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SA BOARD FOR
PEOPLE PRACTICES
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# FACT SHEET

# WORKFORCE TRANSITION ISSUES
## FOR THE DIGITAL, GREEN AND CRISIS-LED
# TRANSFORMATIONS

# INTRODUCTION

'Digital transformation' has become, over the years, a dominant topic at conferences and a major strategic theme within consultancies and client organisations; even more so when combined with the raging global debates on the fourth industrial revolution (4IR, see the SABPP factsheet on HR's place in 4IR). Along with this increasing prominence of digital transformation, there is also the rising pressure to address global warming and the impact of climate change, and to undertake the task of a 'green transformation' to address these. At multilateral forums and debates there appears to be a converging international and national agenda to engage with digital and green transformation together and holistically. With the COVID-19 pandemic and crisis, however, digital technologies and the enablement of remote work has taken centre stage for organisations and has become an urgent imperative for business continuity and sustainability. At times it appears to be framed as the singular business solution to the crisis.

These transformations – whether digital, green or crisis-led – entail transitions in work, the workplace and the workforce. The focus of this factsheet is on workforce transition (for discussions on work and the workplace see, for example, the previous SABPP factsheets on 4IR, innovation and disruption, and flexible work practices). The factsheet begins with contextualising digital and green transformations and the related workforce transition issues. It outlines the global convergence towards a sustainability consensus, that is, the need to address both sustainability and inclusivity in digital and green transformations. This convergence is crystallised in the concept of just transition. Thereafter, the factsheet explores the issues related to (1) employment and jobs, (2) employee skill, geographic and temporal disconnects, and (3) a human-centred agenda and the call for decent work and quality jobs in the present and future. It then rounds off the discussion with the calls for a people-first approach to the COVID-19 crisis management, which is somewhat akin to the human-centred agenda.

The structure of the factsheet is as follows:

| | Convergence towards a sustainability consensus |
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| | Just transition |
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| | Principles and policies of a just transition |
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| | | | Workforce transition issues<br>- Quantitative impact and changes<br>- Qualitative impact and changes |
|---|---|---|---|
| | Workforce transition issues | | Employee skill, geographic and temporal disconnects |
| | | | Human-centred agenda for decent future of work |

| | COVID-19 crisis response and the workforce |
|---|---|

| | What is the role of HR in workforce transitions? |
|---|---|

# CONVERGENCE TOWARDS A SUSTAINABILITY CONSENSUS

Within multilateral institutions and forums for nation states, business and labour there is an evolving convergence towards a 'sustainability consensus'. This means a consensus on the need for the transition to **sustainable and inclusive** development, economic growth, employment, enterprises, economies, societies, international system and environments. The table on the next page maps out examples of, and links for, this convergence and consensus – from the United Nations (UN) and its forums and agencies such as the Conference of Parties (COP) and the International Labour Organization (ILO), Organisation for Economic Co-operation and Development (OECD), International Organisation of Employers (IOE), Business for 2030, Sustainable Development Goals Compass (SDG Compass), International Trade Union Confederation (ITUC), Trade Union Advisory Committee to the OECD (TUAC), and the European Trade Union Confederations (ETUC). As one explores the various forums, conferences, position papers and resolutions one finds there is also divergence in the details of how the stakeholders view the sustainability consensus[1].

The focus on sustainability highlights the need to consider the impact of development, economic growth and the economy on the present and future generations. This includes how the generations are able to meet their needs and the nature and quality of jobs, work, life and health they will be afforded in the economy, society and environment they will inhabit. Of critical concern for multilateral institutions and forums as well as national governments is the severe impact on climate change from, for example, fossil fuel use, deforestation and industrial livestock farming.

> "Sustainable development means that the needs of the present generation should be met without compromising the ability of future generations to meet their own needs. Sustainable development has three dimensions – economic, social and environmental – which are interrelated and of equal importance, and must be addressed together" (United Nations Framework Convention on Climate Change (UNFCCC, 2016, p19)).

Sustainability refers to the present and future generations as a whole and, thus, it needs to be considered together with inclusivity. This means addressing, for example, the marginalisation and exclusion of the vulnerable, disadvantaged and poor; the impact of protracted jobless growth[2] and the pattern of unequal wealth distribution from economic growth; the deindustrialisation in developing economies; youth unemployment; and the digital divide. The concept of inclusive development broadens the debate on development beyond the traditional focus on industrialisation and productivity. It considers the standards of living, quality of work and life, and the wellbeing of all citizens and employees, especially the poor, vulnerable, women and children – see Include Platform's **critical review**. Inclusiveness is encompassed in Goal 8 of the UN Sustainable Developmental Goals, which is concerned with inclusive and sustainable growth and decent work for all.

