs, 1996**



Note: Profit margin is operating profit expressed as a percentage of total recurrent costs

## 2.9 Drop-Outs and Examination Pass Rates

Repetition, drop-out and examination pass/completion rates are the most common indicators that are used to assess the quality and 'internal efficiency' of education and training institutions. In view of the extremely heterogeneous course offerings among the 25 sample PSTIs coupled with complicated patterns of attendance, it was not possible to collect sufficiently detailed and comprehensive data on these indicators that would enable robust conclusions to be drawn concerning the performance of PSTIs in Zimbabwe. Furthermore, even if these data were available, it would still not be possible to make meaningful performance comparisons with public sector training institutions because, with the exception of computing,

students at PSTIs study for foreign qualifications while the polytechnics and technical colleges offer only HEXCO national certificate and diploma courses.<sup>38</sup>

Drop-out rates for key courses at 12 sample PSTIs is presented in Annex table 7.<sup>39</sup> While there are quite sizeable differences in drop-out rates for the same courses among this group of PSTIs, for most courses drop-out rates are typically 10-25 per cent of initial enrolments.<sup>40</sup> Given the relatively high financial costs incurred by students in meeting registration, tuition and examination fees, these drop-out rates are surprisingly low. Up to date information on drop-out rates at public sector training institutions was not available but for secretarial and commercial courses, fewer than five per cent of students drop-out. But the tuition and other fees at these institutions have been minimal and they are attended by the most academically able students.

Among the nine sample PSTIs who were willing to divulge their examination results in accredited examinations,<sup>41</sup> it can be observed in Annex table 8 that pass rates were well above 50 per cent in all courses in 1996 and over 90 per cent at the elite secretarial colleges. Other information suggests however that pass rates are in fact much lower than this among private students at as a whole. As discussed earlier, among the 10 PSTIs in Harare offering LCCI marketing diploma courses, there is a very wide range of examination performance and, for the country as a whole, only one-third of all candidates obtained the full diploma. Information obtained directly from a number of important local and foreign professional institutes and examination bodies reveals that typically fewer than three per cent of the total number of registered students in 1996 successfully completed all the professional examinations in that year (see Annex table 9). One very obvious reason for these poor completion rates is that very large proportions of students (usually at least half) are studying on their own and have to rely on learning materials produced by the correspondence colleges.<sup>42</sup> However, senior officials of the local accountancy (CIS and ZATT) and computing (CAZ) professional associations indicated that between one-third to one-half of the instruction provided by PSTIs offering accountancy and computing courses in Harare are of a sub-standard quality.

### **3 INFORMAL SECTOR PROVISION: NON-REGISTERED PSTIs IN HARARE**

#### **3.1 Introduction**

In order to ascertain the extent and basic characteristics of non-registered PSTIs in Harare Province, systematic physical searches were undertaken during February 1997 in the following areas: (i) the city centre; (ii) three high density suburbs (Highfields, Mufakose, and Tafara); and (iii) Chitungwiza, which is a dormitory city for Harare and a separate district in the Province. Three research assistants visited all office and other buildings in central Harare. In the HDAs and Chitungwiza, they began their searches in shopping centres and then these were extended into the surrounding residential areas. In addition, all advertisements in the Herald, the national newspaper, selling 'tuition' services in the Harare area were scrutinised over a four month period (October and November 1996 and January and February 1997). All adverts where it seemed likely that the centre was not registered were followed up.

Given the illegal status of non-registered PSTIs, each research assistant (all three of whom were university students) either posed as a prospective student or as the sponsor of a prospective student. Once a centre had been located, they attempted to gather as much information about its activities as possible and, in particular, the type of training provided, tuition fees, facilities (number of classrooms, equipment, etc), and staffing. However, only around a half of the centres visited allowed the prospective clients to inspect classrooms and other facilities.

### 3.2 The City Centre

A total of 37 non-registered PSTIs were discovered in the city centre. In early 1997, there were approximately 95 registered independent PSTIs in Harare. It would appear, therefore, that illegal centres comprise a sizeable segment of the total private sector training market.<sup>43</sup> Apart from three centres, the MOHE did not know of the existence of any of these PSTIs.<sup>44</sup> Officials argue that with only eight inspectors for the entire country coupled with seriously inadequate travel and subsistence budgets, they are simply not in a position to police effectively PSTIs. Furthermore, the penalties for operating an unregistered centre were until recently very low (only Z\$ 1000 in 1996) and have not, therefore, acted as any kind of deterrence.<sup>45</sup>

Table 6 summarises the main characteristics of the non-registered PSTIs that were found. Two main types of training are provided- computing and clothing.

**Computing:** PSTIs specialising in computer training predominated, with 23 (62 per cent) offering training in this area. With just two exceptions, only short courses covering the most common software programmes were available. In common with the registered PSTIs, these courses were 8-20 hours in duration, normally undertaken in 1-2 hour sessions on consecutive days. Students were generally not examined and only received a certificate of attendance.

**Table 6: Summary characteristics of non-registered PSTIs in Harare central business district, early 1997**

Type of training	Number found	% one classroom only	Average number of computers/ sewing machines	Students observed	% poor condition
Computing	23	76.5	5	1-12	30.8
Clothing	9	100.0	4	6-30	33.3
Hotel, tourism & catering	3	na	0	na	na
Commercial	2	100.0	0	na	0.0
Motor mechanics	1	0.0	-	70+	100.00

The scale of operations appeared to be generally quite limited. All premises are rented. Thirteen out of 17 (76.5 per cent) that could be properly inspected had only one, usually small teaching room. Four were in poor or very poor condition. Ten had three computers or less that are used for training purposes. Centres were visited during the day time. At eight centres, just one instructor was observed with only 2-3 students receiving instruction.

As noted earlier, the profit margins on short computer courses can be very high and, undoubtedly, it has been the prospect of earning such high returns that has attracted so many non-registered computing PSTIs into the market. However, most of these centres have not attracted large numbers of students mainly because of their small size and invisibility. In particular, it is difficult for them to market themselves widely because of high advertising costs coupled with restrictions imposed by the government-owned media on the placement of advertisements by non-registered PSTIs. In such circumstances, one would normally expect serious price-cutting to occur. Surprisingly, however, the course fees charged by the majority of these centres are in the same price range as registered PSTIs. Only the lower quartile fee is significantly lower (see table 4). While costs for both groups are likely to be quite similar (office rents in the city centre, instructor salaries, and cost of computers), with such high margins, there should still be considerable scope for non-registered centres to sell cheaper courses.

**Clothing:** The next largest group of non-registered PSTIs in the city centre are those providing training in dressmaking, knitting, and tailoring. A total of nine centres were found. They share a number of the same characteristics as the computing centres. They are all one-roomed, have 1-2 instructors, and the training is non-certified. However, unlike the backroom computer PSTIs, courses are longer in duration (6-12 months), students (who are overwhelmingly female) attend daily for at least 4-5 hours, and class sizes are considerably larger. The minimum and maximum numbers of students observed were 6 and 30 respectively, with a median class size of 14. On average, two students shared a sewing or knitting machine. The conditions at three (one-third) of the centres were poor with serious overcrowding.

Monthly tuition fees for the standard dressmaking and tailoring courses were Z\$100-150, considerably cheaper than at registered centres. Knitting courses, however, cost twice as much.

**Other training:** Apart from computing and garment making courses, non-registered vocational training centres were operating in the following areas: hotel, tourism and catering (3 centres), commercial (2 centres), and motor mechanics (1 centre). The almost complete absence of commercial training provision is in striking contrast to its pre-eminent position among the registered PSTIs in Harare. This may be largely due to the nature of the clientele for commercial courses who are mainly better paid and educated individuals who expect reasonably high standards of training at properly accredited PSTIs.

