

# FACTSHEET

## THE GREEN SKILLS OPPORTUNITY FOR A JUST TRANSITION

On 21 May 2024 in Central London, Business in the Community (BITC), in partnership with OVO, hosted the event “The Green Skills Opportunity for a Just Transition.” An array of stakeholders interested in fostering future capabilities for a fair and inclusive transition came together to explore the role of business, government, educators, and non-governmental organisations (NGOs) in empowering employee climate action at home and in the workplace.

### Background

OVO and BITC partnered to share expertise on how to embed green skills into core business strategy to achieve a Just Transition to net zero and climate resilience. New research from OVO shows that three in five people (61%) agree that developing green skills will make them more appealing to future employers. It is clear that people and planet challenges are intrinsically linked and can be resolved together.

The event comprised two expert panels and subsequent table discussions. The first panel focused on current and future green skill trends with Institute for Environmental Management and Assessment’s (IEMA) Deputy CEO Martin Baxter, OVO’s Chief People Officer Charlotte Eaton, Northumbria University’s Associate Professor of Responsible Business, Alex Hope, and BITC’s Green Skills Lead, Emma Weaver. The second panel showcased those taking a practical approach to green skills, including OVO’s smart meter apprentice, SUEZ’s carbon capture graduate and a teacher and curriculum director at New City College. This post-event report makes key insights accessible to the wider business community.

### Creating the business case

A strong business case will mobilise current and future employees to harness the opportunities associated with green skills. Fundamentally, business culture underpins the adoption of new approaches and thinking. Between April 2012 to 2021, the Office for National Statistics (ONS) found that 5.1% of employees aged between 35 and 49 years changed jobs<sup>1</sup>. Senior leadership can enable the mindset for ‘squiggly careers’, as it is

currently difficult to pivot, with financial and emotional barriers damaging confidence and resilience. Middle managers should be the central enabler of culture and hold everyone accountable. During BITC’s pilot Green Skills Lab, it was found that inclusive learning cultures underpin employee willingness to develop new skills.



Some commentators are suggesting the capital cost to tackle the climate crisis is too high, with the International Energy Association estimating that limiting global temperature to 1.5C requires \$4 trillion of investment by 2030<sup>ii</sup>. It is clear that the current and future cost of climate impacts will outweigh the cost of acting, as highlighted in the Guardian in May 2024<sup>iii</sup>. Action to tackle the climate crisis is becoming a core part of a business's licence to operate. From litigation to public and shareholder pressure, businesses are increasingly incentivised to make impact-focused interventions, rather than report against mandatory cross-cutting people-planet regulations.

Research from OVO shows that less than one in three people (30%) in the UK have heard of 'green skills'.<sup>iv</sup> Helping more people understand and aspire to green job opportunities requires clear and simple language that shows relevance to current roles and future ambitions. Communicating skills in the context of someone's role and emphasising the transferable nature means that all employees are empowered to work towards decarbonisation.

## Holistic approach

To successfully implement a green skills strategy, the challenge needs to be evaluated in the context of other issues, interdependencies and innovations. Many relevant sectors to decarbonisation lack diversity in terms of gender, race<sup>v</sup> and socioeconomic background, therefore people from different backgrounds may struggle to see themselves taking up roles.

Environmental professions are one of the least racially diverse professions in the UK, with just 4.81% identifying as Black, Asian or from other Minority Ethnic groups, compared to 12.64% across all other UK professions<sup>vi</sup>. In building an ethnically diverse and inclusive workforce, businesses need to tackle unconscious bias and consider intersectionality to remove barriers for

individuals and leverage untapped talent. Research by YouGov, commissioned by BITC in 2023, reinforces the difference in thought processes across ethnicities, as 63% of ethnic minorities thought that employers should do more to help in their career development, compared to their white counterparts at 37%<sup>vii</sup>.

It will also be essential that businesses understand the sequencing of upskilling and training of teams to unlock larger efficiencies and impact. HR and central business planning teams should recognise the interdependencies and prioritise training. For instance, operations and delivery roles will need to be upskilled at the same time as reporting and finance so they can work with one another to determine relevant success measures and metrics. Insights identified in BITC's Green Skills Lab show, similarly, that it is critical to have cross-organisational buy-in and involvement when developing green skills strategies.

Equally significant is how a business anticipates the required supply of green skills and jobs. In 2023, Citizens Advice research found interest in retrofit measures is low, with an average of two in five homeowners interested in installing measures such as floor and loft insulation, double or triple glazing and heat pumps<sup>viii</sup>, that impedes progress towards net zero and resilience. It will therefore be vital to develop the demand for services such as retrofitting buildings and businesses have an important role to play here – both on their own premises and in encouraging employee action.