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**1.** For example, South African unions are not homogenous and one needs to consider and understand the constituents of the individual unions and their industries, and what the immediate and long-term impacts of the green and digital transformations will be for them and their industries (**Bloom**, 2020). South African unions participate in, and are affiliated to, the multilateral forums and union confederations.

**2.** This means that although there is economic growth and increasing productivity there is no corresponding net increase in jobs (Kuwonu, 2015).

Click the below headings for the links to external resources

## EXAMPLES OF THE CONVERGENCE TOWARDS A SUSTAINABILITY CONSENSUS

| MULTILATERALS: UN, OECD and ILO | | | BUSINESS | LABOUR | SA |
|---|---|---|---|---|---|
| United Nations Conference on Environment and Development (UNCED), Earth Summit | Agenda 21: developmental and environmental objectives for sustainable development | | | ITUC Inclusive Economic Growth | National Climate Change Response White Paper |
| 2010 Summit on the Millennium Development Goals 2015 | Millennium Development Goals (MDGs) | OECD Green Growth and Sustainable Development Forum | Business Action for Sustainable Development 2012 (BASD 2012)[3] | | NEDLAC Report on The National Climate Change Response Green Paper |
| United Nations summit for the adoption of the post-2015 development agenda | 2030 Agenda for Sustainable Development and Sustainable Development Goals (SDGs) | ILO Guidelines for a just transition (2015) | IOE on 2030 Agenda | ITUC Just Transition Centre | Green Economy Accord |
| | | Global Forum on Just Transition ETUC just transition | SDG Compass | | NDP 2030 on Decent Standard of Living and Just Transition |
| Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC) | Just transition, creation of decent work and quality jobs | | UN-Business Action Hub | TUAC on Just Transition for digital and green transformation | SOUTH AFRICA'S Intended Nationally Determined Contribution (INDC) to UNFCCC |
| | | ILO's Global Commission on the Future of Work and Human-centred Agenda needed for a Decent Future of Work | Business action for sustainable and resilient societies | | Vision 2050 and pathway to just transition |
| UNDP on Development 4.0 | 4IR and 2030 Agenda for Sustainable Development | | Business for 2030 | | AU Agenda 2063 |

**3.** Launched by International Chamber of Commerce (ICC), the World Business for Sustainable Development (WBCSD) and the UN Global Compact.

# JUST TRANSITION

The concern for both sustainability and inclusion has become crystallised in the concept of, and frameworks for, a 'Just Transition'. The concept evolved from its earlier use by North American unions where it referred to support programmes for those workers who were affected by, or lost their jobs due to, environmental protection policies (ITUC, 2017). This highlights the fact that the measures to address climate change and to develop a green economy can have a negative effect on certain industries, occupations and jobs. A much-cited example is the negative impact of renewable industries on coal-based industries. The concept has since been broadened and has become formalised in multilateral resolutions and documents by key stakeholders such as the ILO and ITUC. Just transition is seen as a "deliberate effort to plan for and invest in a transition to environmentally and socially sustainable jobs, sectors and economies" (ITUC, 2017, p3). It features in the preamble of the 2015 Paris Agreement on climate change of the UNFCCC wherein it is stated that countries need to take into "account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities" (UN, 2015, p2).

With the broadening of the concept of just transition one finds the drawing of links between, and the alignment of, the various debates and deliberations on climate change, inclusive growth and the future of work. In this way various stakeholders are positioning just transition as a deliberate, sustainable and inclusive approach to the green and digital transformations. In the figure below these debates and deliberations are shown in the top row of circles. The intersecting circles at the bottom illustrate the emerging approach and the linkage with decent work and quality jobs.
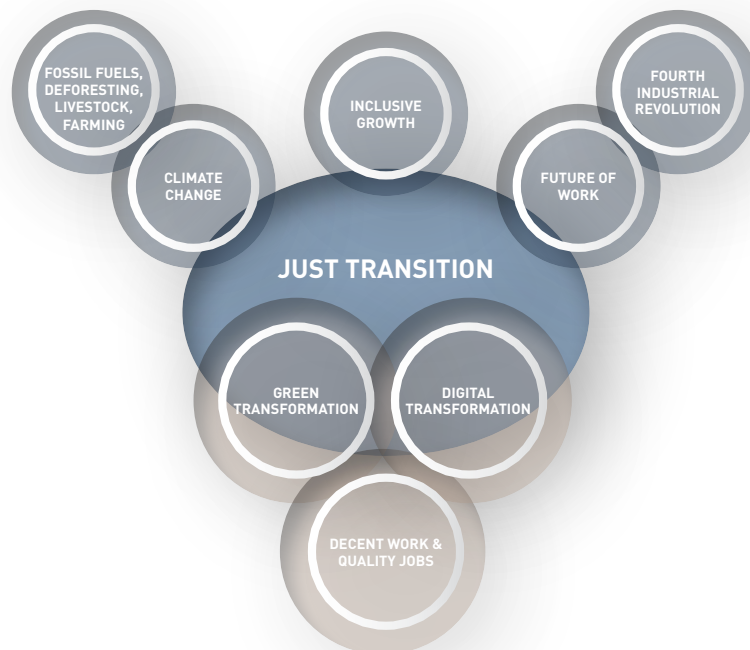