However, with regard to training in the main manual trades, the pattern of provision between the registered and non-registered PSTIs is very similar. In early 1997, there was only one 'for profit' PSTI in each group offering this type of training in Harare Province. And, in common with the registered PSTI, the quality of training offered at the non-registered centre (which also specialises in motor vehicle mechanics)

is basic and relies on out-dated technologies (see Box 6). The expense of meeting workshop and equipment requirements stipulated by MOHE coupled with relatively limited demand for formal training (in particular for self employment) jointly explain the very limited private sector provision in the technical trades.

**Box 6: Non-registered motor mechanics training**

This centre was originally established in the mid-1960s as a charitable organisation by an African mechanic. It had premises in the industrial area and it was registered with the MOHE. However, the Centre was forced to relocate in 1985. New premises were eventually found in the city centre but, in view of its fairly high operating costs, the centre is now run for profit.

The facilities are seriously inadequate. The centre consists of one office and three tiny classrooms. There is no workshop nor any even an open area which can be used for demonstrations and student practicals. There are only very basic tools and other equipment with the result that the instruction is heavily theoretical. Given these poor facilities and equipment, the MOHE have refused to re-register the centre.

A one year 'pre-apprenticeship' course in motor vehicle mechanics is offered. There is a continuous intake with students attending for one hour per day, five days a week. With three full time instructors and a maximum seating capacity of around 70 places, maximum daily enrolment could be 740 students. Total student enrolment in 1996 was, in fact, 350 with 10 per cent drop out. The centre has its own end of year theoretical and practical examinations. Pass rates are 60-65 per cent.

Monthly tuition fees average Z\$167, fractionally less than its sole competitor (Centre K). With annual operating costs of around Z\$300,000 and total income of Z\$690,000, profits were approximately Z\$390,000, yielding a very healthy profit margin of 130 per cent.

### 3.3 Highfield, Mufakose and Tafara

Three out of a total of 17 high density areas in Harare were surveyed. The HDAs (formerly known as 'locations' and 'townships' prior to Independence) are where the majority of the African working class reside and where most informal sector activities are located. One might expect, therefore, that a significant amount of non-registered training to have emerged in these areas.

Highfield, Mufakose and Tafara are fairly representative HDAs in terms of both population size and household characteristics. Highfield is the oldest and largest HDA, located contiguous with the main industrial area in the south west of city. Tafara, on the other hand, is considerably smaller and was only developed during the 1960s. It is situated in the extreme north west of the city. Between them, these three HDAs had a resident population of 193,2000 at the time of the 1992 population census (see Table 7). This is likely to have increased to around 225,000 by 1997. The distance between the three HDAs and the city centre is 5-10 miles.

In stark contrast to the large number of registered PSTIs in the city centre, only two registered PSTIs (both located in Highfield) were located in the three HDAs. One of these centres, a well established, church-based NGO, has been struggling to break even and enrolment growth at the only 'for-profit' registered PSTI has been less than 5 per cent per annum during the 1990s. Both have found it very hard to compete with the city centre PSTIs. Unless training courses are heavily subsidised, the bulk of the economically active population who remain in the HDAs during the day, namely the unemployed, informal sector workers and

'housewives', cannot afford to pay the tuition fees at registered PSTIs. The NGO training centre, in particular, is caught in the dilemma of being unable to cater either to the training needs of the poor or attract those able to afford the training that they can offer.

**Table 7: Population and number of households in sample HDAs ('000), 1992**

HDA	Population			Households
	Male	Female	Total	
Highfield	52.4	49.1	101.5	25.8
Mukakose	31.5	29.7	61.2	12.8
Tafara	16.1	14.4	30.5	7.4
Sub-total	100.0	93.2	193.2	46.0

Source: 1992 Population Census

Table 8 and Annex table 10 summarise the numbers and other characteristics of the non-registered PSTIs that were found. What is particularly striking is that clothing was virtually the only kind of training that is available in these three HDAs. Foundation College, a registered PSTI in Tafara, had up until the end of 1996 offered training in carpentry and motor mechanics but had decided to discontinue this training and concentrate on academic courses instead.

**Table 8: Summary characteristics of non-registered (clothing) PSTIs in Highfield, Mukakose and Tafara**

Area	Number	Type		Location		
		For profit	NGO	Church	Commercial/ Backyard	House
Highfield	8	6	2	2	3	2
Mukakose	13	12	1	1	2	10
Tafara	9	7	2	2	0	7
<b>Total</b>	<b>30</b>	<b>25</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>19</b>
Chitungwiza	12	8	4	4	3	5

There are three types of providers offering training in dressmaking and knitting:

**(i) Churches.** Three church-based training centres account for over 80 per cent of enrolments in Mufakose and Tafara. The Church of the Assemblies of God (Zaoga) is particularly prominent. Tuition fees are low - less than Z\$100 per month for up to 30 hours of instruction a week;

**(ii) For profit training centres in commercial premises.** (3 in Highfield and 2 in Mufakose). Four of these centres were located in poorly constructed buildings in the 'backyards' of shops and other commercial properties and enrolled 8-20 students. The remaining centre, Chivimbiso enrolled upwards of 400 students in daytime and evening classes in two, sparsely furnished and equipped rooms at a dilapidated church in Highfield. The tuition fees at the 'for profit' centres were also low.



**(iii) House-based.** In Tafara and Mufakose, most clothing training is undertaken in private houses. In Highfield, on the other hand, training is offered in only two houses. This may be because Highfield has more proper training centres. The sole (female) instructor is usually an experienced dressmaker or knitter who works from home and offers full time on the job training for normally 1-2 student for 3-6 months periods. In effect, therefore, this is a form of apprenticeship although monthly tuition fees are high (Z\$250-300/month) compared with those charged by the more formal, non-registered PSTIs (see annex table 6). About half the houses identified had a sign at their front gate advertising their training activities. The other trainers are almost completely invisible and recruit trainees solely by word of mouth. Two women visited only provide training at the student's house and, at another, the student brings her own knitting machine.

### 3.4 Chitungwiza

Chitungwiza is situated 20 kilometres south of Harare. According to the 1992 Population Census, the city had 275,000 residents which is slightly less than 20 per cent of the total population of Harare Province. Unofficially, Chitungwiza's population had reached half a million by 1997. The city has grown extremely rapidly since independence and serves as a dormitory town for workers who commute daily to the industrial and commercial areas of Harare. Chitungwiza occupies a relatively larger area and houses are generally much spacious than those typically found in the HDAs.

**Table 9: Summary details of non-registered PSTIs located in Chitungwiza, 1996**

Name	Course	Class-rooms	Instructors	Students observed	Fees/m	Duration (months)
<b>Churches/NGOs</b>						
1. St Theresa	Dressmaking	1	1	60	92-108	6-12
2. St Alois	Dressmaking	1	1	30	50	6
3. Chiysap	Various	na	9	88 <sup>a</sup>	10	1-12
4. Zaoga	Dressmaking	na	na	100	na	6-12
<b>Private - Commercial</b>						
5. unknown	Dressmaking	1	1	120	55	12-20
6. Jesand	Dress/knitting	1	1	5	250	3
7. Modern School of Design, Cutting & Dressmaking	Dressmaking	1	2	17	55	6
<b>House-based</b>						
8. -	Dressmaking	2	1	60	53	6
9. -	Computing	1	1	3	300	1
10. LTS Computers	Computing	1	1	2	200	1
11. -	Knitting	1	1	2	200	3
12. - <sup>b</sup>	Dressmaking	1	1	1	50	na

<sup>a</sup> Total enrolment

<sup>b</sup> Training done at student's home

It can be observed in Table 9 that the pattern of private sector training provision in Chitungwiza is very similar to that found in the HDAs. Thus, among the 12 non-registered training establishments (with a total enrolment of around 550 students) that were located, dressmaking and/or knitting are offered at 10 of them (5 non-profit NGOs, 2 shop-based, and 3 house-based). Computing training is also available but on a very small scale at two houses. The Chitungwiza Integrated Youth Survival Alternative Project (CHIYSAP) is however an interesting example of an innovative approach to vocational training geared to self employment (see Box 7). This kind of community-based training is noticeably absent in the three survey HDAs.

