



PwC Education Newsletter | July 2022

Welcome to our second edition of the PwC Education Newsletter.
Happy reading!

In this edition, you can look forward to key messages from our Advisory Lead for Education Thaaniya Isaacs. We share the spotlight with the University of Pretoria and how they are leading the youth into the future of work. Look out for some exciting new thought leadership in the Education space from PwC and see how PwC is living their purpose and giving back to society throughout youth programmes.

A word from our Advisory industry leader.....



Thaaniya Isaacs
Partner: Higher
Education Advisory
Lead

We are pleased to bring you our second edition of our Education Newsletter. It is no surprise that this edition is filled with content that speaks to meeting the challenge of embracing a digital age. Professor Kupe highlights this in our spotlight on the University of Pretoria, our new series on Education and the Economy sets the scene for why this is so very important and the scale of the challenge, and our EdTech corner starts to explore what this means from a digital adoption perspective and the associated cyber risks.

It's also survey time! We bring you the results of our Global Workforce Hope and Fears Survey 2022. Our annual VC survey has also launched in the last two months with richer content on identifying trends in student wellbeing, digital transformation and innovation in the sector. We have also initiated our first Voice of the Student Survey aimed at exploring students' perspectives on these matters.

The results for both surveys are due for release during our annual Education Conference scheduled for the 5 and 6 September! Please pencil those dates in as we head to Cape Town for an eventful 2 days!

We welcome your feedback on our newsletter and any ways in which we can make this more relevant and insightful to you. Happy reading!

Spotlight: University of Pretoria

Leading our youth into the future of work

By Professor Tawana Kupe, Vice-Chancellor and Principal of the University of Pretoria



With a presence among the top 1.9% of universities worldwide, and as one of Africa's leading higher education institutions, the vision of the University of Pretoria (UP) has always been to look forward, provide the best possible education for our students, and encourage them to go on to do great things. With more than a quarter of a million alumni having passed through our doors, many have become leaders in their fields both locally and internationally, while others are on the path to success.

The future workplace that young people are heading towards looks vastly different to the current landscape. With advances in automation, the digitisation of information, unparalleled access to data and the democratisation of knowledge transforming every sector at a truly unprecedented scope and scale, being "ready for work" means being able to adapt to jobs that mostly have not been invented yet. Given the critical importance of preparing graduates to thrive in this ever-changing information society, the University of Pretoria recently launched its Centre for the Future of Work, to research this emerging world of employment as various megatrends sweep across the world.

The Centre is a key strategic transdisciplinary research platform which is added to, and at the interface of the different faculties and four existing platforms – the Future Africa campus, Engineering 4.0, the Javett Art Centre (Javett-UP) and Innovation Africa@UP. All of these hubs enable and cement the University's mission to be a leading research-intensive university in Africa, recognised internationally for its quality, relevance, and impact, and also for developing people, creating knowledge, and making a difference locally and globally.

The Centre for the Future of Work has been established to advance the knowledge of the field through the collaborative production of transdisciplinary research. Another important facet includes the ongoing engagement with key industry and government stakeholders in order to influence public debate and inform public policy, with the Centre as a critical enabler. In due course, the vision is of a vibrant centre offering symposia, working with a broader range of actors and stakeholders in society (for example, unemployed youth, employers, and non-governmental organisations), working on university curricula, and developing artificial intelligence applications related to the future of work. Ultimately, the Centre will harness technology to enhance workplaces, create insight, and support stakeholders in managing a fast-moving, complex world.

While many units of organisations have been conducting research on the evolution of the world of work for a number of years, UP's Centre for the Future of Work differs in that it is informed by a much wider array of specialisations - including a wide range of disciplines in the humanities, economic and management sciences, engineering etc. Of considerable importance too is the fact that the research is aimed at informing what universities teach or should teach their students.

At this critical juncture in history, as we brace for the fourth industrial revolution (4IR) in the midst of disruption and innovation, the quote from Lewis Carroll's Alice's Adventures in Wonderland springs to mind: 'In this

world you have to run as fast as you can just to keep still'. In order to keep pace with breakthroughs in fields including robotics, artificial intelligence, nanotechnology, internet of things (IoT), quantum computing and biotechnology, students at the University of Pretoria are educated with fundamental and foundational skills in mathematics, stochastics, programming, electronics, problem solving, critical thinking and design, which can be applied in a new 4IR work environment. Students across all disciplines need to be digitally literate, and are required to take modules such as data analytics and data sciences in collaboration with our IT and Computer Science department. Given the limitations of machine learning, especially with regards to managing challenges associated with judgement, decision-making and interpretation, the humanities and the arts have an equally important role to play, with creativity being at the heart of all innovation. We also include aspects pertaining to professional practice, communication skills, ethics, human values, and environmental and social responsibility across every field of study, given that these will be pertinent for the future workplace.



In a discussion on the 4IR with some alumni who are experts in their various fields, the ability to learn, unlearn and relearn came up continually as a critical skill for the future –acquiring the habit of lifelong learning is not only desirable in terms of the satisfaction that comes with the self-motivated pursuit of knowledge, but is also necessary for survival, given that the skills needed for a graduate's first job will become obsolete, requiring constant re-skilling in order to maintain employability.

Not only will our next generation of workers face a landscape of newly-created jobs, but the way of work will likely be completely transformed as the gig economy continues to gain prominence. A 'gig' is a work situation in which temporary positions are common and freelance professionals contract with organisations for short periods of time. This evolution is being driven by necessity, due to job scarcity, as well as in that it allows people a more balanced and flexible life, which is preferred by millennials (Generation Y) and Generation Z-ers, who will occupy the future job market. Entrepreneurship is also encouraged as a major driver of job creation and innovation going forward, and there are various opportunities on offer at the University of Pretoria for developing the skill set required to start and grow one's own business.

