



Africa at work: Building a reinvention-ready workforce

**PwC's Global Workforce
Hopes and Fears
Survey 2023 – African
Perspectives**

June 2023



pwc



Africa today:

2022 participants in PwC's Global Hopes and Fears survey across Africa.

Respondents across **South Africa, Algeria, Kenya, Morocco and Nigeria.**

Only **27%** of Africa workforce respondents can pay the bills each month and have enough left over for savings, holidays and extras.

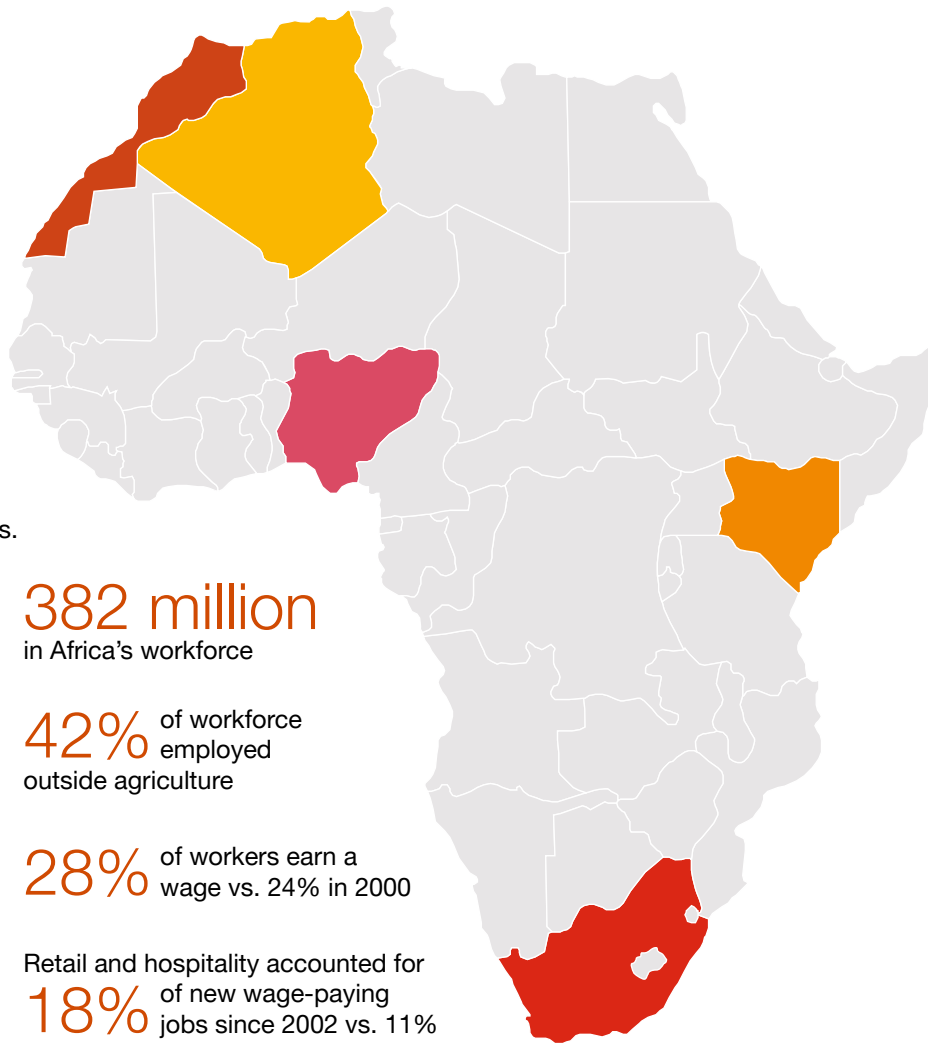
25% of the Africa workforce respondents have two jobs.

55% are satisfied with their job, similar to global respondents (56%).

84% of the Africa workforce respondents believe that being adaptable and flexible is the most important skill for their career in the next five years.

39% of Africa workforce respondents believe that their employers focus too much on job history and not enough on skills.

79% of the Africa workforce respondents actively seek out opportunities to learn and develop new skills.



382 million
in Africa's workforce

42% of workforce employed outside agriculture

28% of workers earn a wage vs. 24% in 2000

Retail and hospitality accounted for **18%** of new wage-paying jobs since 2002 vs. 11% from manufacturing

32% of African businesses surveyed cite access to finance as a major constraint on growth

Africa's working age population is expected to grow by 450m people, or close to 70% by 2035¹ – **but is this workforce ready for business reinvention?**

¹ <https://www.worldbank.org/en/topic/competitiveness/publication/creating-jobs-for-africas-growing-population>

Business leaders everywhere are prioritising transformation, but what if your most skilled people are more “reinvention ready” than your company culture is? And what if your employees say they are even more likely to quit now than they were last year—back when everyone thought the great resignation was at its peak?



In virtually every organisation, the legacy currency of work (the job) masks today's needed requirements (the skills). Historically job descriptions and titles have been the basis for defining work, deploying talent, and determining compensation. All within the closed ecosystem that is the organisation. Today's pressing reality is that a "job" (no matter how well-defined) can't adequately capture how the demand for various skills is changing, as automation and ways of working multiply.

Business leaders have to reinvent their organisations, but without the support and energy of all people these efforts will fail. And in the current environment—where skills gaps appear to be widening, and more employees than ever struggle just to get by—you can't take anything about your workforce, or culture, for granted.

To survive and thrive in today's market, businesses need to challenge the status quo and continuously reinvent themselves.



1. Engage and inspire your people—especially those lagging behind

When an environment is filled with uncertainty, one thing matters more than everything else—and that's who you're with. Whether you're in a turbulent economy or turbulent waters, the people you're with can determine whether you succeed or fail. So clearly, in today's modern workforce, people—both traditional employees and contingent workers—are at the heart of any organisation. In order to thrive, now and in the future, it's critical to differentiate your organisation to attract and retain the people you want, when you want them. Engaged employees also produce higher-quality work, report greater job satisfaction, and are less likely to be absent from work.