**Box 7: The Chitungwiza Integrated Youth Survival Alternative Project**

CHIYSAP was established in 1992 in order to bring together unemployed youth and equip them with practical skills which could be used to start self-help income generating projects. Training linked to production units is now offered to over 85 individuals in motor mechanics, brushmaking, dressmaking, carpentry, soap-making, hairdressing, secretarial, and arts and drama. Initially, trainees were informally attached (and at no cost) to established enterprises in the Chitungwiza area and then imparted the skills they had acquired to new groups of trainees. CHIYSAP now has a total membership of 2500 but only 250 are actively involved in training and production activities. Members pay a registration fee of Z\$10 and monthly subscriptions of Z\$2. CHIYSAP also provides small loans to its members who are expected to operate on a profit basis whilst maintaining a bank balance equivalent to the initial cash injection.

## **4 PRIVATE SECTOR PROVISION IN ZIMBABWE: AN OVERVIEW**

### **4.1 Registered PSTIs**

**Harare:** A total of 34,000 individuals purchased training services from the 25 survey PSTIs in Harare Province during 1996. In early 1996, there were another 50 registered independent PSTIs in the province. Taking into account the exceptionally high enrolments at Centre X, it is still reasonable to assume that these remaining 50 registered PSTIs enrolled another 40,000 students. Thus, at least 75,000 individuals were trained by Harare-based registered PSTIs during 1996.<sup>46</sup> This is more than three times as many students than at the three main MOHE vocational training institutions in Harare (namely the University of Zimbabwe, Harare Polytechnic, and the Harare Institute of Technology).

**Correspondence Colleges:** There are also five main correspondence/distance education colleges in Harare that sell learning materials to an estimated 40,000 individuals nation wide.<sup>47</sup> Rapid Results College is the largest with at least two thirds of the distance education market. Despite increased competition from non-correspondence PSTIs, individuals registered with the college have increased by 50 percent since 1990. Materials based on the curricula from 25 institutes and other examination bodies are currently available. Distance education courses are relatively much less costly than conventional face to face tuition (typical three-four times cheaper) which explains their continuing popularity.

**Rest of Zimbabwe:** Without further research, it is difficult to say precisely how many registered PSTIs there are outside of Harare. According to the MOHE's 1996 directory, there was a total of 100. However, as

is also the case for Harare, the information recorded for PSTIs prior to 1990 is known to be seriously out of date, with a significant number of PSTIs no longer in operation. There is also other evidence that suggests serious inaccuracies in the directory. First, as part of this research, a letter from the fictional parent of a prospective student was sent to all listed PSTIs outside of Harare requesting information on courses including course fees. Only 16 replies were received.<sup>48</sup> And secondly, almost one-third of the out of Harare PSTIs recorded in the MOHE's directory were not listed in the 1997 telephone directory. It is unlikely therefore that there were more than 60 registered PSTIs in the rest of Zimbabwe in early 1997.

Again, data are not available but average enrolments at these centres were lower than in Harare.<sup>49</sup> Probably, therefore, around 25-30,000 individuals paid for courses at these PSTIs during 1996. From the information received from the 16 PSTIs that did respond to the fictional letter, it would appear that the pattern of provision at registered PSTIs outside of Harare is much the same as in the capital with commercial, computing and secretarial courses predominating. However, with the exception of computing and motor vehicle mechanics, tuition fees are typically 50-100 percent lower.

#### **4.2 Non-registered PSTIs**

**Harare:** The Harare survey revealed that there were a relatively large number (37) of non-registered PSTIs in the city centre. In the three HDAs and Chitungwiza, house-based and NGO training predominates with only eight private training centres (all in rented premises) being located. Assuming that similar patterns of provision prevail in the other HDAs in Harare, then we can conclude that for Harare Province as a whole there were approximately 60 formal/commercial PSTIs, 25 churches/NGOs and another 90 based in houses with total enrolments of at least 5000.

**Rest of Zimbabwe:** No data are available on 'for-profit' PSTIs in the rest of Zimbabwe. However, if the same intensity of training activity exists in the country's other urban areas as in the HDAs in Harare, there would be around 205 PSTIs (70 commercial, 30 NGOs, 105 house-based, ) with over 6000 students.

Further research is needed before it is possible to estimate the size of non-registered training provision in the rural areas of Zimbabwe. It seems very unlikely that there are more than a handful of 'for profit', centre-based PSTIs in the rural areas, although some informal apprenticeships of the type found among garment makers in the HDAs in Harare may exist. However, training is an important part of the activities of the large majority of NGOs in Zimbabwe which tend to concentrate their activities among the rural poor. A directory of NGOs in Southern Africa that undertake training activities of one sort or another which was compiled by the World Bank in 1995. It lists over 80 local and foreign NGOs in Zimbabwe. However, only around 20 churches/NGOs were registered PSTIs in early 1996. No detailed information is given on courses and enrolments in the World Bank directory but most of this training is free or nearly free with the main client groups being the rural poor. While a significant proportion of training is provided informally, on the job as part of each NGOs on-going project activities, there are at least 30 NGO training centres, mostly located in rural areas, that offer formal training courses. These include both full time training courses

mainly in the basic trades (carpentry, construction, garment making, metalworking) as well as a wide range of shorter, mainly non-technical courses. Silveira House, one of the largest and well established of these centres, trains over five thousand people annually. In total, long and short course training by NGOs targeted on the rural population is likely to have been delivered to at least 25-30,000 individuals in 1996.

### **4.3 Total PSTI Provision**

Nation-wide, around 100,000 individuals attended courses at registered and another 40,000 at unregistered centres. Including enrolments at the correspondence colleges, at least 180,000 individuals received training from PSTIs. Private sector vocational education and training is clearly, therefore, a mass phenomenon which, in one year alone (1996), involved around five percent of the economically active population in Zimbabwe.

## **5 CREATING THE ENABLING ENVIRONMENT**

### **5.1 Introduction**

PSTIs have a crucial role in ensuring that the commercial and technical skills that are needed to modernise successfully the Zimbabwean economy and improve individual livelihoods (especially of the poor) are available in a timely and cost effective manner. For the private sector to flourish, however, government must act decisively to introduce policies that will create the necessary enabling environment for PSTIs. In many ways, government is at a crossroads. While it is now recognised that the polytechnics and technical colleges are increasingly unable to cater for the ever increasing demand for VET, a new set of policies are urgently needed that will help to ensure that the private sector is able to respond appropriately to this challenge. As elsewhere in the developed and developing world, tertiary education and training is being progressively privatised in Zimbabwe. As we have seen, private sector training provision has expanded dramatically during the 1990s while public sector training institutions have struggled to maintain standards in the face of major cuts in real expenditures. And starting in 1997, university students are having to contribute significantly more to the costs of their education.