While the past decade has seen the establishment of research entities at different universities in Europe, Australia and the United States focused on the future of work, there are no similar entities in South Africa. The Centre for the Future of Work at UP therefore aims to be a cornerstone for the future of work in Africa, where there is enormous opportunity to upskill a generation that can, apart from Africa's own needs, contribute high-quality human resources to those regions of the world which have an ageing

population. Through our efforts today, we look forward to reaping tangible results through a generation of employees and entrepreneurs who are equipped and motivated to take on the complexities of what the workplace will look like in years to come.

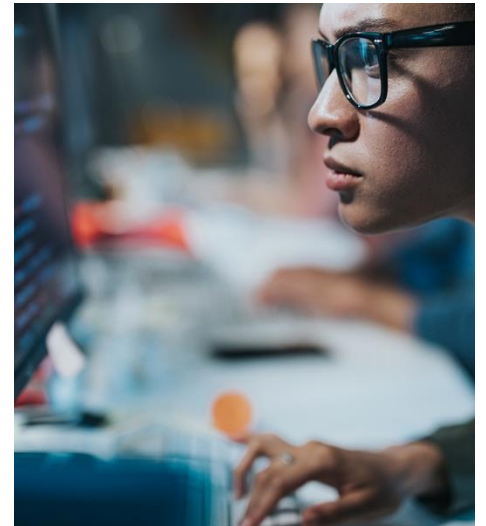
What has been happening in our neck of the woods...

Education and the economy

Africa's moment - How youth and natural resources can drive the continent's global economic and social leadership now

Africa's countries are rich in two invaluable assets: a burgeoning youth population and vast natural resources. These represent a remarkable opportunity for the continent at a time when industrialised nations are looking for new sources of talent and the push for sustainable industries and resources is at an all-time high. Africa's assets can unleash massive economic growth but doing so while centering Africa's people and resources will require focusing on four elements — establishing a local-first approach, strengthening the education and skilling systems, creating ample 'good jobs' and supporting entrepreneurs, and utilising technology to support and develop high-growth, including 'green', industries.

[Find out more](#)



Transforming the curriculum to provide graduates with entrepreneurship skills to change their society.

The right skills are needed to solve South Africa's social challenges.

South Africa's economic growth rate is barely enough to keep up with population growth and will do little to solve our society's poverty and inequality challenges. The country currently has the highest overall (34.5%) and youth (63.9%) unemployment rates in the world. Unsurprisingly, South Africa is also the most unequal society in the world, based on consumption patterns.

Our recently released report '[South African business cannot succeed if our society fails](#)' notes that 73% of South African respondents to PwC's 25th Annual Global CEO Survey are very or extremely concerned about social inequality — stemming from, for example, gender, race, ethnicity and wealth — negatively impacting their company over the next 12 months.

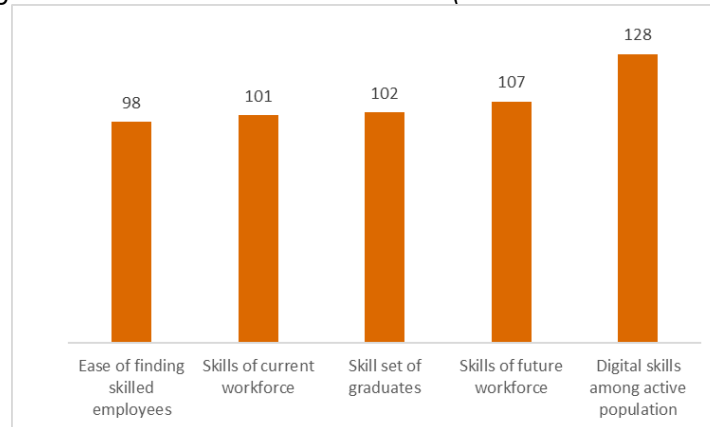
[PwC South Africa's Economic Outlook February 2022](#) report reflected on the solutions needed to kick the country's economy into a much higher gear in order to roll back social inequality. PwC is of the view that there has never been a more important time to change South Africa's economic narrative.

We need to choose the areas that will have the biggest impact on GDP and jobs growth and where big change is possible without necessarily needing big financial commitments. In our view, the big-ticket actionable items are: 1) ensuring that South Africa has the correct skills base to address the needs of the labour market; 2) improving the electricity situation; and 3) increasing private sector investment.

The World Economic Forum (WEF) Global Competitiveness Report 2019 ranks South Africa 101st out of 141 countries for the skills of its current workforce. Of importance to the tertiary education system is the ranking of 109th for the skills set of graduates. What this tells us is that, while the country's education system produces hundreds of thousands of high school,

college and university graduates each year, their skillset is not competitive in a global context. Unsurprisingly, the ease of finding skilled employees is ranked 98th out of 141 countries.

Figure 1: South Africa labour force skills (rank out of 141 countries)



Source: WEF

However, with concerted effort, this situation can be changed. The government has already taken the first step in the process: identifying skills gaps and mismatches. In February 2022, the Department of Home Affairs published an updated critical skills list for the country. While many businesses welcomed the list of key occupations as a tool to facilitate the hiring of skilled international workers, it also serves as an audit of skills that need to be developed locally - and fast.

Private companies need the same skills that make great entrepreneurs.

To be clear, this critical skills list refers to occupations where workers are scarce due to a lack of technical skills. It does not account for the non-technical skills needed to be an employable worker in the 2020s. What are these skills? There are certainly many lists available to consider. For example, the WEF's *The Future of Jobs Report 2020* lists critical thinking and analysis, problem-solving and self-management as amongst these.