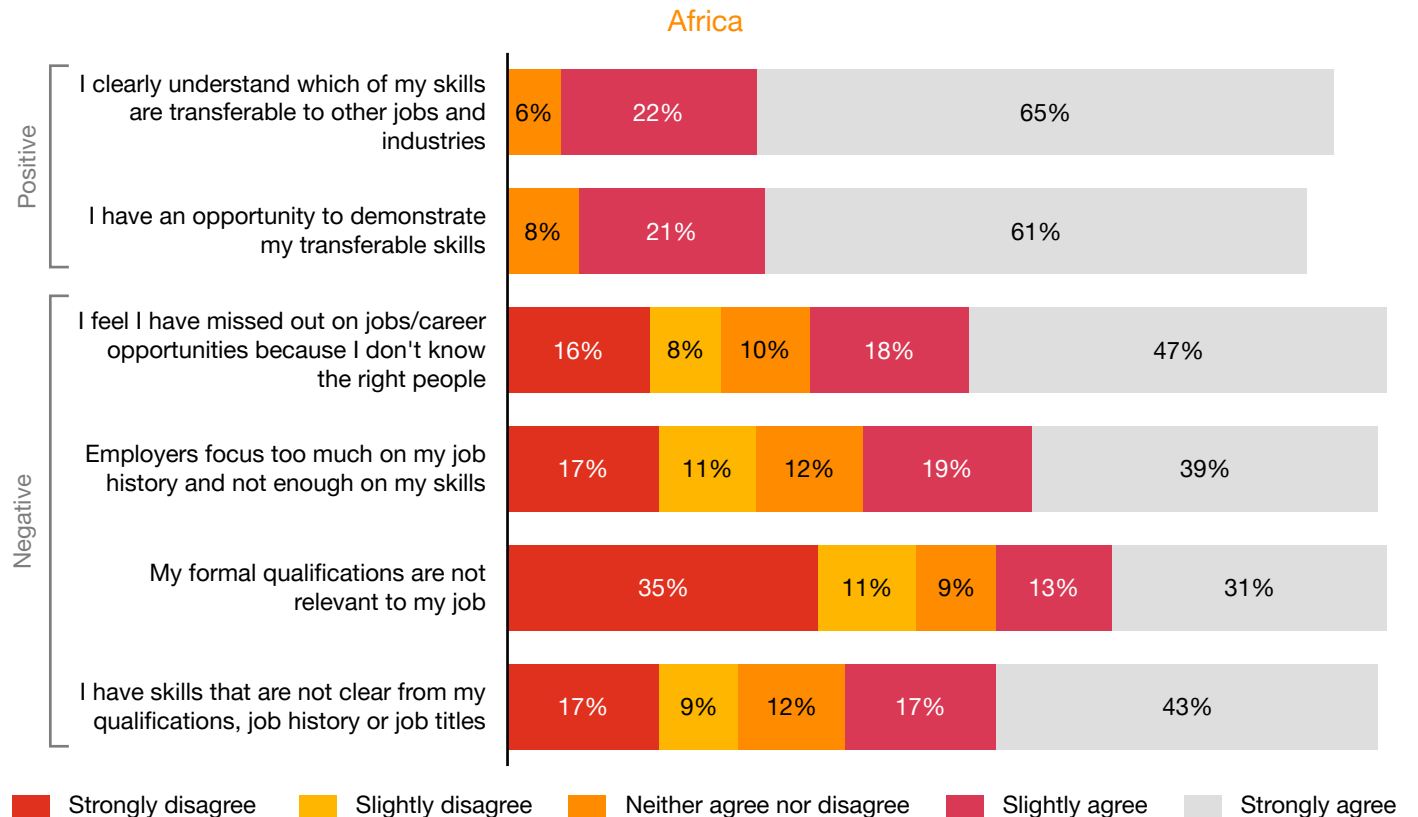
Engaged organisations have strong and authentic values, with clear evidence of trust and fairness based on mutual respect, where two-way promises and commitments – between employers and staff – are understood, and fulfilled.

However, the Global Hopes and Fears Survey of 2023 demonstrates that talent is hiding in plain sight – over a third of employees have skills that are not clear on their resumes, and a similar proportion feel they have missed out on job opportunities due to a lack of the "right" connections.

Skills-first hiring

Talent is hiding in plain sight – over a third of employees have skills that are not clear from their resumes, and a similar proportion feel they have missed out on job opportunities due to a lack of the "right" connections.

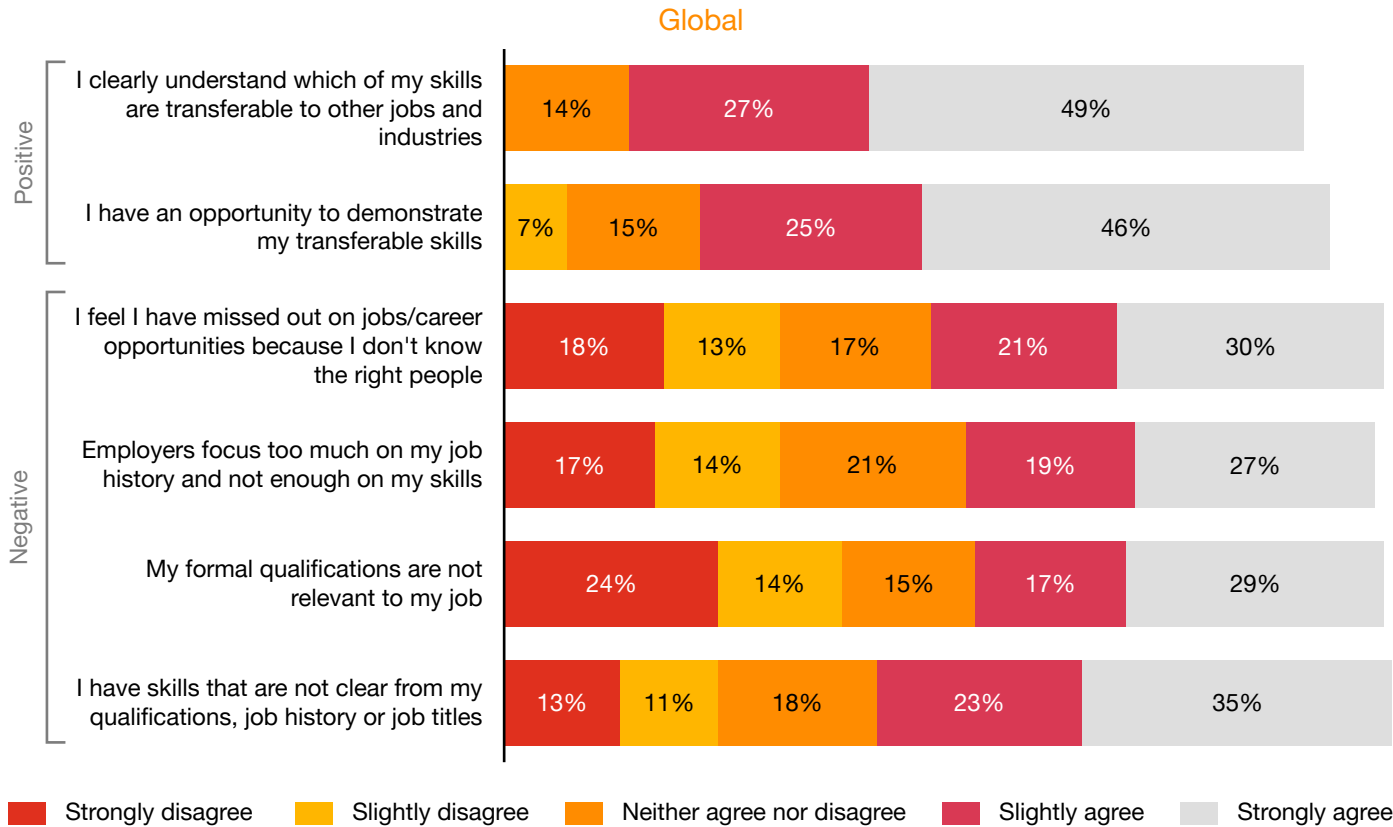
Based on your experience, to what extent do you agree or disagree with the following statements?



Skills-first hiring

Talent is hiding in plain sight – over a third of employees have skills that are not clear from their resumes, and a similar proportion feel they have missed out on job opportunities due to a lack of the “right” connections.

Based on your experience, to what extent do you agree or disagree with the following statements?