Do nothing and just leaving private sector to get on with their business of training is one option that has obvious appeal to the proprietors and principals of PSTIs, especially those who are operating illegally or are at the lower end of the training quality spectrum. However, such a laissez-faire approach would be very short-sighted. The best strategy for promoting the future development of private sector training provision in Zimbabwe is the progressive privatisation of the training system as a whole, but this can only be achieved if the government intervenes decisively in order to create the necessary incentives as well as controls. Furthermore, it is also the case that, given the right policy environment, an expanding private training sector offering consistently good quality training is the single most potent way of improving the performance of restructured public training institutions.

The following discussion describes the key policies that, collectively, are needed to improve private sector vocational training. Paradoxically, state intervention is essential in order to create and then sustain competitive training markets for vocational skills. These markets function imperfectly in Zimbabwe mainly because of lack of competition (especially between public and private training institutions), and the government's own lack of capacity to regulate properly the training activities of the PSTIs.

## **5.2 Levelling the Playing Field**

The most important and far-reaching reforms centre on the need to 'level the playing field' on which public and private sector training institutions in Zimbabwe compete with one another. Currently, public training institutions face little direct competition either from another or private sector providers. Moreover, almost all courses are heavily subsidised so there is little direct accountability to students. While steps are currently being taken by the MOHE to reduce the reliance of the polytechnics and technical colleges on central government funding, on their own, these are unlikely to result in the significant improvements in training efficiency and effectiveness that are being sought. Raising student tuition and subsistence fees will certainly improve financial self-sufficiency, but given the relatively high costs of the mainly technical courses offered by these institutions, they will have to continue to be heavily subsidised by government. What this means therefore, is that the private sector will still be unable to compete. However, without competition that poses a real threat to their continued existence, it is unlikely that public sector training institutions can be turned around.

## **5.3 A National Training Agency**

How then is this competition to be created? The simplest solution adopted in numerous countries is for a national training agency to determine what enrolments should be for each of the courses on offer (as is done now by the MOHE but very haphazardly and imperfectly because planning capacity is so minimal) and then put these out for tender among all registered training establishments, both public and private. The bids received can then be assessed for price and quality, and training resources allocated accordingly, using strict performance criteria. Students should take out loans to meet the bulk of the recurrent costs of providing this training. These loans should be administered centrally. Because tuition and subsistence fees will comprise a significant proportion of total training costs, the system becomes far more demand-driven since students will not undertake courses unless they feel sufficiently confident that they will earn a reasonable rate of return on their investment. Obviously, for public training institutions to take the competition seriously, they have to be made increasingly dependent on the income earned from the competitive tendering process. Thus, they should be expected to become financially self-reliant as soon as possible, but certainly no longer than three years.

The public resources made available in this way would be mainly used for long term, entry-level occupational training courses that are unlikely to be directly funded by private employers. Removing the

subsidy from public sector providers will enable PSTIs to compete on roughly equal terms. This is particularly important for the more costly technical courses, especially in the engineering fields. Government will probably need, however, to make available special loans at preferential rates of interest and possibly grants so that PSTIs can acquire the equipment and other facilities needed for this training. Major reorganisation is also essential with public training institutions being given very considerable autonomy to run their training and other activities.

During the 1990s, the National Manpower Advisory Committee (NAMACO) has been negotiating with the MOHE for more autonomy and executive authority, in particular over the control of ZIMDEF resources. NAMACO should be reconstituted into a national training agency with overall responsibility for planning, finance and monitoring of VET in order to improve labour productivity in all sectors of the formal and informal economy. It should also have overall responsibility for certification and accreditation and inspection of all training centres, both public and private.

The Board of the National Training Agency should be drawn from all the major stakeholders in the training system, but it is essential that employers have the largest representation since it is largely through their efforts that improved VET will result. Government needs to be properly represented, but there should be a majority of political/public service members of the Board. ZIMDEF should be transformed into a National Training Fund and utilisation of the fund should be based on well-defined national training priorities.

The experience of other countries shows that, while it is essential that power and resources over VET provision are devolved to employers and their organisations, government still has a critical role to play in ensuring that the requisite skills are available for sustainable long run growth. Relying entirely on the short term training demands from companies is likely to result in seriously sub-optimal provision. Consequently, government must have a clear training strategy that, in particular, is able to identify the skills that are or will be needed in order to ensure the successful development of key sectors. Where these are not or are unlikely to be met by the private sector, it will be necessary to intervene.

Estimates vary, but with at least 25% of the working population in Zimbabwe likely to succumb to HIV-AIDS during the next 10-15 years, the need for a human resource development comprehensive strategy that ensures that the very significant loss of skilled personnel can be replaced in an efficient and effective manner is more crucial than ever. The National Training Agency should take the leading role in developing this strategy.

#### **5.4 Industrial Training Boards**

It is clear that many employers, particularly in the private sector, have lost confidence in the ability of the polytechnics and technical colleges to provide good quality, relevant training in a timely manner. The private sector has also lost control over most of the training levy that is paid by companies into ZIMDEF. Since the late 1980s, well over half of ZIMDEF income has been devoted to supplementing the recurrent and capital budgets of MOHE training institutions. There is therefore a vicious cycle of ineffectiveness. In

order for training to be demand-driven, employers' organisations should be allowed to sponsor training activities that are deemed essential. It is for these organisations to decide what is or is not appropriate. An obvious solution, therefore, is for Industrial Training Boards (or similar structures) to be established on a tri-partite basis which will have control over a significant proportion of the training levy contributed by its members.

Given that the current system of tri-partite Employment Councils for all major industries works relatively well, probably the most appropriate institutional home for the new Industrial Training Committees is the relevant Employment Council.

The National Training Agency should have responsibility for monitoring the use of National Training fund resources allocated to individual Training Boards. The actual allocations to each ITB will clearly depend on the relative importance of the industry and the strategic role it is expected to play in the overall development of the economy.

Once each industrial training board has established the training requirements of its members enterprises, these should be put out for competitive tendering. Clearly, many industries have specialised training needs that are best provided for by industry-specific training institutions (such as tourism, mining, printing), but there are a wide range of more general commercial and technical skills that are needed in most industries. Suitably supported, in an economy as large and sophisticated as Zimbabwe's, PSTIs are well placed to compete for this business.

## **5.5 Training for the Poor**

The surveys of PSTIs in Harare indicate that there is remarkably little training provision of any kind for the urban poor. NGOs tend to target their training activities on the rural poor, but with the very limited resources that are available, this training is also spread very thinly. Government provision is generally confined to a small elite who have done well at school, come mainly from better off socio-economic backgrounds, and are destined for good jobs in the formal sector. On both equity and efficiency grounds, there is a strong case to be made for redistributing public resources for training towards poorer producers in both the rural and informal sectors. PSTIs, but especially NGOs, are well placed to provide relevant, usually low cost training. One possibility for strengthening support in this area is to establish a Microenterprise Training Board under the auspices of the national training agency. This would be funded from the National Training Fund as well as direct disbursements from government supported by donors. A proportion of the NTF should be earmarked microenterprise training. This should be determined by the board of the national training agency but this should not exceed 25% of total receipts from the training levy.

In order to ensure that the training that is funded has high payoffs and is demand-driven, structures at the regional and district levels will need to be established or strengthened that enable training requirements of existing and proposed activities to be precisely established. These can be submitted to the National Training Agency. Once approved, each training activity would again be put out for competitive tendering which would provide a further stimulus for PSTIs and help to reorient public sector training towards

meeting the needs of proprietors and workers in small and microenterprises who are generally unable to pay for training.

