

## **SPECIFICATIONS 3: TOPIC: ALIGNMENT OF SSP FRAMEWORKS WITH THE INDUSTRY'S FUTURE SKILLS NEEDS IN PREPARATION FOR THE FOURTH INDUSTRIAL REVOLUTION (4IR)**

### **1. BACKGROUND AND CONTEXT**

The fourth industrial revolution (4IR) is characterized by the convergence of digital, physical and biological technologies, such as artificial intelligence, robotics, biotechnology and the Internet of things. These technologies have the potential to transform the service sector. However, to harness the benefits of 4IR, the service sector needs to adapt its skills and training strategies to meet the changing demands of customers, markets and society.

This project examines the skills and training implications of 4IR for the service sector, focusing on three key aspects-

- The impact of 4IR on the nature and quality of service jobs: 4IR may create new service occupations and tasks and change the existing ones. For example, 4IR may increase the demand for high-skilled service workers who can use and manage advanced technologies, such as data analysts, software developers and digital marketers. On the other hand, 4IR may also automate or outsource some low-skilled or routine service tasks, such as data entry, customer service and accounting. Therefore, 4IR may affect service workers' skill requirements, wages and working conditions in different ways.
- The skills gaps and mismatches that may arise from 4IR:
- 4IR may create skills gaps and mismatches in the service sector, as the supply of skills may not match the demand for skills. For example, 4IR may require service workers to have higher levels of digital literacy, problem-solving, creativity and communication skills, as well as cross-functional and interdisciplinary knowledge. However, many service workers may lack these skills or have outdated or irrelevant skills. Therefore, 4IR may create a need for reskilling and upskilling service workers to bridge the skills gaps and mismatches.
- The best practices and policies for developing and upgrading the skills of service workers in the context of 4IR: 4IR may require a comprehensive and coordinated approach to skills development and training in the service sector, involving multiple stakeholders such as employers, workers, educators, trainers and policymakers

## **2. PROBLEM STATEMENT**

Many companies that fall under the Services SETA are SMMEs, and these are key contributors to the economy and employment creators; at the back of the COVID-19 pandemic, most of these SMMEs understand more than even the importance of staying abreast of change in innovation and technology in order to remain viable businesses. Understanding the key skills and training needs of the services sector in response to the continuously changing waves of innovation, artificial intelligence, and digitization is important in preparing for the future of the services sector.

For this reason, the Services SETA has embarked on this research to ascertain the extent to which the services sector is aligned with the 4IR.

## **3. RESEARCH OBJECTIVES**

The key objectives of this research are outlined below:

- To investigate and examine the skills and training needs implications to the service sector in response to the Fourth Industrial Revolution (4IR).
- To understand the current skills and training needs in the service sector.
- To develop a strategy for skills development and training in the service sector that aligns with the goals and challenges of 4IR.

## **4. COMPETENCY AND EXPERTISE REQUIREMENTS**

The successful bidder must have the following competencies:

- Have proven capacity to undertake a large-scale research project of this nature and to complete the project by the due date.
- Understanding of the research and the specifications (background to the research, rationale, purpose, objectives).
- Approach, design and methodology for the research (e.g., literature and documentation review, data collection tools, sample, suggestions for elaboration or changes to scope and methodology as outlined in the project specifications, examples of research questions suggested, process elements).
- Must demonstrate an understanding of SETA, and the service sector as a whole and have experience undertaking 4IR research.

- Provide an overview of the key personnel to be used on the contract. Provision of curriculum vitae of the team responsible for this project.
- The ability to implement the project in a cost-effective way.
- Demonstrate the capabilities through a detailed proposal and project plan as guided by this Terms of Reference (TOR).

## **5. DELIVERABLES**

The deliverables entail the following:

- Desktop review
- Research instruments
- Data analysis / raw data
- Draft report
- Final report covering:
- Actionable recommendation of the framework update/ improvement
- Detailed recommendations on the improvement of the SSP framework methodology for more accurate skills needs understanding.

## **6. DURATION**

In line with the project implementation plan.