Just transition then is a deliberate approach to the transition to a green economy. It brings to the fore the divergences, contestations and contradictions between economic sectors and the economic growth, productivity, technologies, employment and jobs therein. The surfacing of these divergences, contestations and contradictions aids the planning and management of the transition and the difficult decisions on the investment and disinvestments required. Just transition is also a deliberate approach to address the impact of the use of artificial intelligence, automation and other emerging technologies within the green economy. Here one notes the overlap with digital transformation and 4IR, where just transition is similarly a deliberate approach to digital transformation and the journey into 4IR as well (***Abbott, 2019***). See, for example, the ILO's ***Global Commission on the Future of Work and its proposed Human-centred Agenda for a Decent Future of Work***, which is discussed in the below section on workforce transition issues.

Decent work in the present and future means "jobs that provide adequate incomes and social protection, safe working conditions, respect for rights at work and effective social dialogues" (UNFCCC, 2016, p18). It draws from ILO's Decent Work Agenda which comprises employment creation, social protection, rights at work and social dialogue. On employment, the WEF job reports provide reviews of the impact of 4IR on existing jobs and emerging future jobs. For example, WEF (2020a) ***Jobs of tomorrow report*** points out the emerging future jobs related to the green and digital transformation while the previous reports such as the 2018 report points out jobs that will be redundant.

# PRINCIPLES AND POLICIES OF A JUST TRANSITION

The ILO (2015) has developed a **framework of principles and policy areas** for articulating and developing a just transition approach. In the framework environmental, economic and social sustainability are seen as interrelated and intertwined (which reinforces the above point on the drawing of links between, and the alignment of, the various debates and deliberations on climate change, inclusive growth and the future of work). In this way it ties together the lines of discussion on a sustainability consensus. There is the recognition of the fact that the green and digital transformation could negatively impact employment and quality of jobs; and that the digital transformation can be at odds with the green transformation. The ILO framework informed in part the UNFCCC (2016) technical paper on just transition and is cited therein.

| PRINCIPLES | POLICY AREAS |
|---|---|
| • Need for social dialogue and strong social consensus on the goal and pathways to sustainability<br>• Development of policies that respect, promote and realize rights at work<br>• Development of specific gender policies to address the strong gender dimension of many environmental challenges and promote equitable outcomes<br>• Need for coherent policies across the economic, environmental, social, education/training and labour portfolios to provide an enabling environment for sustainable and inclusive economies and societies<br>• The coherent policies also need to provide a just transition framework for all to promote the creation of more decent jobs<br>• The policies and programmes need to be designed in line with the specific conditions of countries, including their stage of development, economic sectors and types and sizes of enterprises<br>• Importance of fostering international cooperation among countries | To address environmental, economic and social sustainability simultaneously the following key policy areas are identified:<br>• Macroeconomic and growth policies<br>• Industrial and sectoral policies<br>• Micro, small and medium enterprises (MSMEs) policies<br>• Skills development policies<br>• Occupational safety and health policies<br>• Social protection policies<br>• Active labour market policies<br><br>These require social dialogue and tripartism (between government, labour and business). The ILO does provide guidelines and measures per policy area in the document. |

ILO: **Principles and policy areas of just transition**

The framework does acknowledge that there is 'no one size fits all approach'. The ILO framework and multilateral resolutions and agreements such as UNFCCC provide for countries to develop context specific mix of policies and measures for an appropriate just transition approach. As stated above social dialogue and tripartism is important. The framework is a reminder of the agency of various stakeholders and their ability to collectively design and shape a sustainable future for all. It is not subject to the dictates of artificial intelligence, automation or robots:

> "But machines don't just keep coming. They are funded, invented, built, sold, bought, and used by people who could just as easily not fund, invent, build, sell, buy, and use them. Machines don't drive history; people do. History is not a smart car" (**Lepore, 2019**)

# WORKFORCE TRANSITION ISSUES

As noted in the previous section, the green and digital transformations and the just transition approach to them entail workforce transitions. This section explores some of the workforce transition issues. It begins with the quantitative and qualitative impact and changes to employment and jobs. It then discusses the skills, geographic and temporal disconnects that could impact on employees. Thereafter the ILO's human-centred agenda for the future of work is introduced. These workforce transition issues and the human-centred agenda could help inform the HR practitioner's HR strategy, talent management, risk management and workforce planning for the green and digital transformation (see **Abbott, 2019** for a discussion of the SABPP workforce planning standard in relation to the digital transformation).