Employees display a lack of urgency about upskilling. Only a third of employees believe the skills required to do their job will change significantly in the next five years. Employees who have missed out on jobs from not knowing the right people are more likely to believe employers are not focusing enough on their skills.

The divide between those who have—and lack—specialist skills is a growing problem, increasing the risk of economic inequality. Employees who are slow to prioritise and learn new skills will struggle to adapt. 65% of respondents in South Africa say that their job requires specialist training/qualifications and 13% disagree that their job skills requirements will change significantly in the next five years.

The financial services industry in Africa continues to face a rolling digital and data skills blackout. Aligned to the global Hopes and Fears survey, 66% of employees felt that digital skills are critical while 69% reflected data skills to be core. In order to upskill employees in financial services organisations need to ensure a concentrated focus on designing initiatives such as skills academies to help employees build their skills.

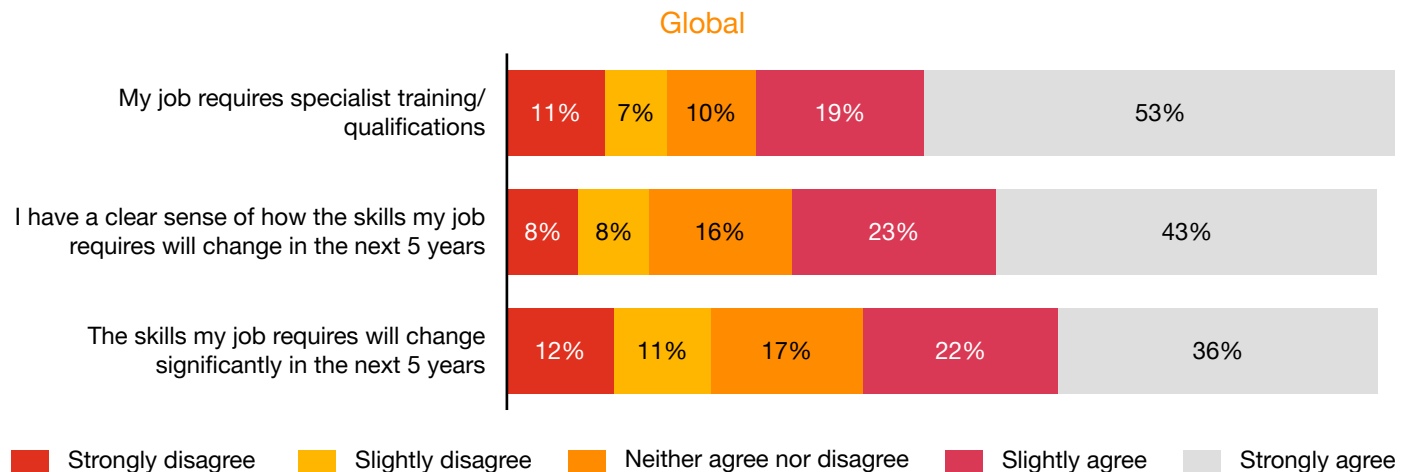
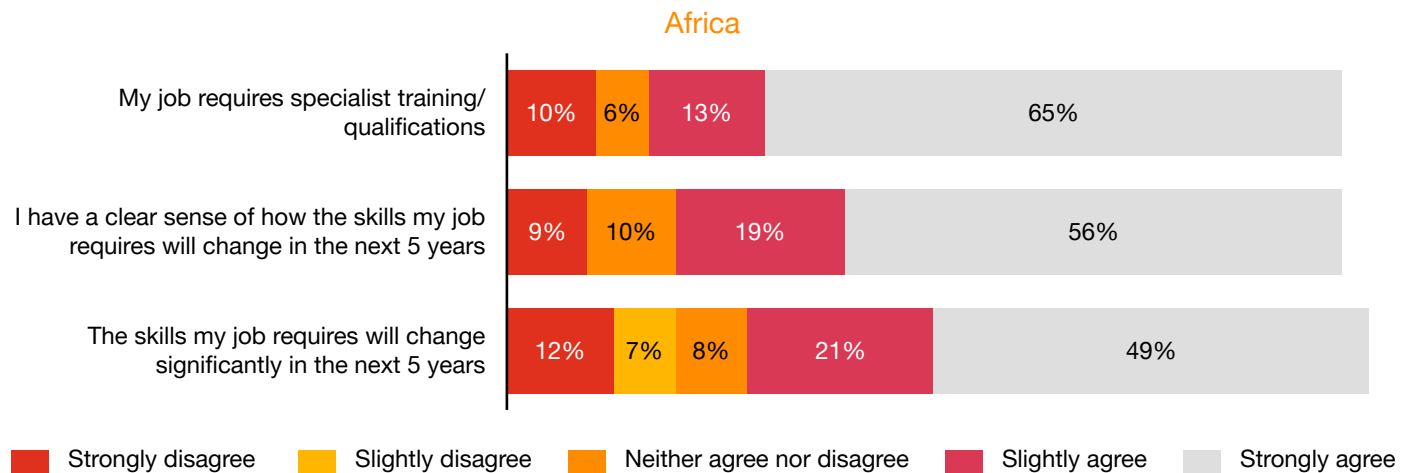




Upskilling urgency

The skills gap is growing and employees overall don't display a sense of urgency about upskilling...

Regarding your current role, to what extent do you agree or disagree with the following statements?



Honing into the healthcare industry, it is the highest scoring of all industries globally relating to the requirement of skills to perform their work. Healthcare staff also don't believe that their skills will change significantly in the near future. The EU&R industry is testing what would optimise productivity for employees. Employees want to see factors such as trust, care and flexibility to take priority through skills development programmes.

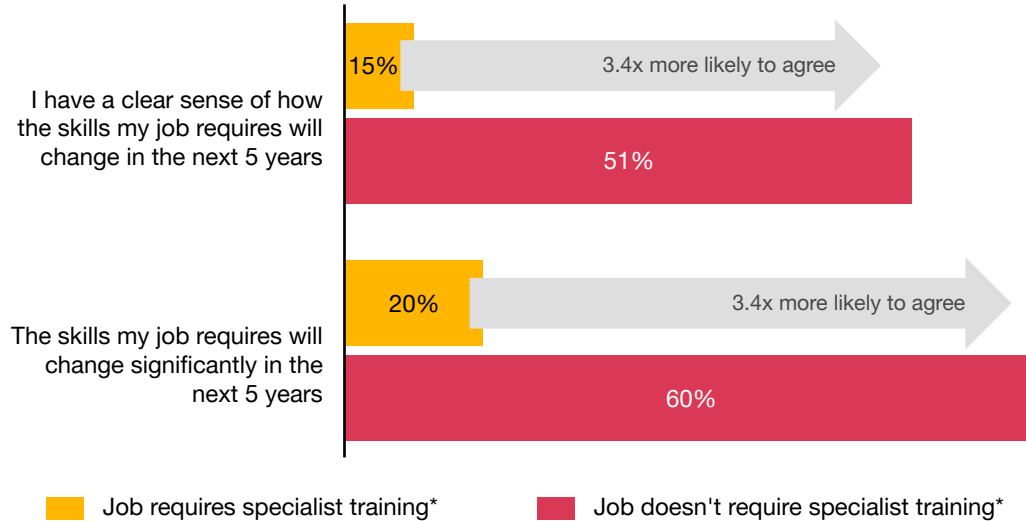
The current industry specific workforce is not reflective of multi-generational employees, who would ultimately contribute/ embrace differing and enabling skill sets. The public sector in Africa is reflective of an ageing workforce, with deep institutional knowledge, however, the majority of which are resistant to change and digital adoption. This generation is more often than not the decision makers within the industry and is a critical factor that impedes the rapid and agile transformation required to drive the industry forward.