## **5.6 Private Sector Training Provision**

### **5.6.1 *Registration and inspection***

The current registration and subsequent inspection of PSTIs is seriously inadequate. The registration process is unwieldy, lacks rigour, and takes far too long. Once registered, PSTIs are rarely visited by MOHE officials. There is no meaningful process of inspections that would ensure that minimum training standards are being maintained and that would provide professional advice and, where necessary, resources to improve training provision. Large numbers of PSTIs continue to operate illegally.

Given the size of private sector provision in Zimbabwe, it is clear that the registration and inspection functions need to be considerably strengthened. On its own, the market is a poor regulator mainly because the demand for training is so high and information about the costs and examination performance of PSTIs so scarce. Furthermore, most professional institutes and other examination bodies have no effective procedures for accreditation of local PSTIs.

A separate division of the national training agency should have responsibility for monitoring and improving training standards in both public and private training institutions. Small regional teams also need to be established (based in Bulwayo, Gweru, and Mutare) with the appropriate professional expertise to register, inspect and provide advice to a training institutions. However with at least one half of PSTIs in and around Harare, it is clear that the largest team is needed in the capital.

Proper inspections of training centres should be undertaken at least every 3-4 years. For the larger centres, this would involve a team of inspectors visiting over a two-three day period, closing observing teaching and other practices and producing a report that addresses comprehensively the strengths and weaknesses of training provision. Training centres should be legally obliged to act promptly on the recommendations of the inspectors or face the threat of temporary or permanent closure.

Concerted efforts need to be made to control effectively non-registered PSTIs, especially those that are for-profit. There is also a significant amount of training by NGOs which is usually free. Nonetheless, it is still important that these activities are registered in some way and are monitored on a regular basis. At present, government and other major stakeholders know virtually nothing about the training activities of NGOs and are, therefore, unable to provide support for priority areas.

### **5.6.2 *Market information***

Improving the quality and overall availability of information about training costs and examination performance of PSTIs is perhaps the single most cost-effective measure for improving the quality of private sector training provision in Zimbabwe. At present, training markets function very imperfectly because the relevant information needed by consumers to make informed choices about which course to take and which institution to attend is generally not available. It is important, therefore, that government takes the initiative



and obliges PSTIs as well as public training institutions to provide at least annually information about the tuition fees, enrolments, and examination pass rates for courses that they offer. Failure to furnish this information would result in immediate closure. In addition, all professional institutes, both local and foreign, should be legally required to provide the pass rates of students at each PSTI in Zimbabwe offering their courses. Taken together, these data are an invaluable resource for planning purposes and for monitoring the performance of PSTIs. It should be widely publicised in the media and elsewhere.

### ***5.6.3 An association of vocational PSTIs***

The 70 or so PSTIs in Zimbabwe that offer academic courses have their own association which they are legally obliged to belong to. A joint committee comprised of three members each from the association and the Ministry of Education meets on a regular basis to discuss and decide on issues that affect private education. The Committee functions smoothly and there have been no major disagreements between the private schools and colleges and the Ministry since the committee was established in 1990.

No such organisation or committee exists for PSTIs offering vocational training courses. This is not only anomalous, but adversely affects the ability of what is an increasingly large group of training institutions to interact effectively with government, and the MOHE in particular. In part, it reflects the intense competition that exists between PSTIs, especially in Harare. However, a properly constituted and resourced association with elected officers and its own small secretariat would provide an essential forum for PSTI proprietors, principals and teaching staff to discuss issues of common interest and, if necessary, could enable PSTIs to be regulated by the industry itself. As government and the PSTCs start to work more closely together, it is particularly important that formal structures are put in place that will ensure effective communication and coordination. While it would be most desirable to have one organisation representing the interests of all private sector education and training institutions, until such time as the Ministries of Education and Higher Education are reunited, there is no alternative but for a separate association of vocational PSTIs to be established.

A small levy based on the number of full time equivalent enrolments will probably need to be introduced in order to finance the association's secretariat.

### ***5.6.4 Local and overseas courses***

Economic liberalisation has dramatically opened up vocational training markets to foreign competition in Zimbabwe. Foreign courses and qualifications are strongly preferred by both individual and corporate clients of PSTIs in virtually all subject areas. It is entirely healthy that individuals and training institutions themselves are able to choose between the different training services of competing professional institutes and other examination bodies. Having to rely on one sub-standard qualification would be very undesirable. The MOHE would not be able to cope if all PSTI students registered for the national vocational courses. From the very outset, these courses have been poorly marketed and administered. Had the MOHE decided

in 1994 to force PSTIs to offer only national courses, this would have seriously undermined the development of private sector training provision.

There are major problems with the national vocational qualifications. However, the original reasons for wanting national courses remain as sound today as when they were first conceived in the early 1980s. Foreign courses are generally very expensive (in Zimbabwe dollar terms) and quite often lack relevance for local conditions. The recent decision by the MOHE to make major changes in the organisation and management of national examinations is, therefore, to be welcomed since it offers the prospect of national courses being able to compete more effectively with foreign ones in the future. Furthermore, the polytechnics and technical colleges should be encouraged to offer local and foreign qualifications where these are considered to be of a high quality and relevant to local conditions.

### ***5.6.5 Staff development***

Urgent action needs to be taken to improve the quality of instructors, both full and part-time, employed by PSTIs. Proprietors have little or no incentive to improve the subject knowledge and pedagogical skills of their staff. Turnover is very high and the majority of instructors are only part-time. HEXCO's Further Education Training Certificate is a one year, full time course intended mainly for public sector vocational training instructors.

Effective inspections should identify the main areas where individual instructors need to improve their skills. It is important, therefore, that properly accredited, modular-based, short training courses are available that directly address the most common areas of skill deficiency. Most PSTIs pay the ZIMDEF training levy and should be entitled, therefore, to reimbursement for training costs of staff who attend these courses. Contracts for training PSTI instructors should be awarded by the national training agency on a competitive tender basis. When selecting PSTIs to undertake publicly funded training (including ZIMDEF), strong preference should be given to PSTCs that have instructors who have completed these training of trainers courses.

**Annex Table 1: Date establishment, type and location of survey PSTIs**

Centre	Date		Type	Location	Number centres	Other activities
	Established	Registered				
A	1990	1994	Profit	CBD	3	
B	1994	1994	Profit	CBD	1	
C	1994	1994	Profit for NGO	Avenues	3	
D	1990	1995	Profit	CBD	1	Employment agency, secretarial services
E	1993	1995	Profit	CBD	1	Computer repairs
F	1991	1993	Profit	CBD	3	
G	1978	1980	Profit	Avenues	1	
H	1994	1994	Profit	Avenues	1	Franchise ACCA materials
I	1981	1990	Profit	CBD	1	-
J	1974	1979	Profit for NGO	CBD	2	
K	1975	1995?	profit	HDA	1	
L	1993	1994	Profit	CBD	1	
M	1988	1990	Profit	LDA/Residential	1	
N	1991	1991	Profit	Avenues	1	
O	1981	1989	Profit	LDA/Residential	1	Employment agency
P	1986	1988	Profit	Avenues	1	Farm, hotel, mfg.
Q	1992	1992	Profit	Avenues	1	Cinema, retailing
R	1981	1988	Profit	Avenues	1	Software sales
S	1986	1989	Profit	LBD	1	Selling & repairing computers
T	1965	1988?	Profit	Avenues	1	
U	1986	1986	Profit	Avenues	3	
V	1991	1994	Profit	Avenues	1	Manufacturing
W	1961	1979	Non-profit	CBD	2	
X	1965	1979	Profit	Avenues	2	Mail and computer services
Y	1984	1991	Non-profit/ Profit for NGO	LDA	2	

Notes: CBD = central business district. The Avenues is an area of mainly residential properties contiguous with the CBD which is increasingly being used for commercial purposes.  
LDA = low density areas