## EMPLOYMENT AND JOBS

The next two subsections discuss the quantitative and qualitative impact and changes to jobs and employment.

### Quantitative impact and changes

The table below outlines the quantitative impact and changes, ranging from job creation to job reduction and elimination. It draws out the implications for skills, learning and development. It also discusses how robotic process and cognitive automation from digital transformation can augment as well as reduce and eliminate jobs and work.

| | |
|---|---|
| **JOB CREATION** | The expansion of products, services and infrastructure through the green and digital transformation will lead to increased labour demand across the various sectors of the economy. These will result in the creation of direct jobs, indirect jobs in the supply chain and induced jobs through the resultant increased income and consumption. Education and skills development policies and programmes need to address these new labour and skill demands. |
| **JOB/WORK AUGMENTATION** | The use of robotics, artificial intelligence (including machine learning and algorithms) and automation, in the form of **robotic process** and **cognitive automation**, can be used to augment the human worker and his/her job and/or work. This includes the use of virtual assistants. These augmentations could mean changes in occupational profiles and skills that require upskilling, reskilling, relearning and development. |
| **JOB/WORK TRANSFORMATION AND REDEFINITION** | Existing jobs may be transformed and redefined with changes in the "day-to-day workplace practices, skill sets, work methods and job profiles" (UNFCCC, 2016, p16). For example, the redefinition of electrician and plumber jobs with the use of green and digital technologies. These will require upskilling, reskilling, new learning and development. |
| **JOB SUBSTITUTION** | The changes in products, processes, technologies and the economy, from the green and digital transformation, may result in job substitution. For example, "shifts from fossil fuel to renewables jobs and [from jobs for] internal combustion engine manufacturing to [ones for] electric vehicle production" (ibid). This means a change in occupation profiles and skills, which require reskilling, new learning and development. |

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|---|---|
| **JOB REDUCTION** | The changes in consumer demand as well as in processes, technologies and the economy, from digital transformation, may result in job reductions. Such job reduction could take the form of reduced work, reduced hours of work, furlough, temporary layoffs, shift from full employment to **zero hour contracts**, and simplification of work and commodification of skills to enable the use of talent or gig platforms. This means changes in the nature of work and how work is organised. It leaves labour in a precarious position and they bear the cost of reskilling and awaiting work. |
| **JOB ELIMINATION** | The green and digital transformation will also lead to certain jobs "being phased out or reduced drastically without direct replacement" (ibid). Here, the use of robotics, artificial intelligence and automation, in the form of robotic process and cognitive automation, can eliminate the need for a human worker for the completion of a job or work. See the figure below on the **four levels of cognitive automation with shifts from automation to autonomous process or automatic business process (APB)**. This means the elimination of the need for human cognition, intervention and management. A report though suggests that the "market for intelligent tools is currently very nascent, with the bulk of vendors providing tools at Level 0 and Level 1 of Cognitive Automation" (Schmelzer, 2019). For developing economies it is the threat of deindustrialisation that is of concern, particularly its impact on employment and the quality of remaining jobs. The loss is not just that of direct jobs, but also the related loss of indirect and induced jobs as well. The transition workforce will require skill transformation, new learning and development. However, this is dependent on the enabling and creation of new industries, enterprises and jobs. |
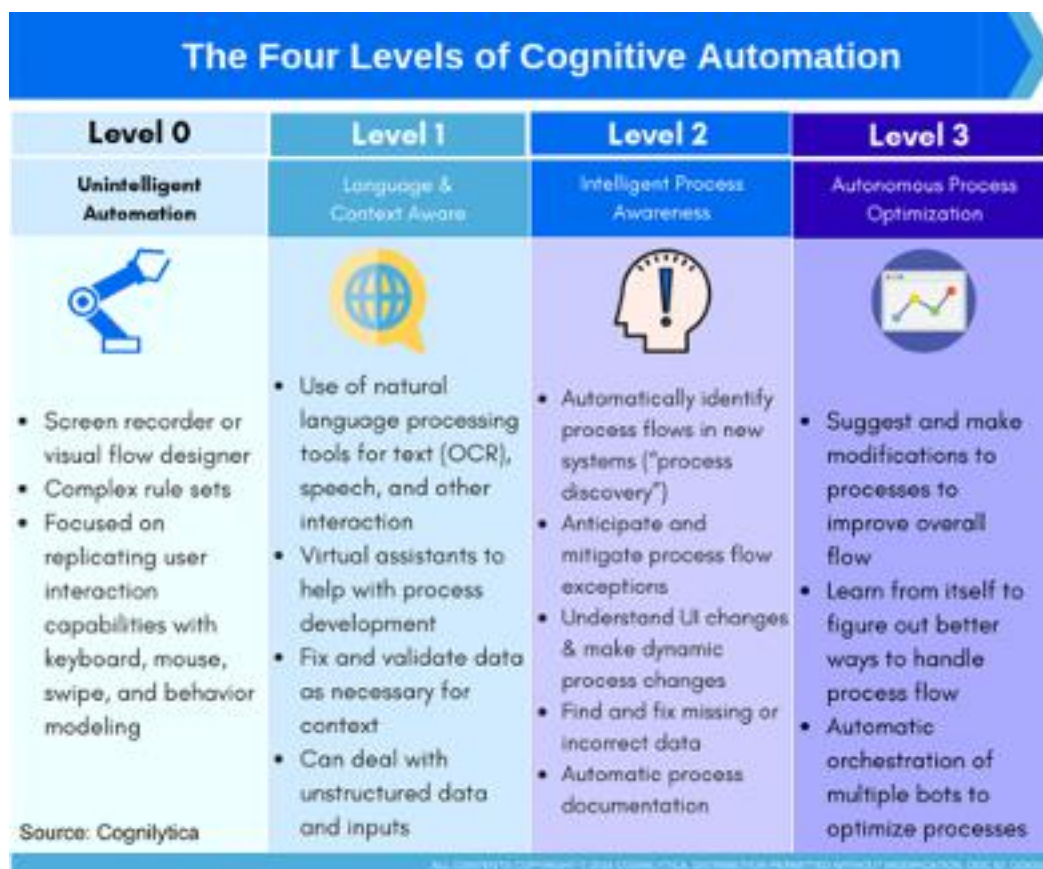