Specialist skills

...but employees with specialist skills are more ready for reinvention, recognizing the need for upskilling and understanding how

Regarding your current role, to what extent do you agree or disagree with the following statements?

(Showing only “moderately agree” and “strongly agree” responses)



Compared to other industries, employees in consumer markets (a consumer market is a market where individuals purchase products or services for their own personal use) in Africa believe that skills such as digital, analytical, critical thinking, adaptability and specialist technical skills, are not as important within the consumer market context in the next five years as with other industries. In addition to this, these employees are less confident that their employer will provide them with tools/resources/opportunities to build or apply these skills. Consumer market employees believe that their current job does not require any specialist training/qualification, which is significantly less than in other industries.

Victory in diversifying telecommunication businesses into technology powerhouses will require a monumental engineering effort with human experience at the centre, fuelled by innovation and agility; enabled by the latest technology. Skills and capabilities in the context of the workforce might just be the biggest challenge facing telecommunications companies (Telcos) as they embark on this transformation.

“How important will the following skills be to your career in the next five years?”
(Showing only “very important” and “extremely important” responses)

Skills	Africa respondents	Global respondents
Being adaptable/flexible	84%	72%
Critical thinking skill	82%	68%
Collaborative skills	81%	68%
Leadership skills	83%	63%
Analytical/data skills	73%	58%

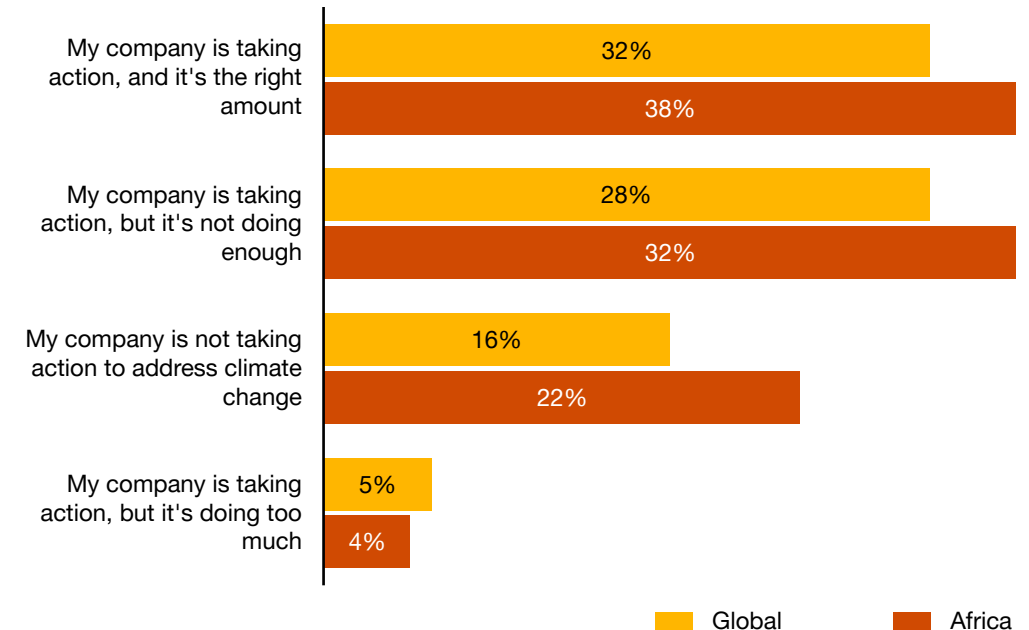
Today, employees look to the organisations they work for and buy from to help them positively contribute to society. Responsible growth is the key. That means caring for your people, communities, customers and the environment. Organisations are facing questions about how they’re meeting society’s needs – and how their influence extends even further to those that are most vulnerable within them. When employees make important decisions, they favour organisations and brands they believe in.

Climate change

Almost a third of employees do not think their companies are doing enough to combat climate change.

Which statement best describes the action your company is taking to address climate change?

Sustainability considerations are increasingly important, as companies seek to reduce



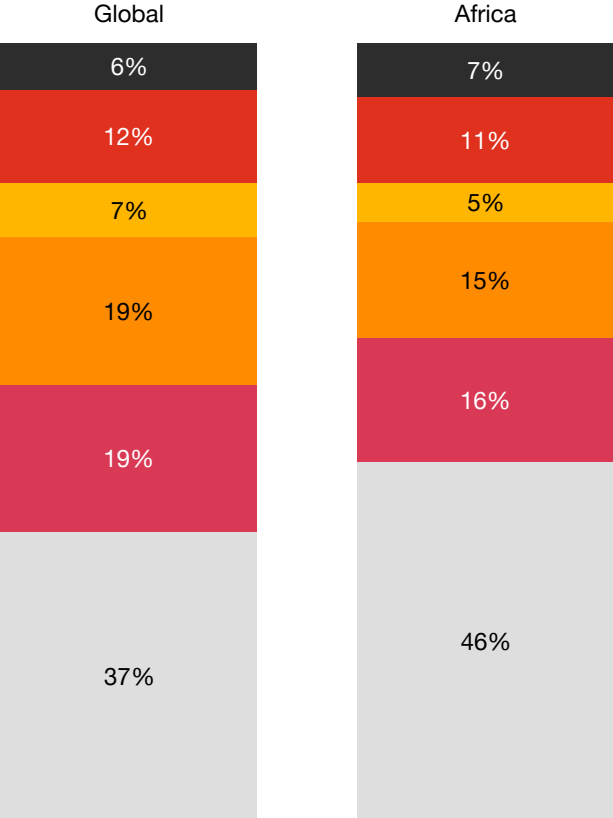
their environmental footprint and improve their social impact. Developing green skills among employees is crucial to achieving these goals and creating a sustainable future. From an industry lens the global industrial manufacturing sector understands the importance of upskilling their employees on the importance of green skills (42%) however, South Africa has some way to go with only 24% seeing it as an important skill and with less confidence than other skills mentioned that employers will provide these skills.

Within the healthcare sector, it is the lowest scoring industry for both questions. They seem not to agree that the employer has a responsibility, and companies are also not taking action or action at scale. This is concerning considering the social determinants of health.

Climate change

Nearly 2 out of 5 employees agree that their company has a responsibility to take action to address climate change

To what extent do you agree or disagree that your employer has a responsibility to take action to address climate change?

