

Building Green Skills Routemap

Foreword by Gudrun Cartwright, Climate Action Director

We live in unprecedented times. A global pandemic. Skyrocketing energy, food and transport costs pushing more and more people into poverty. Climate change-related migration increasing. Seasons are becoming muddled. Extreme weather is more prevalent. Pollution is everywhere and harming our health. Soil and water are depleting, making supply chain disruption for everyday essentials a growing risk.

So, it is easy to feel scared. Pull up the bridges and hope for the best.

But businesses cannot afford to do that. The past is littered with those who have tried and engineered their own demise as a result.

Business leaders must have one eye on present challenges and the other pressing ahead to ensure that they are viable and valuable in the future.

The climate crisis is our biggest shared challenge. Our end goal must be for humanity to be a regenerative force in the world, or we will merely slow down the inevitable collapse of Earth's life support systems. So, delivering a just transition that promotes social mobility, nurtures people's wellbeing, builds thriving communities and restores nature to full health is essential.

And time is running out. Scientists suggest that a global temperature rise of just three or four degrees above pre-industrial levels may be incompatible with civilisation. We are already at 1.2°C.

The task ahead is therefore both urgent and important. The impacts are here and now. While the climate crisis is a big problem it is also an opportunity.

Which means that businesses need to ensure that their people and organisations have the skills and capabilities they need to adapt in the transition and beyond. Build thoughtful, and innovative, cultures where everybody can bring their best selves to the task at hand. Where business leaders understand that their roles and responsibilities go beyond their organisational boundaries. Even beyond their value chains. And develop themselves to be transformational leaders, who walk their talk. Have the humility to admit that they don't have all the answers. Embrace uncertainty as the new normal. Become systems navigators. Facilitators that empower teams to solve problems today, while inspiring and conducting collaborative action towards a net zero, resilient future, where people and nature thrive, as quickly as possible. After all, this challenge can't be solved alone, and everybody has responsibility to play their part. As John F Kennedy and others said: if not us, who; if not now, when.



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This routemap doesn't have all the answers. But, with input from more than 100 leaders from business, government, and civil society, we hope this guide will enable businesses to build the cultures and capabilities, needed to succeed in the transition, and secure all our futures.

The pressing need to tackle skills for the transition:

- In 2021, Business in the Community (BITC) surveyed 8,000 people and 3,000 businesses to understand perspectives on climate change and the public perception of business action. One of the most striking findings was that only 11% of people think their jobs will be adversely affected or that they will need significant new skills, because of the transition to a net zero, climate-resilient future. Of those that did, only eight in ten thought their employer was preparing them for what lies ahead.
- Our research on lifelong learning found that organisations are not yet bringing sustainability and Human Resources Teams together to align their strategies. This indicates that the reason that people are not yet thinking about how their jobs and skills needs might change are because employers are not yet considering how their plans to tackle the climate crisis will change existing roles and the capabilities needed to fill future jobs.
- It is easy to see how energy sector jobs will change, with studies from National Grid and PwC showing hundreds of thousands of new jobs are needed to transform the system. It may be harder to see how other jobs may be impacted. But they will be. The Science Based Targets Initiative (SBTi) sets out that companies must cut emissions by 90% by 2050 to qualify for 'net zero' and 50% of that reduction is needed by 2030. It is hard to see how any company will get there with only minor business model tweaks.
- Green Alliance research identified that without action to address skills, no sector will achieve
 net zero by 2050. IEMA (Institute of Environmental Management and Assessment) and Deloitte
 research sets out how different roles, from finance to customer support may change, providing
 a starting point for every organisation.
- There are significant regional variations in terms of the jobs that are at risk and the potential for future opportunities. The places that are already struggling in terms of productivity tend to have more high-carbon jobs that require lower skill levels. To make the most of emerging green jobs in communities that need new economic opportunities, investing to support people with barriers to employment to gain those skills is going to be essential to enable upward social mobility.





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 There is much to be done to understand the skills needs beyond the energy and environmental technology sectors. Decarbonising transport will have a knock-on effect across multiple sectors. The food and agriculture sector need to address a significant skills gap, even without the need for climate action. Manufacturing and industrial businesses do not yet understand what stakeholder demands and legislation will mean for them and lack the skills and knowledge to address any issues that arise.

What to do to address the problem

- Make sure you understand the risks and opportunities that the climate crisis presents for your business. Use Taskforce for Climate-Related Financial Disclosures (TCFC) guidelines to help you review how the transition to net zero and the growing impacts of a changing climate will affect you.
- 2) Use BITC's framework to develop your skills approach:
 - a) Consider three key groups:
 - i) your current workforce
 - ii) your future workforce
 - iii) workers who are most at risk in the transition
 - b) Understand and develop your organisations' capabilities across three categories:
 - i) The mindset, attitudes and understanding to enable people to translate the risks and opportunities you have identified into what it means for their teams and roles.
 - ii) The essential and transferable skills that people will need to move into different roles as employers move towards a net zero, resilient business model.
 - iii) The technical skills needed to respond to new legislation and reporting requirements and the practical tasks to decarbonise your industry, such as circular product design.
 - c) Build the culture and capabilities to enable your business to deliver value in a rapidly changing, complex environment.

3) Focus on these areas as you develop your strategy:

- a) Lead: equip leaders to empower everyone to act
- b) Embed: make climate action everyone's business
- c) Include: enable upskilling for all

All three of these steps are critically important, but equipping leaders to challenge, inspire and empower others provides the foundation, so start there.





How BITC can help you

- Sign up to use our <u>Seven Steps for Climate Action</u> to help build your just transition strategy and we will keep you up to date with events, stories and publications that can help you:
- Become a Skills Trailblazer put your plans into action and get support from experts and your peers to develop your strategy in real time. Email <u>BITC's Environment Team</u> to find out more and join the waiting list.
- Get support from BITC's <u>Advisory Team</u>.
- If you're not yet a member, join us!