Forbes: *Four levels of cognitive automation and the realisation of automatic business process (ABP) (Cognilytica acknowledged as original source)*

It is important when plotting the workforce and job transitions, from digital and green transformations, to undertake a detailed analysis and modelling of individual industries, value chains and product segments. This needs to include an analysis of the industry and product cycles as well. Aligning the national, industry and firms' workforce planning to these cycles and transitions can help mitigate and manage the potential negative impacts of the workforce transitions from these declining industries and products as well as transformations (Cruywagen, Swilling & Davies, 2019). For example, workforce planning could examine these cycles and transitions, and project the implications of these for the duration of employment of new potential hires and the unemployment that will result, and the duration of employment for existing employees and their retirement ages. In an interview with Judge Davis in April 2020[4], Professor Swilling explained how the decommissioning of coal-fired power stations could be matched with the anticipated retirement of the majority of workers over the same period. This would avoid large job losses. In another related interview with the CEO of Eskom, also in April 2020[5], Mr de Ruyter outlined how the properties on which coal-fired power stations are built could be repurposed to build renewable energy plants, employing younger people with different skills.

### Qualitative Impact and Changes

A just transition approach focuses attention not just on the quantity of employment, but also the quality of employment. As discussed in the previous section, it is argued that the creation, augmentation and transformation of jobs should lead to decent work and quality jobs; that is, "provide adequate incomes and social protection, safe working conditions, respect for rights at work and effective social dialogues" (UNFCCC, 2016, p18). Safe working conditions need to be considered in the green and digital transformations. These transformations may remove hazards of traditional industries but may also pose new hazards to workers. For example, "workers producing solar photovoltaic (PV) panels are exposed to number of toxic substances and electrical hazards" (UNFCCC, 2016, p18). These need to be addressed and managed proactively.

### EMPLOYEE SKILL, GEOGRAPHIC AND TEMPORAL DISCONNECTS

For employees, upskilling, reskilling, learning and development can entail direct and indirect costs. These include direct monetary and time costs for courses, programmes and qualifications to employees where they are self-funding, as well as related indirect monetary costs of travel, logistics, equipment and resources. In the case where it is funded by employer, government, Sector Education Training Authority (SETA) or transition programmes the employee still incurs indirect, time and opportunity costs; for example, foregoing the opportunity and time for other quality of life and wellbeing choices.

Direct and indirect costs can also stem from the regional redeployment of employees by firms or from the "changing geography of production, distribution and value chains" (WEF, 2018, pvii) due to green and digital transformation. The latter regional changes in the demands for labour requires employee bearing the costs of geographical relocation. Along with this geographical disconnect there are temporal disconnects, which means job creation is not at the same pace and place of job losses. Below is an illustrative example for green jobs.

> "The low-carbon economy may not create (sufficient numbers of) jobs in the locations where jobs are lost in the conventional economy. Likewise, green jobs creation may not happen at the same time, or at the same pace, as conventional job losses occur. To the extent possible, these disconnects need to be bridged by transition policies in order to minimize dislocation and human suffering" (UNFCCC, 2016, p18)

The above discussions on upskilling, reskilling and redeployment also needs to consider the ***digital divide*** and how the digital transformation will exacerbate it (see page 17 of the SABPP factsheet on HR's place in 4IR).