For us, the [PwC Professional framework](#) plays a significant role in outlining these kinds of capabilities needed by our people to flourish, learn and develop together as leaders at every level. The framework exists to support the development and career progression of our people, helping them to meet the expectations of our clients, colleagues and communities in today's changing global marketplace.

As an illustrative example of what private companies are looking for, the key abilities identified within PwC's framework include:

| Whole leadership | Business acumen | Technical and digital | Global and inclusive | Relationships |
|--|---|--|---|--|
| The ability to lead yourself and others to make a difference and create a positive impact in a responsible, authentic, resilient, inclusive and passionate manner. | The ability to bring business knowledge, innovation and insight to create distinctive value for clients and the firm. | The ability to apply a range of technical, digital and other professional capabilities to deliver quality and value. | The ability to operate and collaborate effectively with a mindset that transcends boundaries and embraces diverse perspectives. | The ability to build relationships of high value which are genuine and meaningful. |

Organisations ranging from professional services firms (like PwC) to tertiary education institutions also highly value intrapreneurship: the process of employees innovating within an established organisation. Intrapreneurship can meet an organisation's goal of developing new and disruptive ideas, while also fulfilling individual desires to create and innovate – without workers' moving on.

This self-starting, go-getter attribute is also at the core of the skills needed to be an entrepreneur. For many of those struggling with employment — whether not having a job at all, working in the informal sector, or being underemployed — 'plan B' could be to create your own job. With 12.5 million unemployed and discouraged adults in South Africa, it would be highly beneficial for the country to have a business environment that is supportive of entrepreneurs - the driving force behind the small, micro and medium enterprises (SMMEs) that create more than two-thirds of all jobs worldwide.

It's hard being an entrepreneur in South Africa.

South Africa is certainly not seen as lacking in embracing entrepreneurial risk: based on a global survey of business leaders, the WEF *Global Competitiveness Report 2019* ranked it 39th out of 141 countries for entrepreneurial culture. The *Global Entrepreneurship Monitor (GEM)* determined that entrepreneurs have a high social status in the country and that entrepreneurship is seen by South Africans as a good career choice.

However, despite cultural and societal support, it is really hard being an entrepreneur in South Africa, as the country underperforms in creating an environment for entrepreneurship. Its key rankings include:

- 57th out of 137 countries in the Global Entrepreneurship & Development Index (GEDI) 2019. This index measures the health of entrepreneurship ecosystems.
- 84th out of 190 countries in the World Bank Doing Business 2020 report. This report provides measures of business regulations relevant to SMMEs.

From a regional perspective, [PwC's EMEA Private Business Heatmap 2021](#) provides an overview of the relative attractiveness of 34 jurisdictions in Europe, the Middle East and Africa (EMEA) as locations to foster private businesses and entrepreneurship. The attractiveness rankings are based on scores obtained across 37 metrics within seven different categories, including the private business environment, tax and regulatory landscape, and technology infrastructure.

Unfortunately, South Africa ranks poorly in an EMEA context, with an aggregate score of 33.6 out of 100 placing it in the bottom third of territories. South Africa ranks 32nd out of 35 countries, placing below Croatia and Kenya and ahead of Greece and Nigeria. South Africa is ranked in the bottom third of countries for most of the seven categories, including the education, skills and talent category.

Figure 3: South Africa heatmap component scores

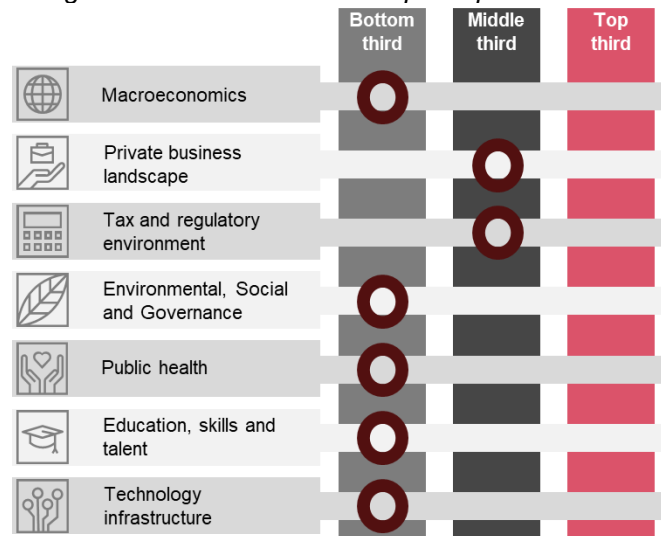


Figure: Source: PwC's EMEA Private Business Heatmap 2021

Universities have an important role to play in establishing an entrepreneurial society

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- Research by the National School of Government into the role of South Africa's higher education system in entrepreneurship development found the following:
- Entrepreneurship education is an important cornerstone for different kinds of creative and innovative ideas which the country needs to succeed.
- South African students need to be innovation-ready when they graduate. This requires them to have critical thinking, communication and collaboration skills that will help them become entrepreneurs.
- While conventional business-related disciplines (e.g. marketing, management and finance) are widely taught, the necessity of entrepreneurship education is undeniable.
- Universities must play a role in contributing to an entrepreneurial society by instilling in their students (at undergraduate and postgraduate levels) an understanding of the risks and rewards associated with business creation.
- Entrepreneurial studies create benefits for students from different socio-economic backgrounds and create opportunities that contribute to social justice and economic development.
- Entrepreneurship education equips graduates with skills that increase their employability, including the ability to solve problems and find information for decision making and planning.
- Entrepreneurship education will equip students with abilities that increase their employment potential and include: abilities to solve problems, develop social interaction, abilities to find information and to handle it for decision making, planning, and communication skills

With this in mind, our next newsletter will look at curriculum transformation and how the inclusion of entrepreneurship training needs to be a prominent change in forthcoming curriculum reviews and updates.