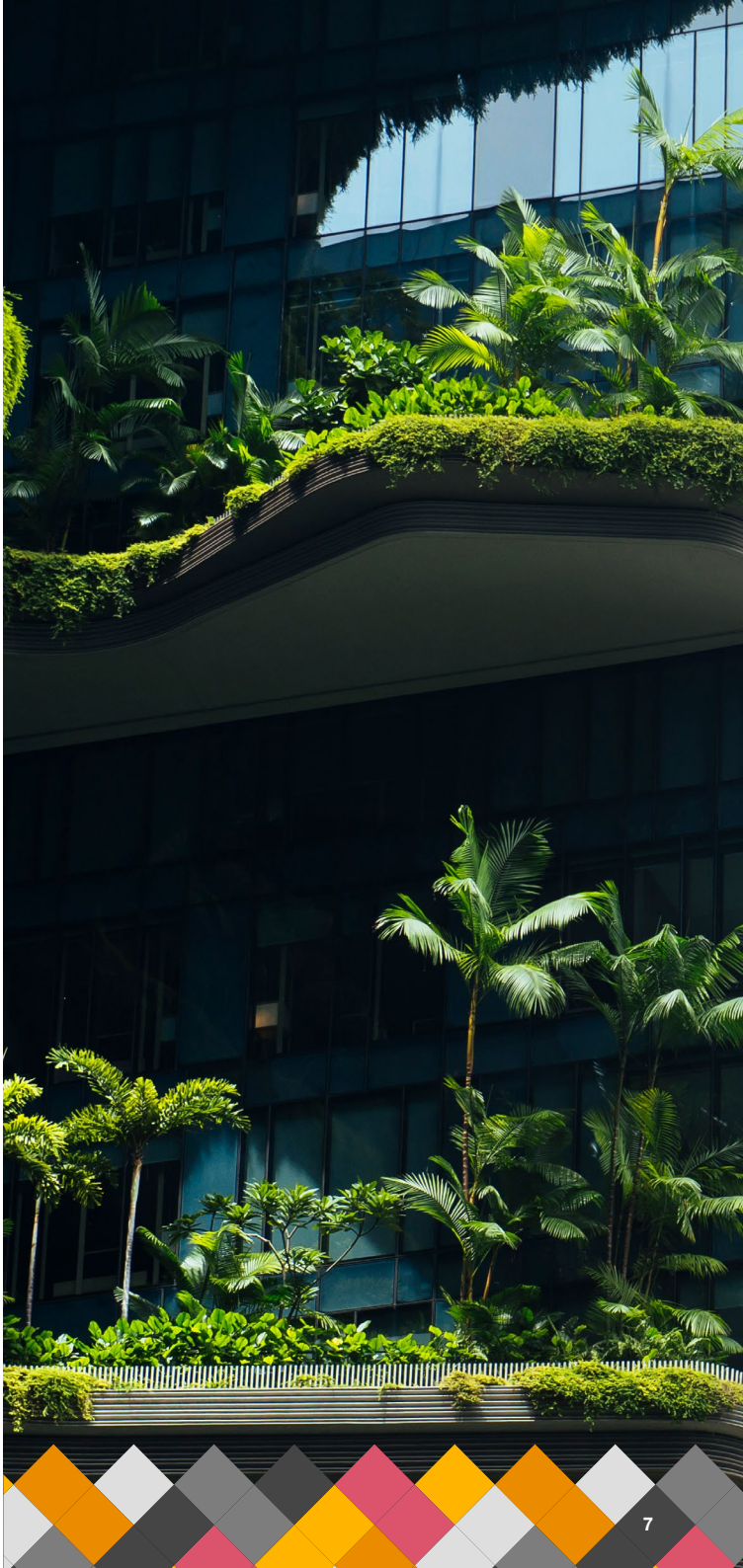


Education
 Postgrads (45%) and university grads (41%) are significantly more likely to agree than employees with other education levels.

Management level
 Management is significantly more likely to agree than non-management (45% vs. 31%).

Industry
 EUR (44%) is significantly more likely to agree, whereas Gov/PS (35%) and Health (31%) are significantly less likely.

Don't know
 Strongly + moderately disagree
 Slightly disagree
 Neither agree nor disagree
 Slightly agree
 Strongly + moderately agree



2. Make your culture a catalyst for change enabling employees to thrive

Change is coming!

In a dynamic changing reinvention business landscape, adaptability is key. 84% of the workforce in Africa believe that being adaptable and flexible is the most important skill for their career in the next five years.

Organisations' values have evolved alongside their talent and technology transformations, demanding from us a shift in our mindsets, behaviours, how we show up, the way we interact with others and in how we learn and how we are measured. Talent is an asset, not a cost.

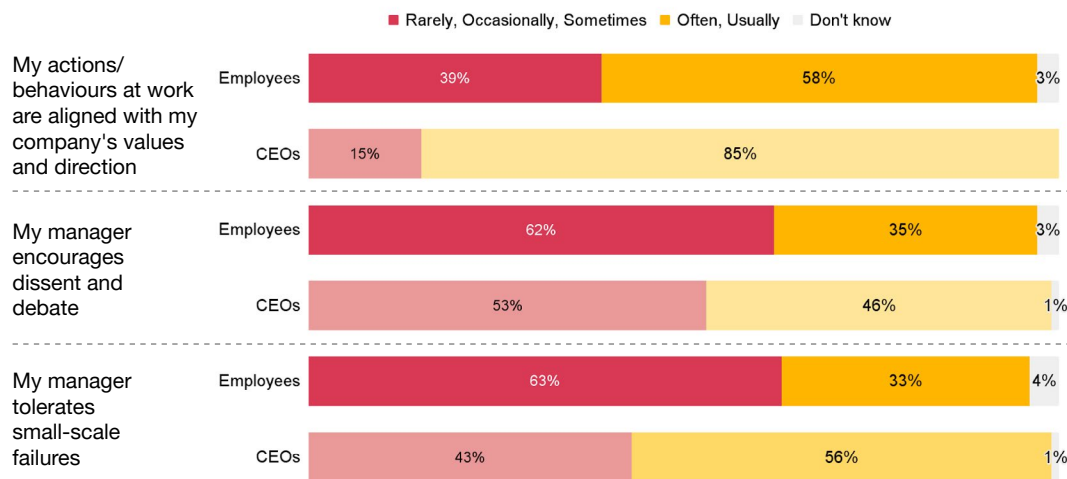
Understanding and working with your culture — knowing what people need and value, how they interact and what motivates them is vital to the long-term success of your business reinvention efforts. Culture isn't something you can change overnight, nor is it something you can achieve through a formal programme with a start and end date. It is, however, something you can shape, align, and steer over time, and you can start today by focusing on a few critical elements.

Most leaders recognise that their people are the company's best source of energy, ideas and innovation. Yet our findings suggest that many companies discourage people from experimenting, debating ideas or disagreeing with the status quo—critical actions for innovation and employee engagement, not to mention corporate reinvention. And the problem is far worse than CEOs think².

Employee vs CEO disconnect

Globally there is a disconnect between CEOs and employees in terms of key facets of company culture.

For each of the statements below, please indicate how frequently they occur.



Generation
Baby Boomer (63%) significantly more likely to be aligned than Gen Z (55%)

Financial situation
Able to pay all bills (67%) significantly more likely to be aligned than struggling to pay (51%) and cannot pay bills (46%)

Within the public sector in Africa, there is often a disconnect between the perception or experience of the organisational culture between the leadership and employees. Where there is alignment, job satisfaction, low staff turnover and efficient service is evidenced. The converse holds true for the misalignment, which is often characterised by low morale and poor service delivery.