**4.** https://www.dailymaverick.co.za/article/2020-04-21-judgement-day-with-judge-dennis-davis-episode-1-mark-swilling/

**5.** https://www.dailymaverick.co.za/article/2020-04-21-eskom-plans-to-convert-old-coal-mines-and-plants-into-gas-solar-and-wind-power-generators/

## HUMAN-CENTRED AGENDA FOR DECENT FUTURE OF WORK

The ILO's Global Commission on the Future of Work outlines a human-centred agenda for the future of work in keeping with the principles and guidelines for policy measures on just transition. This can be seen in the table below. The table from the ILO report outlines the recommendations of the Commission, co-chaired by President Cyril Ramaphosa and Swedish Prime Minister, Stefan Löfven, and the related main issues that need to be addressed. These issues concern the increased investment in peoples' capabilities, in the institutions of work and in decent and sustainable work.

### INCREASING INVESTMENT IN PEOPLE'S CAPABILITIES

**01** Recognize a universal entitlement to lifelong learning and establish an effective lifelong learning system that enables people to acquire skills, upskill and reskill throughout their life course.

**02** Step up investments in the institutions, policies and strategies that will support people through future of work transitions, building pathways for youth into labour markets, expanding choices for older workers to remain economically active and proactively preparing workers for labour market transitions.

**03** Implement a transformative and measurable agenda for gender equality by making care an equal responsibility of men and women, ensuring accountability for progress, strengthening the collective representation of women, eliminating gender-based discrimination and ending violence and harassment at work.

**04** Strengthen social protection systems to guarantee universal coverage of social protection from birth to old age to workers in all forms of work, including self-employment, based on sustainable financing and the principles of solidarity and risk sharing.

### INCREASING INVESTMENT IN THE INSTITUTIONS OF WORK

**05** Establish a Universal Labour Guarantee that provides a labour protection floor for all workers, which includes fundamental workers' rights, an "adequate living wage", limits on hours of work and safe and healthy workplaces.

**06** Expand time sovereignty by crafting working-time arrangements that give workers greater choice over scheduling and working hours so that they can balance work and private life, subject to the company's needs for greater flexibility, as well as guaranteed minimum hours.

**07** Actively promote collective representation of workers and employers and social dialogue through public policies.

**08** Harness and manage technology in support of decent work and adopt a "human-in-command" approach to technology.

### INCREASING INVESTMENT IN DECENT AND SUSTAINABLE WORK

**09** Create incentives to promote investments in key areas for decent and sustainable work.

**10** Reshape business incentive structures to encourage long-term investments in the real economy and develop supplementary indicators of progress towards well-being, environmental sustainability and equality.

ILO: *Global Commission recommendations*

# COVID-19 CRISIS RESPONSE AND THE WORKFORCE

During these challenging times of the COVID-19 pandemic and lockdown, digital technologies and the enablement of remote work has taken centre stage for organisations. It has been advanced as an immediate and urgent solution for business continuity, and as the business solution for what is termed as the 'reset' or 'new normal'. However, concerns have been raised on the impact of the narrowed focus on digital technologies and remote work on the workforce, from worries regarding the wellbeing of employees and the preparation and skilling of employees for the digital transition to alarms on job and workforce reductions and eliminations. Below are examples from two HR thought leaders on job and workforce eliminations.

> "The big message I think we're learning is that whatever happens, the right response is People First, Business Second […] let's slow down, accept the business interruption that's going to take place, and take care of the people […] If we do this the recovery will be faster, and our companies, lives, and entire society will be better off" (Bersin, 2020)

> "HR's greatest contribution to business and personal success comes from navigating paradox. Paradox means continually balancing two extremes, not merely managing to one agenda […] HR helps business leaders deliver talent, organization, and leadership so that all stakeholders (employees, customers, investors, communities) live beyond today's crisis" (Ulrich, 2020)

These concerns are somewhat akin to those raised in the human-centred agenda, just transition, and on sustainability and inclusivity that were discussed previously. The discussions on, and the implementation of, remote working during and beyond the COVID-19 crisis is re-raising the issue of the **digital divide** and whether the 'new normal' will entail decent work and quality jobs. It is important not to lose sight of the convergence towards, and the broader strategic lens of, the sustainability consensus, and the gains made in placing just transition in the forefront as well as ethical leadership, high commitment and engagement culture, and employee value proposition within organisations. It reminds one of the importance of social dialogue and tripartism between government, labour and business that was discussed earlier. An example of this can be seen in the consultation that President Ramaphosa and his Cabinet had undertaken with various stakeholders on the lockdown, funding, and wage subsidy measures put in place to address in part the COVID-19 pandemic and manage the impending crisis.