¹ Izimangaliso Malatjie, 2020. The Role of South Africa's Universities and Higher Education in Entrepreneurship Development. The 5th Annual International Conference on Public Administration and Development Alternatives 07 - 09 October 2020, Virtual Conference



EdTechs on the rise

The digital education technology (EdTech) landscape is alive and kicking. According to Fortune Business Insights, the global edtech and smart classroom market size is projected to reach USD 319.65 billion in 2029, at a CAGR of 17.8% during the forecast period.

There are a myriad of established vendors and even more startups in the world of EdTech, which saw an explosion during the global Covid-19 pandemic. From learning and student management to the potential promise of the Metaverse, the world of EdTech is very much alive. McKinsey notes that Edtech start-ups raised record amounts of venture capital in 2020 and 2021, and market valuations for bigger players soared. Having said that there are also reports that the Edtech startup space is a bubble waiting to burst...time will tell.

We do however find ourselves at a crossroads, with most institutions being forced to digitise their learning programmes and outcomes during the pandemic, with a few having been ahead of the curve, it's time to re-evaluate the digital strategy for education. The shift to more interactive and diverse learning models will likely continue.

It is clear that many international colleges and universities are actively investing to scale up their online and hybrid program offerings. What does this mean for African higher education? Does this pose a threat to our institutions? Will we follow suit? Will our institutions look to broaden their horizons by attracting students from the continent and further a field? If yes, EdTech will play a pivotal role in attracting, engaging and keeping the students of the future. But do government policies stand in the way of this trend? While many colleges and universities are interested in using more technologies to support student learning, the top three barriers to engaging new technologies include a lack of awareness, inadequate deployment capabilities, and cost as cited by a 2021 McKinsey survey. We argue that current government policies may be another such barrier.

PwC is heavily invested in providing Edtech solutions globally, with a strong focus in the student engagement and success space with its two primary partners, Microsoft and Salesforce. Both of these vendors are applying a lot of resources to the world of education, at both a K12 and higher education level.

We are excited to bring you a new quarterly look at technology in education focusing on news, updates and information from traditional vendors like Microsoft and Salesforce to the wild and exciting world of the Metaverse.

We grow through what we know! Key to ensuring that we are able to transform the education sector is ongoing research and knowledge sharing. In the recent past, PwC has published a number of articles/blogs to share the latest innovation and insights.

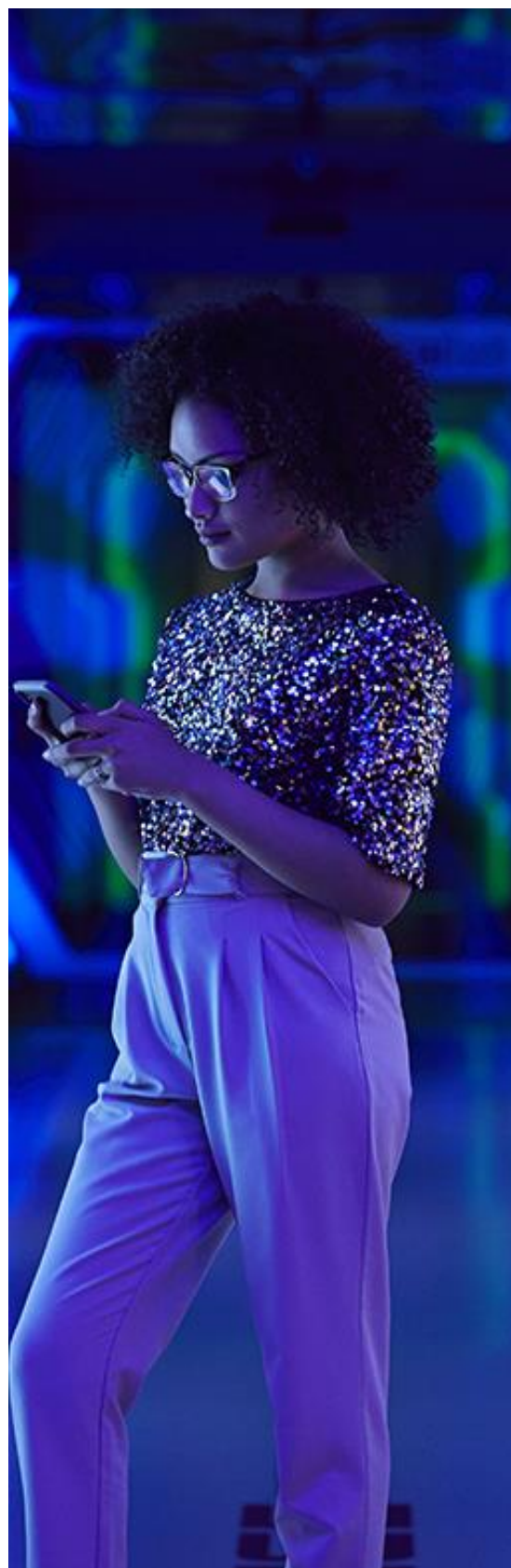
Watch this space: Vice-chancellor survey 2022

This year marks the third year of the PwC Vice-Chancellor Survey, which aims to gain insights into the challenges and opportunities within the higher education sector. Through our analysis of the survey results, strategic goals can be put into place to further develop this sector. The findings of the survey will be shared at our upcoming Annual Education Conference on 5 and 6 September 2022, where key individuals will gather to discuss the future of higher education and collaboration opportunities to close the gaps present. It is through your assistance and feedback that we can help develop the higher education sector for our future generation of leaders.