Emerging advancements in digital technology, specifically artificial intelligence (AI), can be leveraged to analyse complex information and overlay scenarios and identify crossover opportunities and efficiencies, such as with complex supply chains.

## Collaborating across scales

Business and education stakeholders should be committed to collaborating across different sectors or geographic locations. Local Skills Improvement Plans provide a great forum for collaboration to help ensure that the transition to net zero and climate resilience is fair, inclusive and nobody is left behind. Access to green opportunities can be hindered by communication issues. Participants from the event shared that success stories are found by collaborating with local faith organisations to reach hard-to-access communities.

Clear national policy direction is also required to give businesses the confidence to develop green skills. In recent years, moving goalposts have delayed initiatives such as the Clean Heat Market Mechanism and challenges with interventions like the Green Homes Grant provide opportunities for useful learnings. This stance makes it difficult for businesses to collaborate in the UK, with international competition and a healthy pipeline of progressive projects found elsewhere. Immigration policy is also making it harder for international talent to help the UK retain its leadership position on climate action and is limiting access to a diverse workforce in key sectors.

## Continuous learning & clear pathways

In delivering a Just Transition to a net zero, climate-resilient future, the education system needs to prioritise continuous climate-focused learning from primary school onwards. Research from OVO found that three-quarters of those aged 25-34 years old (75%) wish they had been given more information about green skills in education.<sup>ix</sup> In the British Chamber of Commerce's 2023 Workforce Survey, 39% of employers said they were engaging with the education system to provide young people with career information<sup>x</sup>.

Disparities in green skills adoption can arise with climate topics being optional content in national curriculums. To attain greater awareness of the importance of this addition in the curriculum 'whole school interventions' from governors to early years can be explored.

The pathways to relevant employment opportunities are unclear, with limited awareness of further relevant qualifications and an absence of devoted signposting. HR teams can own the identification and development of green skills for their own organisation and work with education and other stakeholders to break down siloes and ensure the curriculum is fit for purpose.

Attendees of the event emphasised that apprenticeships still need to be destigmatised, although considerable work has been done as outlined by the Social Mobility Commission<sup>xi</sup>. An agile system also permits multi-disciplinary learning, not specific to one trade and can be made more accessible with better in-training earning potential.

In a business setting, Small and Medium Business's (SME) ability to devote time and invest in climate action is limited, in comparison to other business sizes<sup>xii</sup>. At the start of 2023, there were 5.6 million small businesses, 99.2% of the total business population, which increased from the year before.<sup>xiii</sup> Measures can reduce the pay-to-play barriers, for instance, a recent advancement in policy increased a large employer's ability to gift their apprenticeship levy to another business from 20% to 50%<sup>xiv</sup>.

## Next steps

Access further resources to help you start your green skills journey today:

- Check out OVO's Green Skills [Media and Policy Pack](#).

- Explore the [Building Green Skills](#) for a Just Transition routemap and [Our Route to Net Zero Climate Resilient Future](#).
- Join one of our BITC [Labs](#) to interrogate common challenges and barriers with peers to achieve a Just Transition.

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- find out more about our [Climate Action](#) work and how you can develop your net zero plans using our [Seven Steps for Climate Action](#)
- [learn more about our advisory services](#)
- [join us for one of our upcoming events](#)



Talk to one of our expert team today to learn how membership of BITC can help you take your responsible business journey further and drive lasting global change.

<sup>i</sup> Job changers and stayers, understanding earnings, UK: April 2012 to April 2021, [Office for National Statistics](#)

<sup>ii</sup> The critical role of cost-of-capital and climate policies in net zero transitions, [The World Economic Forum](#)

<sup>iii</sup> Economic damage from climate change six times worse than thought – report, [Guardian](#)

<sup>iv</sup> <https://company.ovo.com/bitc-ovo-event/>

<sup>v</sup> Diversity is the secret sauce of success, [Utility Week](#)

<sup>vi</sup> Our work towards Equality, Diversity and Inclusion, [Green Careers Hub](#)

<sup>vii</sup> Upskilling for All report, [BITC](#)

<sup>viii</sup> Demand: Net Zero – tackling the barriers to increased homeowner demand for retrofit measures, [Citizens Advice](#)

<sup>ix</sup> <https://company.ovo.com/bitc-ovo-event/>

<sup>x</sup> Boosting skills: journey through education and work, [British Chamber of Commerce](#)

<sup>xi</sup> Apprenticeships: Bridging the Gap for Disadvantaged Learners? [Social Mobility Commission](#)

<sup>xix</sup><sup>xx</sup><sup>xxi</sup><sup>xxii</sup> The Right Climate for Businesses: Leading a Just Transition, [Business in the Community](#)

<sup>xiii</sup> UK small business statistics, [Federation of Small Business](#)

<sup>xiv</sup> Transferring your apprenticeship levy to another business [GOV.UK](#)