A World Economic Forum (2020) report, for example, makes the following recommendations on the need for balance:

> "While many organizations have rushed into remote working arrangements in the past few weeks, it is essential that such arrangements balance the needs of employees and the company. Employers should consider how to make flexible work as inclusive as possible — for example, by providing stipends for those who may not have needed equipment or full access for those with disabilities […] it is critical for companies to emphasize actions that balance near-term flexibility against the long-term wellbeing of the enterprise and its workers" (p4)

It is a balance of taking "a segmented view of the workforce" (p5) where the focus is on roles "pivotal to the business" (ibid) as well as "financial wellbeing of the most vulnerable employees" (ibid). The report suggests that "businesses that live up to the values of stakeholder capitalism are also likely to be best placed for a rebound, having supported their human capital during the present crisis" (ibid). This reference to stakeholder capitalism brings it in alignment with the above-mentioned importance of social dialogue and tripartism between stakeholders. The COVID-19 crisis and how it is managed are a test of the values, identity, brand and employee value proposition of organisations. This does not necessarily mean the absence or lack of financial prudence. It means prudence regarding all the different forms of capital of an organisation. Leaders are responsible for navigating the organisation and its different forms of capital through and beyond the crisis. Thus, the debate needs to be reframed as one of a sustainable 'reset' and 'new normal'.

# WHAT IS THE ROLE OF HR IN WORKFORCE TRANSITIONS?

HR can play an important role, as a key stakeholder, in the deliberations and decisions on workforce transition issues. It could inform, advise, partner on, and proactively shape strategies, policies, and programmes at the national, industry and organisational levels. This is given expression in the SABPP HRM Standards and the HR Competency Model. One of the pillars in the SABPP HR Competency Model is *Duty to Society*, where HR is meant to drive transformation, skills development, and sustainability. To realise this duty in relation to workforce transition, HR practitioners need to develop the capability of *Strategy*; the technical competency of *Workforce Modelling;* and the core competencies of *Leadership, Architect of Organisational Capability, Solution Creation,* and *Citizenship for the Future.*

Strategic capability is crucial for HR practitioners to take up and play its  role in workforce transitions. It helps the practitioners to undertake the required environmental scanning, as defined in the Strategic HR Management Standard. This means understanding and analysing political, economic, sociological, technological, legal and environmental (PESTLE) factors. In the case of workforce transition it is the convergence to a sustainability consensus at multilateral and national forums; and its crystallisation in the concept of just transition where workforce supply and demand dynamics and shifts are explicitly engaged with. In South Africa, there are clear references to and, debates on, just transition by government and labour.

Complementing the strategic capability with workforce modelling and the other core competencies can aid the HR practitioner in developing their organisation's people strategy, HR strategic agenda, and HR risk register, which is described in the Strategic HR Management and HR Risk Management Standards. This requires a detailed and segmented analysis of the organisation's workforce and the dynamics and shifts of the broader workforce supply and demand in the value chain. HR practitioners need to identify those most vulnerable (as discussed in the previous section). They can also explore opportunities. For example, consider how organisations and value chains are being reimagined through collaboration and open innovation. The previous SABPP factsheet, on **innovation and disruption dilemmas for firms and their HR functions**, discusses Yeung and Ulrich's (2019) argument that there is a shift from the traditional stand-alone, closed firm to a 'market-oriented ecosystem' where there is the use of external strategic partnerships, free agent consultants, and talent platforms along with internal teams.

However, one needs to be cautious of the **commodification of workers/learners and skills**, the **casualisation of work**, and the erosion of worker and social safety nets, which goes against the calls for a just transition and decent work. Consider how the COVID-19 pandemic and related lockdowns has negatively impacted the gig economy and workers. These contracted freelancers are not employees and do not have benefits, paid sick leave, compensation, unemployment insurance, and the protection of employment laws for example (Laurent, 2020; Marshall, 2020). Fairwork, an organisation that researches work practices and working conditions in the gig economy, conducted a recent study on the responses of gig platforms to the COVID-19 pandemic and crisis. They are critical of the platforms and argue that gig workers:

> "[...]need to have access to safe and fair working conditions at all times [during the COVID-19 crisis and thereafter]. As consumers, we also have the responsibility to change our responses. Rather than congratulating platforms that announce only to us how they will be taking care of their workers, we need to ask how exactly they will do so and whether their workers have been adequately informed, avoiding platforms who do not take their moral responsibilities to their workers seriously. Social isolation is a luxury, social protection should not be" (Ustek-Spilda,  Graham, Bertolini, Katta, Ferrari & Howson 2020)