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As we see a return to campus due to the easing of lockdown restrictions around the world, many of the technologies that helped institutions simply survive and sustain classroom continuity are becoming permanently embedded in educational methods. These advancements played a pivotal role in the refinement of practices consistent with an ongoing shift to more student-centred learning. The response of higher education institutions at the outset of the pandemic to rapidly adopt new technology for academic continuity could be described as heroic, and it evidently displayed a level of organisational agility that challenged stereotypes about their ability to change.

Yet this shift to what is now generally recognized as "remote learning," while very impressive, was no replacement for the campus experience that so many students covet, thus many institutions have now adopted a system of "blended learning". Many learners had challenges with accessibility, inclusion, and engagement. We were reminded that the digital equity gap in Africa unfortunately persists, and has continued to widen, during the pandemic. This year's survey includes questions on digital transformation and innovation in higher education so that we can explore these developments in more detail.



Watch this space: 28th Annual Conference

It is once again PwC's honour to host our annual Education Conference, as part of our ongoing commitment to the education sector over several decades, and we are delighted to announce that we will be returning to our usual face-to-face conference this year.

As restrictions around the world ease and we see a return to campus, many of the technologies that helped institutions simply survive and sustain classroom continuity are becoming permanently embedded in educational methods. These continued technology advancements are being adopted with different levels of urgency as universities seek a more student-centred learning approach with the view of improving student success and the overall student experience.

The response of higher education institutions at the outset of the pandemic to rapidly adopt new technology for academic continuity could be described as heroic. At a strategic level, it has triggered the re-imagining of the world of learning. As institutions evolve from the pandemic and look to future strategies, join us as we unpack the conference theme 'Accelerated education in the digital age for sustained outcomes'.

Don't miss out on the opportunity to collaborate with Vice-Chancellors, senior executives, key stakeholders and industry leaders at PwC's 28th Annual Education Conference on the 5 and 6th of September. In the programme we hope to launch our 2022 Vice Chancellor survey along with our first ever voice of the student survey.

Join us to make a difference! More information to follow.



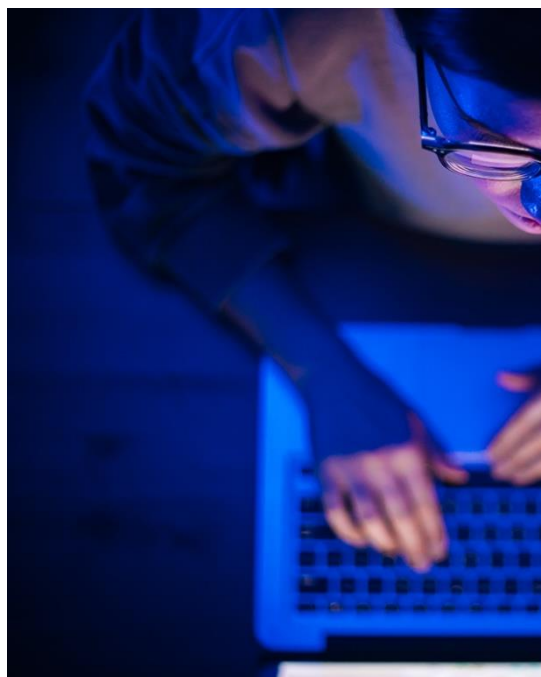
Watch this space: Voice of the Student

PwC is very pleased to announce the first Voice of the Student Survey. The survey is running in parallel to our annual VC Survey and is aimed at adding a student perspective and voice to their experiences within the Higher Education sector.

The survey explores students' views on their ease of experience of common university processes, facilities offered, support offered as well as drivers for their choices regarding where they study.

With the expedited introduction of online learning, the survey also explores student experiences on this front.

Please look out for both the VC and Voice of the Student surveys due to be launched at our annual Education Conference on the 5 and 6 September 2022!



Reflecting on Youth Month

South Africa commemorates **Youth Day on 16 June**, in recognition of the bravery and sacrifices of the youth who participated in the 1976 Soweto uprising which quickly spread countrywide and had a profound impact on the sociopolitical landscape. PwC fully embraced the spirit of the month as evidenced in the various activities targeting the Youth during the month of June.

Aligning to the South African 2022 Youth Month theme of **'Promoting sustainable livelihood and resilience of young people for a better tomorrow'**, PwC in collaboration with UNICEF and Capacitate launched the **YoMobi app**. YoMobi is an application that helps young people with their employability, fosters entrepreneurship and provides necessary skills for the digital age. Participating in these initiatives are aimed to drive home our commitment of building constructive partnerships to collectively address the scourge of unemployment and resultant poverty.

In addition to the youth programmes, our **Faranani (Working Together) Rural Women Training Initiative** celebrated the graduation of a number of young women. The Faranani Initiative, founded in 2006, was PwC's response to addressing the high unemployment rate, poverty and inequality, especially among women, in our country. The initiative sought to provide business development training and support to rural women. Through this programme and many others, we are able to give expression to our societal purpose strategy, namely, to build trust and deliver sustained outcomes for our clients, our people and the communities in which we operate.

At PwC, we recognise the need to invest and support our number 1 priority - our people! To successfully navigate the many challenges, a number of wellness events were held throughout Youth Month providing opportunities to interact with experienced professionals on key issues of personal, financial and mental wellbeing.



New World New Skills: a PwC/ UNICEF Collaboration

Jobs of the future require new skills. However, for millions of young people in South Africa, these skills are hard to come by as countless communities lack access to crucial opportunities, which makes preparing for the new world of work an almost impossible task.