**Annex Table 2 Owner/principal characteristics among the survey PSTIs, 1996**

	Race	M/F	Age	Ex-public sector	Education	Overseas training	Proper company
A	A	M	50-55	Y	BSc, MSc	Y	N
B	A	F	40-45	Y	HND, MSc	Y	N
C	A	M	35-40	Y	Grad.	N	NGO
D	A	F	40-45	N	HND	Y	N
E	A	M	45-50	Y	BSc, MA	Y	N
F	A	M	45-50	Y	Univ.	N	N
G	A	M	45-50	Y	Teacher	N	Y
H	AS	M	40-45	N	Univ	Y	N
I	AS	F	40-55	N	Prof.	N	N
J	A	M	50-55	Y	Univ.	N	NGO
K	E	M	55-60	Y	Sec.	N	Y
L	A	M	40-45	Y	Univ.	Y	-
M	A	M	40-45	N	FCIS	N	N
N	E	F	50-55	N	-	N	Y
O	E	F	55-60	N	Univ.	Y	N
P	A	F	35-40	N	-	N	Y
Q	AS	M	na	Y	Dip.	Y	Y
R	E	F	35-40	N	Univ.	Y	Y
S	E	M	40-45	N	Univ.	Y	Y
T	E	M	70 +	N	Univ.	Y	Y
U	AS	M	60-65	N	Univ.	Y	N
V	A	M	45-50	Y	Univ.	Y	N
W	A	F	50-55	Y	Univ.	Y	NGO
X	E	M	50-55	Y	Univ	Y	Y
Y	A	F	50-55	N	-	N	NGO

Notes: Race: A = African, AS = Asian, E = European

<sup>a</sup> Principals/directors for 'not for profit' PSTIs and managing directors for 'for profit' PSTIs that are properly constituted companies (i.e. centres T and X).

- not available

**Annex Table 3: Total enrolments by main subject area, 1996 and 1990**

Centre Code	Academic	Secretarial/ commercial	Computer	Technical	Clothing	Other	Total	% female	1989	% evening
A	0	150	1525	50	0	0	1725	50	0	50
B	0	0	250	51	0	0	300	50	0	60
C	91	493	106	0	0	0	690	40	0	66
D	0	0	1200	0	0	0	1200	60	10	67
E	0	14	1000	0	0	0	1014	50	0	65
F	0	0	398	0	0	0	398	22	0	40
G	0	70	0	0	130	0	200	80	-	0
H	0	400	0	0	0	0	400	35	0	60
I	0	30	0	0	0	0	30	100	30	0
J	760	1355	346	0	640	0	3101	79	1973	35
K	0	342	1017	1133	380	0	1872	31	2000	50
L	66	232	932	0	0	0	1230	80	0	35
M	0	130	0	0	0	0	130	25	0	90
N	0	125	0	0	0	0	125	97	0	0
O	0	26	0	0	0	0	26	100	-	0
P	42	325	200	0	22	0	589	60	-	-
Q	0	0	1800	0	0	0	1800	60	0	40
R	0	0	500	0	0	0	500	50	na	0
S	0	0	200	0	0	0	200	50	0	0
T	268	190	30	30	0		488	41	-	40
U	1039	662	176	270	99	147	2123	59	2000	35
V	0	289	436	36	0	0	761	49	0	-
W	232	762	118	0	188	116	1416	69	1340	24
X	2316	7211	1637	0	0	319	11483	57	4000	65
Y	0	100	0	0	0	500	600	30	-	-
Totals	4814	12906	11871	1570	1459	1082	32401	59.3	11343	-

Notes: - not available

**Annex Table 4: Facilities, staffing and salaries at survey PSTIs**

Centre			Instructors		Number	
	Min	Max	Full-time	Part-time	Classrooms	Computers
A	6.0	15.0	16	0	8	80
B	3.5	5.0	3	10	7	15
C	3.4	6.0	12	32	11	20
D	1.2	4.1	1	4	1	18
E	1.5	4.0	6	5	4	20
F	3.0	4.0	2	0	2	10
G	2.0	-	3	2	4	0
H	-	-	0	30	6	16
I	-	-	0	3	1	0
J	2.0	3.0	32	15	13	15
K	2.0	5.0	24	24	20	10
L		2.8	4	7	9	18
M	-	-	0	20	9	0
N	5.0	7.5	6	1	10	9
O		5.0	4	2	3	6
P	2.0	3.5	10	2	24	10
Q	-	-	2	0	1	8
R	-	-	0	3	1	14
S	-	-	4	2	3	10
T	-	6.8	15	10	15	0
UT	-	6.8	15	10	15	0
U	2.5	3.5	12	20	14	15
V	1.8	2.0	15	11	16	18
W	3.5	7.0	13	30	15	16
X	4.0	10.0	-	350	40+	70
Y	-	5.0	9	0	6	0

Note: Salary = Z\$ per month gross

**Annex Table 5: Fees for tuition, registration and examinations for selected national and overseas courses (Z\$)**

Course		Registration		Minimum course duration (years)	Examination fees/paper	Number papers
		Initial	Annual			
<b>National</b>						
CIS	Accountancy					
IOB	Banking	65	65	3	100	10
ZIM	Management	320	320	3	175 <sup>a</sup>	11
ZATT	Accountancy	80	0	3	140	10
<b>Foreign</b>						
ACP	Computing			0.5	1500 <sup>b</sup>	-
CIMA	Accountancy	540	972	4	486	16
IAC	Accountancy	475	325	3	263	14
IMM	Marketing	1025	613	3	325	16
CCCI	Marketing		-	1	234 <sup>c</sup>	3
ICM	Commercial/ hotel catering	360	-	1	270	6

<sup>a</sup> Plus Z\$850 for final year Research Report

<sup>b</sup> Total examination costs for diploma course

<sup>c</sup> In addition, the local LCCI representative charges a 100 per cent mark-up on examination fees

**Annex Table 6: Costs, income and operating profit for survey PSTIs**

Centre	Costs*	Income†	Profit	P % Y	Margin (P % C)	P/Student
A	1440	2025	585	28.9	40.6	339
B	720	720	0	0	0	0
C	1800	2267	457	20.2	25.3	662
D	192	534	342	64.0	178.1	285
F	762	879	117	13.3	15.3	294
H	3800	4500	700	15.6	18.4	1750
I	264	360	96	26.7	36.4	3200
J	2204	4035	1831	45.4	83.1	590
K	2668	3879	1211	31.2	45.4	647
L	660	1524	864	56.7	131.0	702
M	180	300	120	40.0	66.7	923
N	1200	1837	627	34.1	53.2	5104
O	360	559	179	32.0	49.7	6885
Q	180	360	180	50.0	100.0	100
T	2400	4862	2462	50.6	102.6	5045
U	1320	3156	1836	58.2	139.1	865
V	1704	1819	115	6.3	6.7	151
W	2764	3059	295	9.6	10.7	208

\* Variable costs only - i.e. excludes depreciation on equipment

† Assumes zero drop-out from courses. Correcting for drop-out rates is likely to reduce income by 5-20 per cent at most PSTIs.