Similarly, in relation to gig workers, the WEF identifies issues such as reasonable pay, social protection, safety nets, safety and wellbeing, fair working conditions, and having voice in decisions. It supports a charter of principles for good platform work (see the WEF below link):

> "Digital work/service platforms can offer affordable services to consumers, allow companies and clients greater opportunities to access talent, and provide flexible opportunities for earning income. But the rapid adoption of technology, innovation in business models and the diverse ways in which people work through platforms pose challenges for the current rules and laws governing work and safety nets" (**WEF**, 2020c)

The above critical review and charter by Fairwork and WEF respectively are aligned with some of the principles of a just transition. These highlight the need to identify and critically review what principles, policies, values and ethics are informing the adoption of talent sharing, open collaboration and the reinvention of organisations as 'market-oriented ecosystems'. Is the shift to contract work and the use of gig workers simply a reactionary, cost-cutting exercise? What are the implications for the organisation's employee value proposition and customer perceptions?

# CONCLUSION

During the COVID-19 crisis it may be hard to see beyond the immediate problems that one faces; and the rapid deployment of digital technologies and remote and flexible work may present one with the sense of resolution (albeit temporary). However, these can lead to a narrowed focus where one loses sight of the broader socio-economic and ecological landscape; the changes in, and impacts on, work, the workplace and the workforce; and one's own leadership, talent, culture and values. The factsheet draws attention to this landscape and outlines the convergence to a sustainability consensus and its crystallisation in the concept of just transition. It explores the related workforce transition issues. It suggests that leaders need to navigate their organisation through the many balances that need to be made; and ensure that the 'reset' and 'new normal' develops a sustainable and just future of work and of organisations.

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**SABPP**
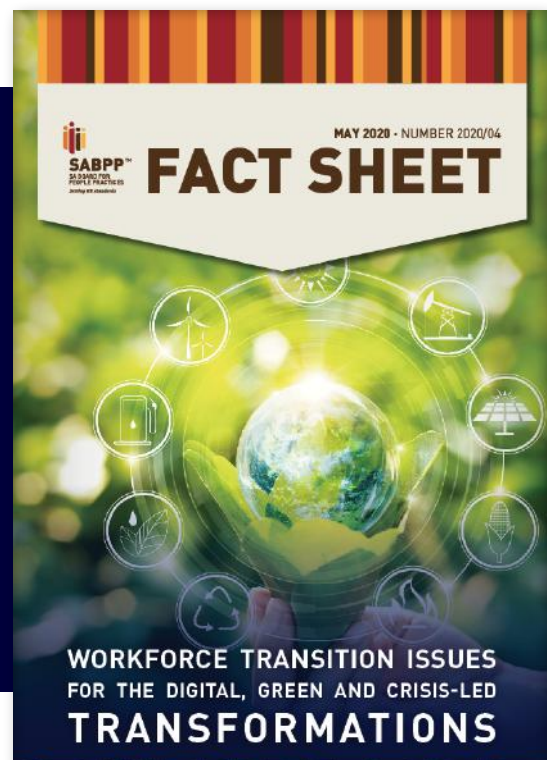
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# PREVIOUS EDITIONS OF THE FACT SHEET

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## 2019

| February | EMPLOYER VALUE PROPOSITION |
|---|---|
| March | QUALITY COUNCIL FOR TRADES AND OCCUPATIONS |
| April | RECENT TRENDS ON REMUNERATION GOVERNANCE |
| May | THE PROTECTED DISCLOSURES ACT |
| June | HR SERVICE DELIVERY MODELS |
| July | CREATING A SPEAK UP CULTURE AT WORK |
| August | JOB PROFILES |
| September | ETHICS HOTLINE MANAGEMENT: BEST PRACTICE GUIDE FOR SOUTH AFRICAN EMPLOYERS |
| October | DISABILITY AND EMPLOYMENT: THE SABPP DISABILITY PROFESSIONAL PRACTICE STANDARD |
| November | FACING THE FOURTH INDUSTRIAL REVOLUTION: WHAT ARE SOUTH AFRICA'S CONSTRAINTS? |
| December | NATIONAL QUALIFICATIONS FRAMEWORK ACT AND THE 2019 AMENDMENT ACT |

## 2020

| February | HR'S PLACE IN THE FOURTH INDUSTRIAL REVOLUTION |
|---|---|
| March | INNOVATION AND DISRUPTION DILEMMAS FOR FIRMS AND THEIR HR FUNCTIONS |
| April | CORONAVIRUS AND COVID-19 |
| May | WORKFORCE TRANSITION ISSUES FOR THE DIGITAL, GREEN AND CRISIS-LED TRANSFORMATIONS |

WORKFORCE TRANSITION ISSUES FOR THE DIGITAL, GREEN AND CRISIS-LED TRANSFORMATIONS