*More must be done to ensure everyone has the opportunity to learn, work and participate in the future digital world. This is at the **heart of our purpose at PwC.***



PwC South Africa is helping bridge this gap through our [New World, New Skills](#) campaign and our multi-year collaboration with UNICEF. Since 2020, we've been rolling out meaningful initiatives to upskill young people in communities where the need is greatest.

[Mamelodi Business Hub](#) together with the University of Pretoria was launched on Friday, 13 May 2022. It is aimed at investing in future entrepreneurs by providing much needed support and development in local underprivileged communities, and developing women's leadership skills. Together with UNICEF and their partner, Capacitate, we launched [YoMobi](#), a youth empowerment platform that will positively impact the lives of so many South African youth in creating an inclusive and transformed society.

[YoMobi](#) is a massive catalyst in bridging this upskilling divide between the haves and have-nots. The power of partnerships is celebrated with YoMobi integrating collaborations with other NPOs, government and the private sector to facilitate access to earning and further learning. YoMobi is an ecosystem enabler, bringing together and addressing the digital divide at a systemic level — ensuring that organisations are provided with the tools to empower the youth they engage with.

In today's rapidly changing world, PwC is committed to empowering youth with the skills they'll need to thrive today and tomorrow. Bridging the digital divide of a global skills gap is a complex problem that requires all stakeholders to work together and make the world a more resilient, capable and inclusive space

Global Workforce Hope and Fears Survey 2022

If the 'great resignation' has taught employers anything, it's to not take their workers for granted. Yet many companies risk doing exactly that—whether it's by not paying close enough attention to skilled workers who are at elevated risk of quitting, by failing to support workers who seek personal fulfilment and meaning at work, or by missing opportunities to build the trust that so often leads to positive outcomes at the personal, professional and even societal levels. We explore these and other issues in this year's Global Workforce Hopes and Fears Survey, the third in a series dating to 2019. Power is a central theme of the findings in this year's survey, which draws from more than 52,000 workers across 44 countries and territories and is one of the largest such surveys conducted.

Only 30% of respondents said they're concerned about their role being replaced by technology in the next three years. Meanwhile, 39% said they're concerned about not getting sufficient training



in digital and technology skills from their employer. That proportion is even higher among younger respondents.

[Find out More](#)

Events

Keeping ahead of the curve and riding the wave is important to us. To ensure that we are able to connect with our clients and important stakeholders, we've committed to hosting a number of events during the year. Our events showcase the latest innovations, thought leadership in the education sector and most importantly, create a platform to hear from you and to get your thoughts, perspectives and needs! In the recent past, we've hosted some events which brought together the very best minds of both global and local thought leaders to share experiences vital to shaping the future of education. Take a look at what's been happening.

HEITSA General Institutional Meeting 4 & 5 May 2022

The General Institutional Meetings are attended by the CIO's and IT Directors from all 26 public universities in South Africa. Other guests, affiliates as well as sponsors are invited to participate in this event. The event took place in Cape Town this year at the Protea Hotel in Durbanville, and the theme was "Recalibrating for a flattened curve". PwC were platinum sponsors of the event.

PwC's Jesse Twum-Boafo and Quintin Hawes presented on "The Student Experience - The Digital Journey Continues", where we are in the journey and where we are headed.



Where are we on the journey?

Higher Education faces many challenges today including the threat to traditional methods, evolving student expectations and the demands for personalised and flexible learning. We discussed the focus areas for Universities and the need to attract students, to ensure they expand their reach beyond the borders of the physical campus leading to improved commercial effectiveness.

Where are we going?

The challenge to attendees was to consider that students will be attracted to universities that embrace the digital age not only in the areas of online learning but also with regards to digital content and immersive short course experiences. This would require a deeper understanding of the student journey and knowing what students want and expect.

We touched on a few emerging technology trends in education and finally challenged the audience on "how to successfully harness digital", indicating that the focus needs to be geared towards the customer (student) and less on internal structures.



Be cyber smart: A look at threats to education

As digital connections multiply, they form increasingly complex webs that grow more intricate with each new technology. Having a smart phone enables us to carry a variety of “devices” – telephone, camera, calendar, TV, health tracker, an entire library of books, and so much more – in our pocket, simplifying our lives in many ways and letting us work on the go.

As technologies become more interconnected, the potential cybersecurity threats and attack vectors are also growing. The consequences of these threats can be severe, resulting in production and revenue losses, regulatory fines, reputational damage, as well as the shutdown of critical infrastructures.

Cyber threats and/or attacks have increased in number, size and sophistication over the years. The Educational industry has also become a prime target for cybercriminals, mostly because of the number of devices they manage and the tremendous value of information they hold.

The personal information of staff and students including financial, academic and disciplinary records may be of particular interest to would-be attackers. Educational institutions are further at risk from insider threats in the form of financial fraud, leaking and selling of exam papers for financial gain and the manipulation of academic results. In addition, institutions are having to deal with the rise of Hacktivism which is the act of hacking, or breaking into a computer system, for politically or socially motivated purposes to further a political agenda, ideology or to influence social change.

According to Verizon’s 2022 Data Breach Investigation Report (DBIR) – covering incidents that took place between 1 Nov 2020 to 31 October 2021 – 1241 cyber incidents in the Educational industry were noted, which boiled down to 282 confirmed data breaches. The Educational industry follows a similar trend to the majority of other industries; it is experiencing a dramatic increase in Ransomware attacks (over 30% of breaches). Additionally, the Educational industry needs to protect itself against stolen credentials and phishing attacks potentially exposing the personal information of its employees and students.

