

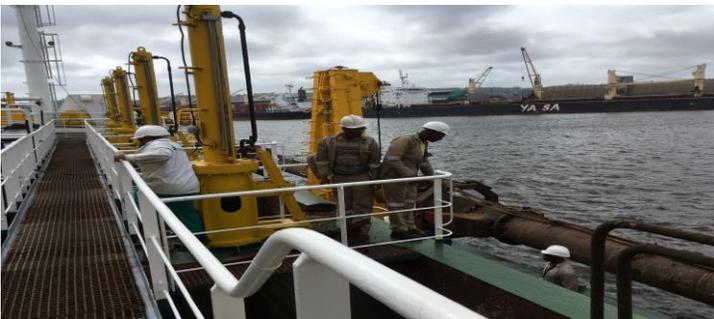
Company Profile

Dormac ado Southey Holdings (Pty) Ltd. is an engineering company specializing in the delivery of turnkey solutions to clients in the marine, offshore and industrial operations. Dormac has an award-winning training program, and since 2005 has certified 770 apprentices. The training program organizes workshops for qualified engineering artisans across South Africa. Dormac's certified artisans are highly sought after throughout the country and the company is at the forefront of any new training methods being implemented. Dormac launched the Dual System Apprenticeship training program in Saldanha on behalf of the Ministry of Higher Education & Merseta (Manufacturing, Engineering & Related Services Education & Training Authority). Dormac is South Africa's only shipyard to hold full DNV certification for 18001, 14001 and 9001.

The Challenge

There is a serious shortage of skilled labour in the marine engineering industry in South Africa. Employees in marine engineering companies usually lack formal technical education and modern techniques, threatening sustainability of marine engineering companies, including Dormac. Company management formed a committee to assess the formal education and skills of its existing employees. The assessment found that company's technical staff (e.g. welders, boilermakers, fitters, electricians) lack necessary skills and formal education. The assessment committee also identified that accounting clerks in the finance department lacked formal qualifications and recommended that attention be paid to advance employees' knowledge and skills before it negatively impacts Dormac's performance and reputation.

Dormac's management agreed with the assessment committee's recommendations and believed that it was imperative to the company's growth and sustainability that skilled employees were available to execute its operations. After discussions and meetings with employees, a decision was reached to upskill and qualify the company's own employees.



The Sustainability Innovation Grant (SIG)

In October 2016, Dormac was awarded a \$35,968 CAD Sustainability Innovation Grant (SIG) from Global Affairs Canada through a project managed by Mennonite Economic Development Associates (MEDA). The company planned to invest \$71,936 CAD of its own funds to implement the SIG activities. The SIG has one main objective: 'To conduct a training program for eligible company employees so they can improve their education and skills and obtain formal trade certificates'. Dormac believed that the SIG initiative would yield many positive results, including:

- Employees will obtain formal qualifications from the relevant training providers within a period of approximately two to three months, depending on their level of experience and areas of inadequacies.
- Employees will have increased self-confidence, capabilities and competencies that will have a positive impact for the entire company. This, in turn, will help realize Dormac's goal of remaining at the forefront of the industry in service delivery as well as artisanal training.
- Dormac will become a more efficient and profitable company. A better-skilled workforce will result in a faster turn-around time and improved service delivery, thus increasing the number of projects being delivered and increasing the company financial performance.

SIG Impact

Dormac partnered with four service providers to conduct trainings for its staff. The SIG achieved its major objective of increasing staff's technical competencies.



Enhanced Employees' Knowledge and Skills: The SIG initiative (i.e. training of technical and office staff) increased participating employees' technical competencies. Three office staff (of whom two were women), and 30 technical staff (e.g. fitters, welders, electricians), all male, participated in the trainings. All the participating staff expressed their satisfaction with the training program and reported that the trainings had improved their knowledge and skills.

After attending the trainings, Dormac technical staff attempt an examination to get trade certification. Employees who cannot pass the trade test on first attempt will have another opportunity to take the test. The long-term impact of this training program is that employees who participated in the program will become qualified artisans, enabling them to command higher salaries, thus contributing to overall household economic wellbeing.

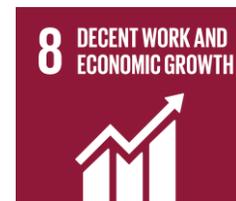
The SIG initiative most definitely had a huge impact on our employees – affording them the opportunity to be qualified ('red seal') artisans. It not only increases their opportunities in the job market, but is also a huge boost to their confidence, which in turn leads to better work ethic, performance and overall productivity. (Dormac SIG Contact)



Sustainability

The SIG initiative is highly sustainable. At the individual level, the SIG project has provided employees with the technical academic background and knowledge of their relevant trades, which will have a lifelong impact on the individual. Dormac plans on continuing investing in employees' professional development and will identify more employees to undergo additional training required to obtain their formal trade certificates. Employees with the necessary skills and experience will be evaluated and placed on the required training depending on their current skills levels. Dormac's sustainability initiative contributed to Sustainable Development Goal # 8: Decent Work and Economic Growth.

Dormac is already looking at the possibility of qualifying a further group of employees who never had the opportunity to qualify as artisans. (Dormac SIG Contact)



Lessons Learned

Dormac learned that flexibility in scheduling training sessions was extremely important for the success of the SIG initiative. Operational requirements made it difficult for employees to attend training on a full-time basis Monday-Friday, as was originally envisaged. Employees were eventually split into groups to ensure there were enough staff available to maintain the company's service delivery. In addition to this, employees were given the opportunity to attend their trainings on weekends. This allowed the company to continue with execution of its operations without experiencing shortages in their workforce.