**Annex Table 7: Drop-out rates for selected courses**

<b>PSTI</b>						
<b>Course</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
ACCA Foundation Day	22.0					
Evening	18.9					
CIM Diploma	20.0					
LCCI Diploma	17.0	0.0	27.0			
ICM Full Diploma	0.0	20.0	27.2			
Single subjects	2.5					
IABC	0.0					
C&G Microcomputer Tech	0.0	22.2	20.0			
Electronic Servicing	12.5					
Executive Secretarial Full time	3.0	0.0	5.0	0.0	4.8	10.8
ACP Computing	0.0	14.3	11.4			
CIS Accountancy	0.0	27.0	0.0	40.0		
NC Computing	20.0	16.7	17.4	23.4		
NCC Computing Diploma -Full	8.0					
Evening	24.0					
IMM Marketing	23.0	0.0	50.0			
Clothing	6.4					
IDPM	35.0					
FBS	10.2					
Tailoring (own certification)	10.6					
Carpentry	0.0					
Motor mechanics	20.2					

**Annex Table 8: Pass rates for selected courses**

<b>Course</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
ACCA Foundation Day	48.7				
Evening	53.5				
CIM Diploma	75.0				
LCCI Diploma	80.7	83.3			
ICM Full Diploma	64.5				
Single Subjects	89.9				
C&G Microcomputer Tech.	87.5	57.2			
C&G Electronic Servicing	100.0				
NC Computer Servicing	50.0				
Pitman Executive Secretarial	100.0	78.0	90.0	95.0	95.1
ACP/IABC Computing	70.0	98.0	77.8		
CIS Accountancy (various stages)	62.5	54.0			
NCC Computing Full	86.6				
Evening	59.4				
IMM Marketing Diploma	75.5				
IDPM Computing					
Clothing	95.0				
NC Computer Studies	70.0				
FBS Business Studies	79.7				
Motor Mechanics (own)	91.6				
Carpentry (own)	85.7				
Tailoring (own)	85.5				

Notes: Students must pass all subjects

**Annex Table 9: Registered students and pass rates for main professional and sub-professional institute qualifications**

<b>Institute</b>	<b>Qualification</b>	<b>Total students registered/ examined at all stages</b>	<b>Number awarded full qualification</b>	<b>% completing</b>	<b>Maximum<sup>a</sup> possible</b>
<b>Local</b>					
Institute of Bankers	Professional Diploma	1636 <sup>b</sup>	30	1.8	33.3
Zimbabwe Institute of Management	Professional Diploma	273	9	3.2	33.3
Chartered Institute of Secretaries	Professional	7500 <sup>c</sup>	136	1.8	25.0
<b>Foreign</b>					
Institute of Administration and Commerce	Diploma (sub-professional)	1900 <sup>c</sup>	320	16.8	33.3
Institute of Marketing Management	Professional Diploma	3000 <sup>c</sup>	65	2.2	33.3
Chartered Institute of Management Accountants	Professional	296 (800 <sup>c</sup> )	6	2.0 (0.8)	25.0
London Chamber of Commerce and Industry	Full Diploma (sub-professional)	780	260	33.3	100.0

<sup>a</sup> Assuming equal number of candidates in each year of course completed in normal time and 100 per cent pass rate.

<sup>b</sup> Estimate based on the assumption that each candidate sits for five papers each year.

<sup>c</sup> Total number of registered students

**Annex Table 10: Main characteristics of non-registered PSTIs in High Density Areas, early 1997**

	Area	Course	Rooms	Instruct- ors	Machines	Students	Duration (months)	Fees/ month
	<b>HIGHFIELD</b>							
A	Church - NGO	D	1	1		100>	6	na
B	Commercial - backyard	D	1	1		12	6	75
C	Commercial - backyard	K	1	1		8	3	18
D	Commercial - backyard	D	1	1		9	6	90
E	Local govt - NGO	D	1	1		30	8	0
F	House	D	1	1		2	6	60
G	House	K	1	1		0	6	na
H	Commercial	D	2	2		430>	12	38-60
	Sub-total:		9	9	-	491	-	-
	<b>MUFAKOSE</b>							
A	Commercial - shop	K	1	2	7	13	12	62
B	Commercial - shop	K	1	1	2	1	3	150
C	House	K	1	1	0	1	0.5	200
D	House	K	1	1	2	1	variable	270
E	House	K	1	1	1	1	variable	negotiable
F	House	K	1	1	1	1	3	250
G	Student's house	K	0	1	1	1	3	175
H	House	K	1	1	2	2	3	300
I	House	K	1	1	7	5	1	250
J	House	K	2	1	9	13	2-6	80-300
K	Church	D	1	2	12	180	6	80
L	House	K	1	1	1	1	variable	200
M	House	K	1	1	2	1	3	negotiable
	Sub-total:		13	15	47	221	-	-
	<b>TAFARA</b>							
A	Church	D	3	1		44	6-12	50-100
B	Church	D	2	2		96	6	55
C	House	K	2	1	2	1	1	300
D	House	K	1	1	5	5	3	200
E	House	K	1	2	4	1	3	250
F	Student's house	K	0	1	0	1	3	250
G	House	K	2	1	0	2	250	3
H	House	K+D	1	2	4	2	3	200
I	House	K	1	2	1	1	3	negotiable
	Sub-total:		13	13	16	153	-	-

## NOTES

1. It excludes therefore company-based training centres such as OTD (Anglo-American) and the Mandel Training Centre (Delta Corporation), although increasingly these centres are providing training (particularly in management) for outside corporate clientele. There are also at least 20 freelance management training consultants based in Harare who deliver usually customised management courses for corporate clients at their premises.
2. The CIS qualification was examined from the University of Cape Town until 1992 when it became fully localised.
3. Only around one in ten applications for PSTI registration were approved in the mid-late 1980s.
4. Other more direct attempts were made by the government against private sector trainers. For example, soon after Independence, a senior official at the Ministry of Labour tried to get the African instructors at one of the largest PSTIs to leave and become civil servants.
5. The Zimbabwe Institute of Distance of Education (ZIDE) was established in order to produce learning materials for mainly academic courses. It failed, however, to make any major inroads on the markets of the major distance education colleges.
6. The share of Centre N's total income contributed by donors fell from 50 per cent in 1990 to less than 20 per cent in 1996. Donor support for Silveira House, the largest NGO in Zimbabwe offering training fell from 100 per cent of its funding in the early 1990s to around two-thirds in 1996.
7. Only one 'for profit' PSTI was African owned prior to 1990 (Centre G). The other two 'African' pre-1990 PSTIs are NGOs with African principals/directors.
8. Only one African proprietor was able to secure a loan from a bank.
9. Three of these PSTIs (Centres G, Q and U) are located in the 'down market' part of the CBD around Cameron/Rezende/Chinhoyi Streets where the main clientele are lower income Africans.
10. In 1996, there were only 1,446 new apprenticeships. The MOHE has two polytechnics (in Harare and Bulawayo), six technical colleges (in Chinhoyi, Kushinga-Phikelela, Kwekwe, Gweru, Masvingo, Mutare), the Harare Institute of Technology, and two Vocational Training Centres (Masasa and Westgate).
11. This was confirmed by recruitment specialists at the largest employment agency in Harare.
12. This percentage for all MOHE vocational training institutions was 28.4 per cent in 1995.
13. According to the 1995 Annual Report of the MOHE (which is the latest available), only six PSTIs in the whole country were registered to offer national courses in 1993.
14. These courses were offered by CIS, ZAAT and ZIM.
15. Pitman examinations were taken over by the City and Guilds of the London Institute in the early 1990s.
16. A few PSTIs offer accredited courses of the IABC, Chartered Institute of Transport and ADMA,
17. Prior to 1992, South African examination institutes could not advertise openly and had to rely on Rapid Results College and a few other PSTIs to market their courses.
18. Rivalry between LCCI and IMM has been increasingly intense especially since 1992 when the South African based IMM has been able to operate more openly.

19. The income generated from registration and examination fees is quite considerable. For example, Pitman examinations earned at least Z\$ 8 million in 1996 and the LCCI the marketing diploma course generated around \$1.1 million.