Phishing is the most common form of cyberattack used by cybercriminals to hack into the systems of Educational institutions. Phishing is a fraudulent email or website that aims to collect sensitive information such as passwords, credit card numbers and other personal information from the user if they fall into their trap. Phishing emails often appear as official notifications from a well-known company requesting users to update their personal or banking details by clicking on a link or downloading a document or an attachment that will infect their system with malware.

Due to the cybersecurity initiatives institutions are now taking in implementing stronger technical controls, cybercriminals are focusing efforts on exploiting social, emotional and psychological drivers that influence human behaviours, this includes the use of phishing emails and other social engineering techniques.

However, all is not lost. Educational institutions can embrace the opportunity to strengthen not only the digital walls that protect them, but also to address the human aspects of cybersecurity by educating their employees and students of the dangers as part of their cybersecurity awareness programmes. By understanding cybercriminals through the lens of behavioural economics, Educational institutions can change their employees and students’ behaviours, ultimately creating a security-conscious culture that assists in reducing their overall cybersecurity risk.

PwC can assist with cybersecurity awareness through a number of initiatives. These range from implementing behavioural measures to protect institutions and their employees/students from cyberattacks to conducting interactive cybersecurity workshops. These workshops could use a head-to-head strategic simulation which is based on realistic cyberattack scenarios and enable individuals to deal with a cyberattack.



Value-Added Tax: Foreign Donor Funded Projects

Amendments to the Value-Added Tax (VAT) legislation in 2020 to ensure foreign donor funded projects do not incur a VAT cost in South Africa has created unintended practical and administrative challenges for universities.

The mechanism to prevent a VAT cost for FDFP's (projects funded by a foreign government or International Development Agencies under an Official Development Assistance Arrangement (ODAA)) has always been in place, and the intention of the amendments was merely to clarify the previous VAT regime and to prevent abuse by ensuring the application of the legislation is restricted to the activities of FDFP's.

While these amendments were well intended and effectively allow confirmed FDFP projects to recover all input tax incurred (including input tax that is typically denied under the general VAT recovery rules such as entertainment, motor vehicles etc.), a costly administrative burden arises as each project is now required to obtain a separate VAT registration in order to comply with the legislation.

Recipients of FDFP awards must firstly obtain confirmation from National Treasury that the award was made in terms of an ODAA, whereafter a VAT registration must be obtained in respect of the specific awards. This extends to sub-awards made under a single award. Each approved FDFP must therefore be separately administered for VAT purposes and file its own VAT return.

Multiple engagements between the industry, the South African Revenue Service (SARS) and National Treasury in order to demonstrate the administration and significant costs associated with the legislation have not resulted in the desired outcomes.

Recipients of FDFP awards must start implementing processes to demonstrate compliance with the requirements of the legislation. At PwC one of our core values is to solve complex problems and build trust in society and we have come up with some practical solutions to manage the tax risks and demonstrate compliance with the legislation. Please reach out to one of our tax experts for assistance on this matter.

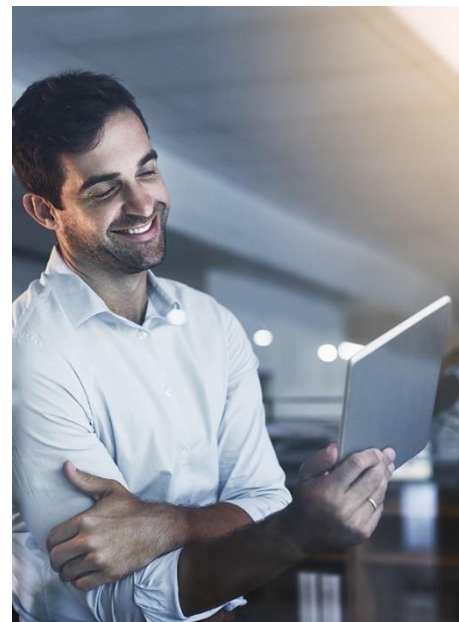


How we can Help

Having trouble with Transforming your institution?

PwC is geared to assist education institutions with their strategic intent. We invest both locally and globally in solutions tailored to the Education sector, including digital accelerators to help institutions adopt new ways of working faster. . Our range of services include:

- Curriculum transformation in higher education using our tried and tested Molecular Adaptive Learning approach
- Digital transformation, including enhanced student-centred experiences as well as back office automation and optimisation
- Harnessing the power of data - from responsible AI solutions, machine learning and enhancing the use of data analytics
- Financial sustainability, revenue diversification and cost optimisation
- Organisation alignment and culture transformation, readying institutions for the demands of the [workforce of the future](#)
- Cybersecurity, helping you stay ahead
- Tax and finance advice
- ESG - helping you achieve your net zero goals
- Repurposing and optimising capital infrastructure



Investing in Education: PwC Corporate Social Responsibility Programmes

Building trust in society and solving important problems is the very DNA and the basis on which PwC operates. We understand that the South African economy and education landscape have significant room for growth in order to succeed in the Fourth Industrial Revolution. As our social responsibility, we are able to meaningfully contribute to changing lives through skills development and training opportunities for our graduates of South Africa's universities, TVET colleges, learners at schools as well as the unemployed youth to meet the present and future needs of the economy and society.



Youth Engagement Programme (YEP) - SA Youth & YES4Youth

We have successfully reached the end of the first cohort of the Youth Engage Programme (YEP). The Youth Engage Programme ran from September 2021 until April 2022 and is a PwC driven youth upskilling and mentorship programme focused on empowering and supporting youth development and employment in South Africa, through covering key Mastery themes that enable young people to have successful entry into business. The idea for the Youth Engaged Programme was conceived through our Advisory #BeyondCSR Programme with the intention to make a tangible impact on youth employment in South Africa. The intention is to use this program as a feeder program into our Foundation for the Future graduate program, as well as other corporate internship programs across the country.