Like many evolutions during our history, the employee has evolved through the ages. From experiencing the well-being age to the digital age, current employees across industries are now in the personalised age of employment. 50% of financial services employees in Africa's workforce felt rewarded fairly and had the autonomy to deliver their work. There has been an increased demand for employers to create a culture and working environment to accommodate personalisation. This challenges the traditional views on employee value propositions which include reward, career growth and flexibility in ways of work.

A disconnect exists between employees globally and CEOs globally

- Nearly half of Gen Z employees believe their employers will not survive for more than a decade without reinventing.
- Close to 40% of employees say their actions don't often align with their company's values and direction, compared to CEOs' perception that only 15% of employees are misaligned.
- Employees also see their managers as less tolerant of small-scale failures (35%) and of debate and dissent (33%) than CEOs' perceptions of company leaders (46% and 56%, respectively).

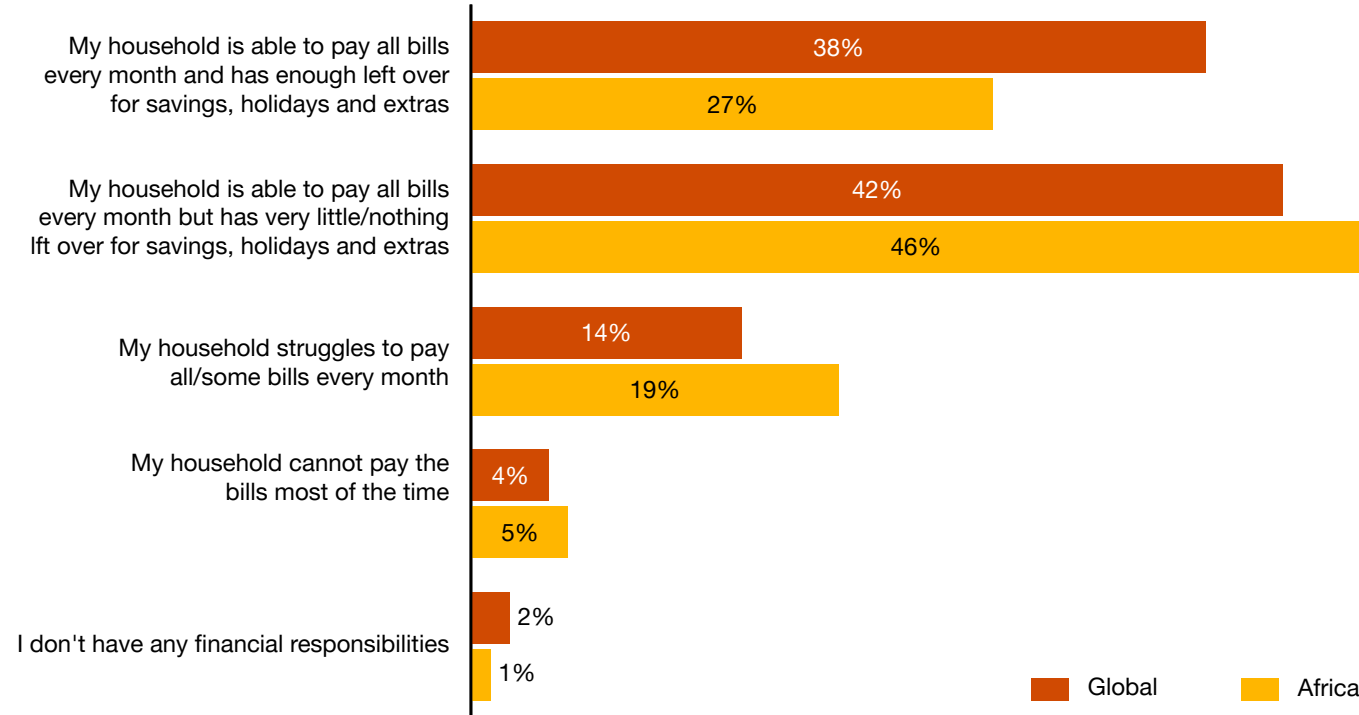
3. Understand how the cost-of-living crisis is sapping your people

Given the weak outlook for job growth in 2023-2024, the rising cost of living, elevated interest rates, and the decline in buying power over the past year, it is not unexpected that the workforce in Africa is downbeat about their personal financial outlook. Increased cost of living has substantially impacted affordability and financial well-being of employees has profound impacts across employees in all sectors.

Employee vs CEO disconnect

There is a disconnect between CEOs and employees in terms of key facets of company culture.

For each of the statements below, please indicate how frequently they occur.



Unfortunately the impacts of cost of living are having repercussions on the overall level of job satisfaction of the workforce as well as what workers want. This has an impact on business reinvention as well as organisations ability to carry out their strategy.

Across Africa, job satisfaction is similar to last year (55%), but employees' likelihood of making changes to their working situation has increased

- Employees are more likely to ask for a pay raise (55% vs. 21% in 2022)
- Employees are more likely to ask for a promotion (52% vs. 19% in 2022)
- Employees are more likely to change employers (37% vs. 16%) in 2022)

The workforce is becoming more demanding and the ripple effects of the great resignation are still at the forefront of all employers' minds: 37% (compared to 16% last year) of Africa's workforce are likely to change employers in the next year. The workforce are seeking opportunities that resonate with their personal purpose, embracing the concept of entrepreneurship, exploring opportunities that contribute directly to societal purpose and looking for job opportunities that would at times pay higher and satisfy their individual needs through a holistic work experience.