20. The main exceptions are Institute of Marketing Management, the Chartered Institute of Transport, and the National Computing Centre. The IMM investigates a centre if three or more complaints are made by students, sits in on teaching sessions, and provides training for instructors teaching IMM courses. In marked contrast, some examination bodies (most notably the Institute of Bankers) do not know which PSTIs are offering their courses and thus the examination performance at these centres. One major examination institute requested one of the largest PSTIs offering its courses to provide information on examination results, but these were not forthcoming. Similarly, information on the performance of the 180 City and Guild/Pitman examination centres is not readily available neither to the local representative nor to the head office in London.

21. The very significant tightening of immigration controls into South African since 1994 may well have increased the demand for higher level vocational qualifications that will improve the chances of Zimbabweans of obtaining jobs in South African where shortages exist and work permits for foreigners are more likely to be granted. The need to obtain internationally recognised qualifications is particularly important among young white Zimbabweans who feel increasingly excluded from jobs in both the private and public sectors.

22. As part of this research project on the development of VET in the context of economic adjustment, industry case studies are to be undertaken on the training activities of employers in the tourism and metal good sectors.

23. In the absence of counterfactual evidence it is not possible to determine the precise impacts (both direct and indirect) of increased morbidity and mortality as a result of the AIDS pandemic. However, it is clear that HIV/AIDS has not reduced the overall level of demand among individuals for vocational training in Zimbabwe. Among employers, demand may well rise significantly as employers are forced to increase the level of training to make up for skill deficiencies arising from AIDS-related illness and deaths. One obvious option that is being seriously considered in a number of companies (including Anglo-American) is to introduce multi-skilling of the workforce in order to reduce reliance on just a few individuals with skills that are difficult and/or costly to replace quickly.

24. It was not possible to collect precise data on the extent to which individual trainees are being reimbursed in this way but casual observation would suggest that most of the larger companies are providing this kind of support. Around 60 and 90 per cent of students registered with the IMM and IOB respectively were reported to be employer-sponsored on an examination-performance basis in 1996. Member organisations of the IOB also offer additional financial incentives for students successively completing each of the three stages of the IOB diploma. However, loans for students wishing to study at PSTIs are not generally available. One survey PSTI (Centre E) has attempted to boost (mainly day time enrollments) by introducing a Study Now and Pay Afterwards (SNAPA) scheme. About one third of

students studying at the Centre are benefiting from the scheme but they are still required to pay half of their tuition fees in cash in advance.

25. The passing of the Public Accountancy Act in 1996 is also reported to have had a major impact on the demand for accountancy training.

26. The appeal of a number of UK qualifications (such as ACP and NCC computing courses) is that they are recognised by certain universities in the UK and enable successful students to be exempted from parts of under graduate degree courses. Also, both UK and South African universities are beginning to show increasing interest in accrediting local PSTIs to offer their under graduate and post degree programmes. For example, the Zimbabwe Institute of Management is about to start an MBA part time degree programme with the University of Trent. In local currency terms, the course is expensive (Z\$110,000 per year) but it is still a much cheaper option than studying in the UK itself.

27. Most examination institutes allow 'mature' entrants, who do not meet the formal academic entry requirements, to enrol on their courses. This is typically 23 years old which, in the Zimbabwean context, where many students do not complete their schooling until their late teens and early 20s, is not particularly restrictive.

28. Long delays in obtaining registration are a major concern for new training entrepreneurs in particular because they have make sizeable investments in computers and other equipment stipulated by the MOHE but unable to begin training until up to a year later when they finally receive their registration certificate.

29. According to the MOHE official responsible for PSTIs, only three centres were de-registered during 1996. It is also recognised that the information on staffing, facilities and courses furnished at the time of registration frequently bears little relation with what is currently available and being provided. PSTIs are supposed to inform the MOHE of any changes in course provision but many do not.

30. By 1996, a number of PSTIs seeking registration had become so frustrated by this situation that they offered to pay the travel and subsistence costs of MOHE staff in order that they could make the necessary visits.

31. The top management training centres (Zimbabwe Institute of Management, Price Waterhouse, OTD and Mandel Training Centre) pay their outside trainers around \$2500 per day i.e. \$300 per hour.

32. Examination fees are another source of income, but for most PSTIs they contribute relatively little to overall profits. City and Guilds which runs the Pitman examinations only allows a mark-up of 20 per cent on its stipulated examination fee (although during the 1980s the mark-up was 100 per cent). Textbooks and other learning materials are another source of income for both the examination institutes and the PSTIs who offer their courses. Centre ff, for example, has the local franchise for ACCA learning materials.

33. The extent of market segmentation can also be gauged from the differences in the tuition fees charged by the high status market leader, Centre X and its own department, Centre K which is located in a high density area and caters for a lower income African clientele. A direct comparison of courses with identical qualifications can be made for full time executive secretarial and the diploma in foundation business studies (5 subjects). The fee differential between the two centres for these two course were 2.7 and 2.2 respectively.

34. Another possible relationship is that fees at larger PSTIs could be lower because of economies of scale and lower unit costs per student but again there is no discernible relationship between enrolments and fees among the 10 PSTIs offering the LCCI marketing diploma.
35. The correlation coefficient is negative (-0.7) but it is not statistically significant.
36. This includes the cost of the stipulated textbook per course. For most courses these are imported and are usually in the price range Z\$300-500 per book.
37. Centre K, the relatively large technical PSTI located in a high density area, was during the 1980s the most profitable department of the market leader, Centre X. Well attended short courses can be extremely profitable. For example, the three month Customs Clearance (Export and Import) evening course offered by Centre P in 1996 generated, with ten students, a monthly gross income of Z\$7000 but only cost Z\$2000 to deliver. Similar profit margins were also earned on short computer courses running at or near full capacity. Taking drop-outs into account is likely to lower profit margins by 5-15 per cent at most centres.
38. Unfortunately, it was not possible to obtain data on the pass rates of students at public and private training institutions sitting for national certificate and diploma computing courses.
39. At the four sample PSTIs which specialise in short computer courses, drop-out rates are minimal.
40. Executive/Topflight secretarial courses have consistently lower drop-out rates of well under 10 per cent.
41. Computer PSTIs offering short courses only award their own certificate of attendance and, in some cases, administer their own examinations. Similarly, with one exception, clothing courses are non-accredited. While the only PSTI in the sample (Centre K) that offers training in the traditional manual trades also relies on its own examinations, serious consideration is being given to the use of City and Guilds technical qualifications.
42. Without further research, the quality of these materials is difficult to assess. However, in some subject (particularly accounting), criticisms were made about the quality and relevance of these materials arrears.
43. Given the nature of the research it was clearly not possible to get information on total enrolments at these PSTIs.
44. In the case of one of these three centres, it had been visited by inspectors from the MOHE in early 1996 and its proprietor had been informed in writing that the centre must be closed down. However, by March 1997 this had still not been enforced by the police. The MOHE Inspectorate did not know why nothing had been done by the police and were urgently seeking a meeting with the officer in charge of licensing.
45. According to the MOHE official with overall responsibility for PSTI registration and inspection, 20 non-registered centres were fined in 1996. Fines increased to Z\$20,000 in 1977.
46. Given that another 18 PSTIs were registered during 1996, it is clear that this figure is if anything an underestimate.
47. In addition, it is conservatively estimated that at least twice as many more individuals use/photocopy these learning materials without paying.
48. This low response may of course be a reflection of the poor management of PSTIs.



49. Three PSTIs (in Kwekwe, Karoi and Chegutu) were visited. Enrolments were between 100-200 at each centre.

## REFERENCES

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