Over the course of the programme, 36 Youth (18 from SA Youth and 18 from Yes4Youth) have successfully participated in the programme. The Youth completed 7 Mastery sessions, covering topics such as Personal Mastery, Team Mastery, Business Mastery, Tech and Finance Mastery as well as CV and Interview Preparation. They also had 10 one on one mentoring sessions with a senior leader within PwC. Throughout the course of the programme, 7 individuals dropped out of the programme due to finding full time employment which demonstrates the impact this programme has had in assisting youth find employment. On the 8th of April, we had a virtual graduation ceremony for the youth that completed the programme. Kalane Rampai, the Advisory Consulting Leader addressed the youth and inspired them with his personal story. We also reflected on what this pilot programme achieved and awarded every young individual with a certificate for their participation in the programme.

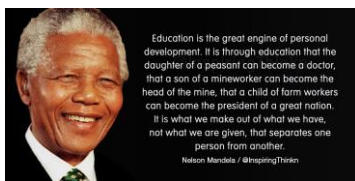
Due to the success of the programme 5 Youth Engage Programme candidates have the opportunity to apply for a 4-month rotational paid Consulting internship which begins in September 2022, which will act as a feeder into the 2023 Foundation for the Future graduate programme. We have also decided to make this an annual Advisory CSR Programme and the next cohort will kick off in January 2023.

A massive thank you to everyone that was involved in the first cohort and for making it a massive success and changing the lives of youth in South Africa!

Technical and Vocational Education and Training (TVET) Work-Based Experience (WBE) Programme

In the words of Nelson Mandela, education is a powerful mechanism through which one not only develops and empowers oneself, but also develops and empowers a community. With South Africa's unemployment rate being at its highest, the need for more action towards increasing youth employability in our country is more relevant than ever.

PwC and Absa answered this call by hosting virtual employability skills workshops for final year students at the Ekurhuleni West TVET College on the 13th and 14th of June, also coinciding with South Africa's National Youth Day on 16 June. Ekurhuleni



West College (EWC) provides Technical, Vocational and Educational Training (TVET) to upskill youth across 6 campuses in Gauteng. The workshop was offered to all final year students across the college, across 4 sessions over the 2 days.

This collaboration between PwC and Absa sought to expose these final year students to a variety of skills and practices that would help differentiate and upskill them to meet the demands of our new world of work. The PwC team, including a special appearance by SA P&O Partner Dayalan Govender, focused on empowering the students to be future-ready by helping the students to make sense of our current context in terms of the rapid rate and uncertainty of change, how the forces of automation and innovation will shape employment and how upskilling leads to economic growth. The team also shared various techniques for personal growth and mastery, the demands of the digitally-oriented future world of work and how the students may access upskilling opportunities.

The workshops were well attended and received, and students provided feedback that they found the content very relevant. Some of the key takeaways from students included:

“Always be willing to improve”

“The world is evolving and I can go along with it by evolving some of the aspects I may need in my career of choice”

“Nothing is impossible but most of the time we limit ourselves by being lazy and staying in our comfort zone”

As PwC, we are honoured to contribute to such initiatives that seek to upskill and therefore empower the youth of South Africa to reach their greatest potential and distinguish themselves in the highly competitive employment market.

Female entrepreneurs see business success following Faranani training programme

PwC's Faranani Rural Women Training Initiative is a course designed at unlocking the business potential of rural women and empowering them to generate their own income and become meaningful contributors to the South African economy. The name 'Faranani', means 'working together' or 'teamwork'. This aligns with one of PwC's core values — to work together. Thirty years ago, PwC joined forces with the Business Skills for South Africa (BSSA) foundation, who helped bring the Faranani initiative to life when it was launched in 2006.

To date, 3909 women across Gauteng, Mpumalanga, Limpopo, Eastern Cape, North West, Kwa-Zulu Natal, Free State and the Western Cape have graduated from the programme. Annually, PwC contributes R2.4 million to BSSA, of which R1.2 million is spent on Faranani.

Through the programme, women are equipped with practical business skills that provide them with the necessary know-how to advance their informal businesses to SMME status. During the course, beneficiaries are taught how to develop a business plan, which is supported by financial projections, financial management, pricing and costing, practical marketing, and business management. On completion of the course, they are equipped to understand how business profits are calculated, the facts which determine the 'right price', the concept of working capital, preparing budgets, the importance of stock control, and know how to present a business plan to financiers.

On Thursday, 9 June 2022, the entrepreneurial women who joined this exciting initiative graduated from the Faranani Rural Women Training Initiative at PwC's Waterfall offices in Midrand. Faranani graduates who have started their own businesses and acquired their B-BBEE status are 100% black-owned and are involved in small businesses ranging from manufacturing, B&B management construction, catering, hairdressing, flower arranging, home décor, dress making, agriculture, transport, event management and many more.

We are proud to share that more than 70% of women who have completed this programme have been able to increase profitability in their businesses. PwC remains



committed to the upliftment of women in our country and will continue building trust in society and solving important problems to make our country and continent an equal and prosperous environment for everyone.

[Find out more](#)

To become part of the solution we invite you to help us solve these important problems and collectively build a better and brighter tomorrow for our future leaders!

Upcoming publications and events in 2022

Watch this space for upcoming content from the PwC education industry such as:

- #3 Higher Education Newsletter
- 28th Annual Higher Education Conference
- 2022 Vice Chancellor Survey Report
- Webinars - Research based online learning and impact on performance outcomes
- Thought leadership - Ethnographic study: Student experience

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