4. Nurture employee interest in AI

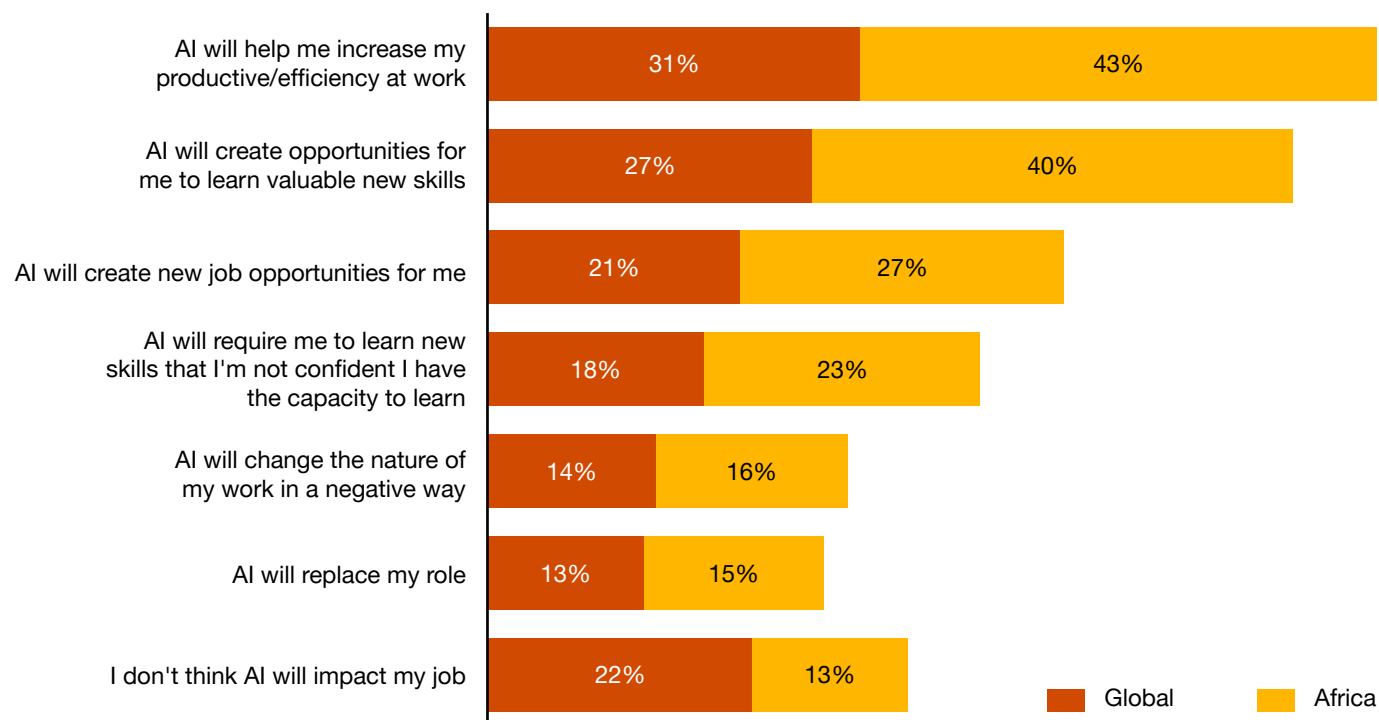
As the future of work becomes ever more digitised, organisations will have new opportunities to make a commitment to their employees' success. These investments will pay off in the short run in a more energised business. And in the long run, they will also give employers a strong competitive advantage with their employees, customers and the community at large. The potential threat of replacing humans with technology would exacerbate an already serious issue.

However, the workforce in Africa are more optimistic than their global counterparts – 43% believe that artificial intelligence (AI) will help increase productivity and efficiency at work compared to 31% of the global average.

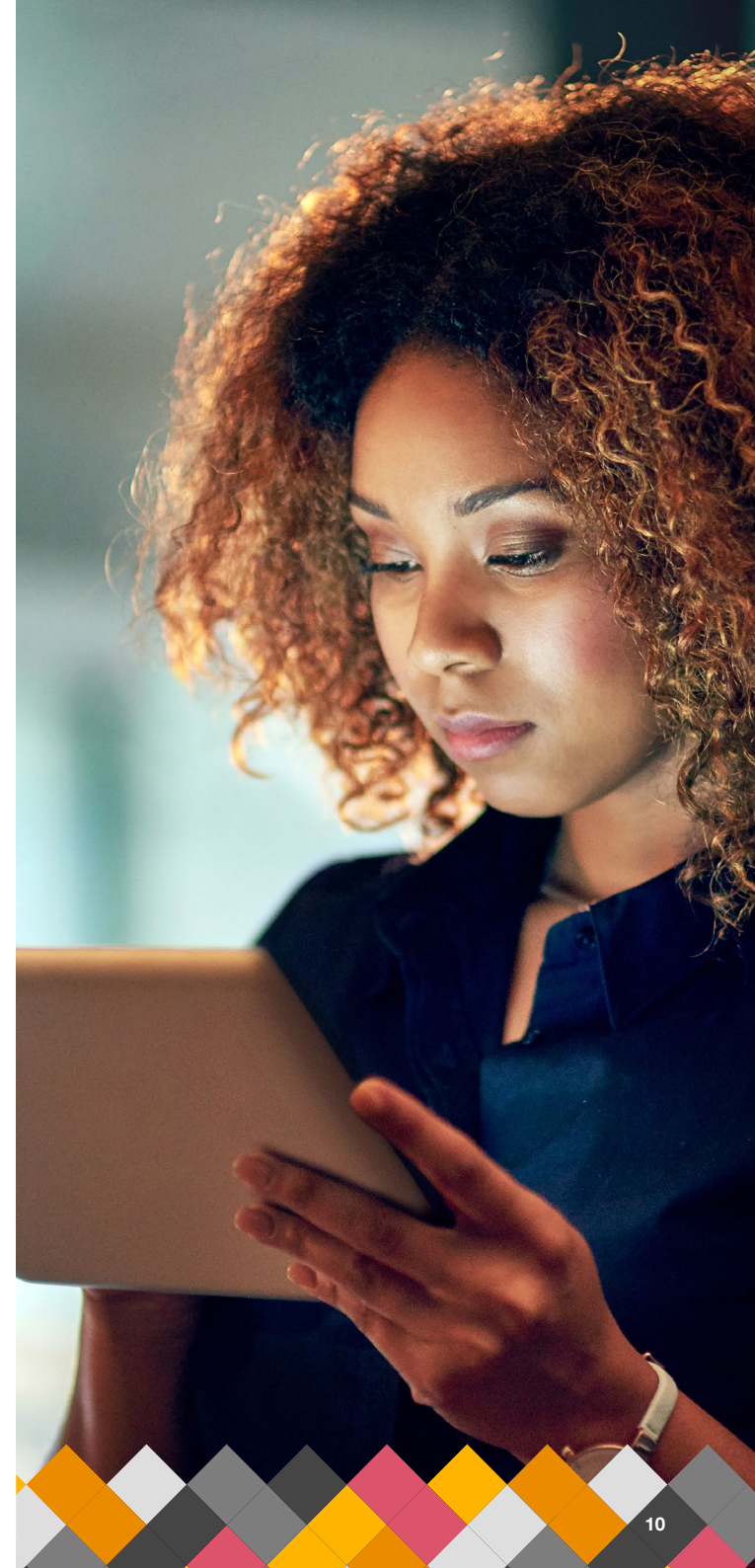
Future skills

Employees foresee AI having mostly positive impacts on their jobs, with nearly a third viewing it as an opportunity to learn new skills.

What impact, if any, do you expect artificial intelligence (AI) to have on your career in the next five years?



The future-proofing of an organisation's workforce includes a variety of fast-track developmental efforts. For example, enabling employees who are motivated to further accelerate their skills to do so by offering them a 'career pivot' to become what is termed a 'digital accelerator'. Accelerators rapidly deepen their skills in digital specialties such as data, automation, AI, and digital storytelling by learning a variety of self-service tools and coding languages and applying these skills across the business. Key to this is building a community among accelerators and empowering them to self-organise in ways that amplify their successes. Staying connected, working together, and sharing learnings can elevate the entire organisation.



Future skills

Consumer Markets, Government/Public Sector and Healthcare employees anticipate the least impact on their careers from AI

What impact, if any, do you expect artificial intelligence (AI) to have on your career in the next five years?

	AI will help me increase my productivity/efficiency at work	AI will create opportunities for me to learn valuable new skills	AI will create new job opportunities for me	AI will require me to learn new skills that I'm not confident I have the capacity to learn	AI will change the nature of my work in a negative way	AI will replace my role	I don't think AI will impact my job	AI will impact my job in other ways not listed
Global	31%	27%	21%	18%	14%	13%	22%	11%
IM&A	40%	37%	30%	24%	18%	16%	11%	14%
FS	37%	33%	26%	23%	18%	17%	12%	12%
EUR	33%	29%	22%	19%	14%	13%	20%	11%
TMT	32%	27%	22%	19%	14%	13%	19%	10%
CM	28%	25%	16%	16%	12%	9%	27%	12%
Gov/PS	27%	23%	18%	16%	13%	13%	25%	10%
Health	24%	21%	14%	13%	11%	9%	31%	9%



Conclusion:

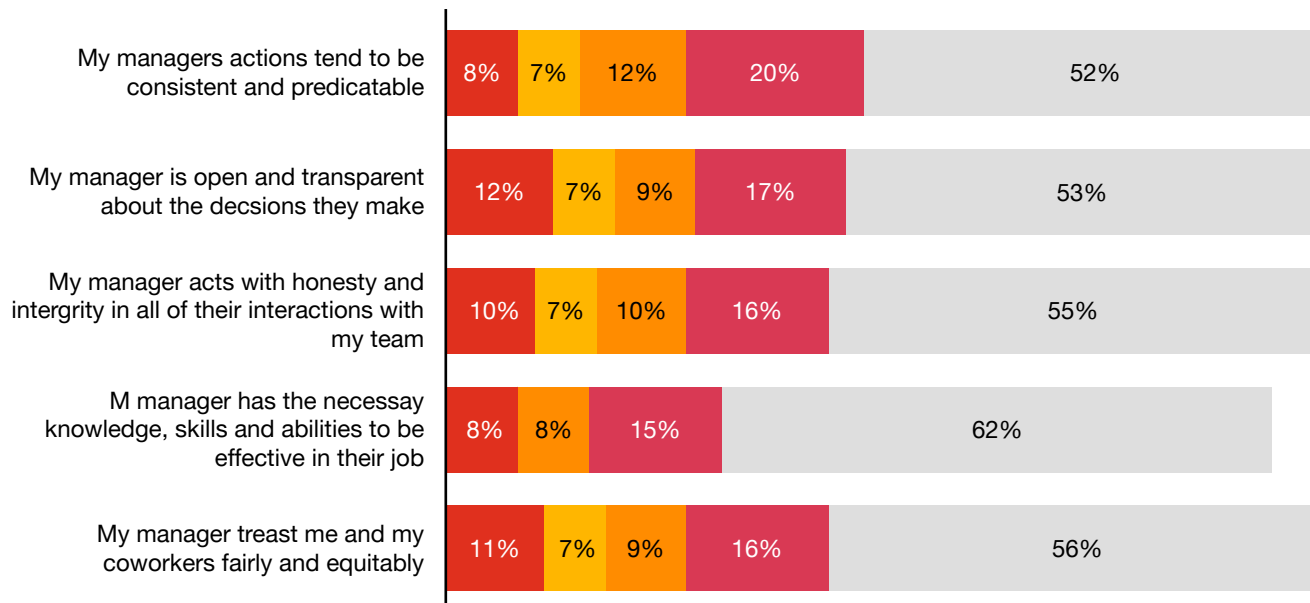
The best leaders operate on multiple timelines—managing short-term disruptions while looking to the future. Nowhere is this challenge more acute than when it comes to understanding how an organisations people fit into its reinvention plans. Employees to be central to these efforts through upskilling, cultural change programmes and embracing the future world of work. Organisations can't transform for the future without a clear sense of where their employees are today—and where they could be tomorrow. Committing to helping them get there is the first step in building a reinvention-ready workforce³.

Future skills

Overall, employees responded similarly to five statements representing trust with their managers.

To what extent do you agree with the following statements about your manager?

Africa



Strongly disagree Slightly disagree Neither agree nor disagree Slightly agree Strongly agree

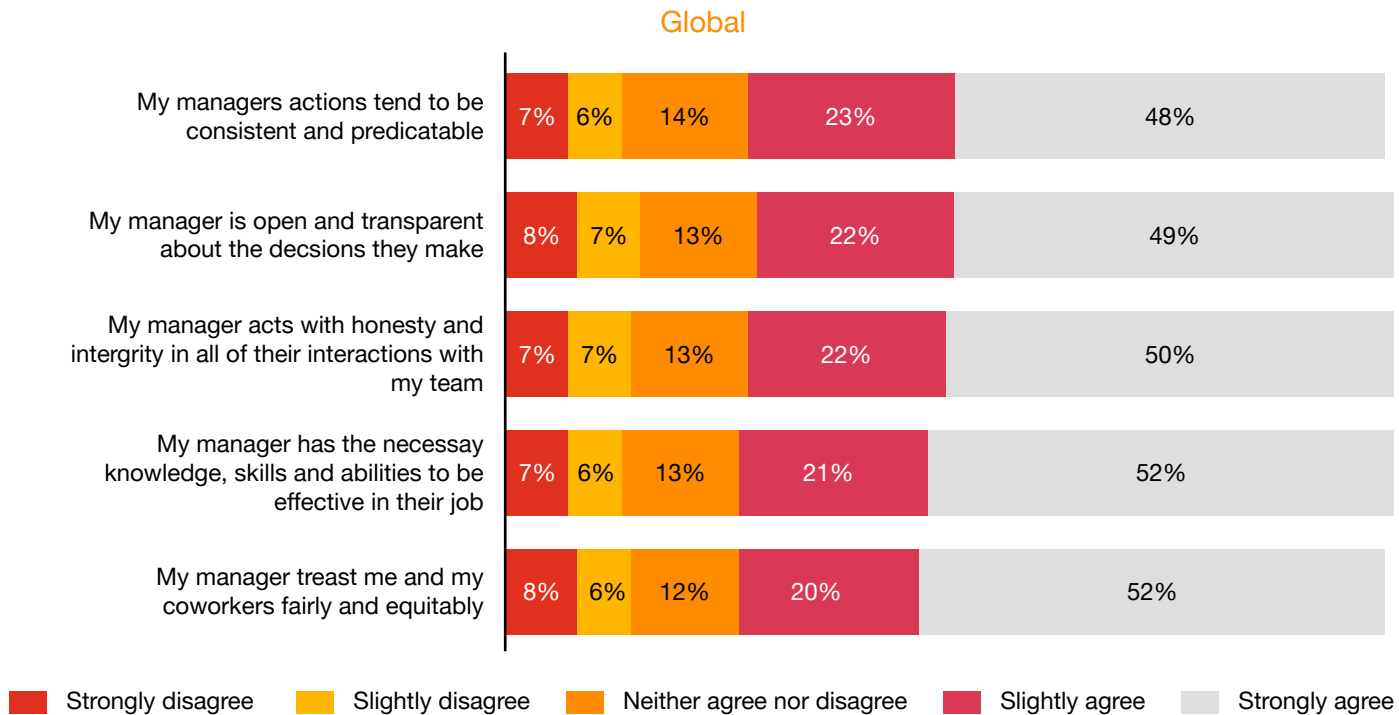




Future skills

Overall, employees responded similarly to five statements representing trust with their managers.

To what extent do you agree with the following statements about your manager?



Trusted leadership is needed now more than ever. To rise to the challenge of business reinvention, it will take both a personal commitment from leaders and the workforce and organisational action at scale. It will take collaboration and debate. It will take fresh insights and ambitious thinking. Together, the workforce and business leaders can drive trust and better outcomes in business and society in Africa.

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