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Jobs and Skills: the case for codifying your organisation's skills architecture, not just its job architecture

Many organisations know far more about the jobs people occupy than the skills people actually have. Hidden skills often sit unnoticed, opportunities flow through familiar networks, and workforce decisions are made using signals that are convenient, but incomplete. A skills-based organisation promises an exciting alternative: a way to see people for what they can do, not only for the jobs they have held, the qualifications they can list, or the titles they currently carry.

Beneath the excitement, however, sits a quiet, complicated reality: for many leaders, managers, and employees, the idea of becoming "skills-based" feels vague, administratively complex, and potentially difficult to govern fairly. Most organisations have been organised around jobs for decades. Jobs define reporting lines, pay structures, workforce plans, learning paths, recruitment processes, performance conversations, succession pools and promotion criteria.

The good news is that **a skills-based organisation is not one that has no jobs.**

The shift to skills-based organisations simply means moving away from jobs as the only decision-making unit for work and workforce, towards skills as an additional, more granular way of understanding what the work requires and what the workforce can contribute. Skills become a common language for growth, work and talent decisions, shifting the decision lens from jobs, titles and qualifications to skills, evidence and individual potential.

The question is not whether jobs disappear tomorrow (they will not). **The more useful questions are: Where are jobs too blunt an instrument for the decisions we need to make? Where would skills provide a clearer and more future-focused basis for action?**

Why your organisation's skills architecture matters now more than ever

Several powerful trends are accelerating the need for workforce reskilling and capability building. AI, automation and digitisation are driving shifts in future skill requirements, not only because organisations need the skills to deliver their technology transformation agendas, but also because jobs are changing as routine tasks are automated and demand grows for higher-value human work.

The skills needed to develop, deploy and effectively use AI and automation are growing faster than the external labour market can supply them. Relying on recruitment alone therefore redistributes scarce talent between organisations rather than expanding the overall skills pool, driving salary inflation and persistent turnover. Organisations must complement selective hiring with deliberate internal upskilling and reskilling to build a sustainable pipeline of capability at the scale required.

At the same time, flatter organisation structures offer fewer traditional promotion opportunities. A skills architecture provides a more useful basis for identifying lateral and adjacent career paths by showing how the skills people already have can transfer into different work. For the business, this creates a way to build emerging capability from within. For employees, it makes internal opportunities more visible and development more specific, particularly as established jobs change or disappear.

Codifying the organisation's skills therefore creates value on both sides: it gives the business a clearer view of the capability it can mobilise and gives people a clearer view of where they can grow.

What is a skills-based organisation?

A skills-based organisation uses skills as a core input into decisions about work, people, learning and talent movement. It adds a more precise layer of information to the traditional structures of job architecture, roles and organisational context, so that decisions are based on better evidence of what people can do, what the work requires and where skills gaps exist.

In practical terms, this means moving from questions such as:

- "Who has this job title?"
- "Who does the manager already know?"
- "Who has the right qualification or tenure?"

towards questions such as:

- "What skills are actually required for this work?"
- "Who has demonstrated these skills, and at what level?"
- "Who has adjacent skills and could develop into the work?"

The shift is ultimately about how decisions are made: it is a move towards understanding organisational capability through a common catalogue of skills and supporting individuals to grow through vertical and, increasingly, adjacent career paths based on the skills they have today and those they build over time.

What a skills-based organisation is not

One of the reasons the concept creates anxiety is that people often misunderstand what it means. As noted earlier, a skills-based organisation is not one that has eliminated jobs or the structures around them. It is not a free-for-all where levels, expertise, hierarchy or accountability disappear.

Skills data should not replace organisation design.
Structure still matters. Accountability for outcomes, governance, resourcing, risk and decision rights is still required.

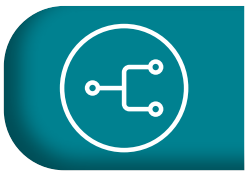
Skills data should not replace roles.
Roles still provide clarity, especially for accountability, capacity planning, compliance and pay.

Skills data should not become a surveillance tool.
Employees need transparency about how their skills data is collected, inferred, validated and used.

Why the alternative to skills-based decisions is not neutral

The alternative to skills-based decision-making is not neutral. It often relies on job titles, manager memory, prior exposure, credentials, tenure, availability and informal sponsorship. While these signals may be useful, they are often imperfect proxies that can hide abilities, reinforce familiar patterns and make it difficult to explain why one decision was better than another.

Skills-based decisions introduce greater transparency and evidence, enabling better-quality judgement. They do not remove judgement; instead, they make it less dependent on memory, proximity and assumption.



For the work, skills-based decisions make work more visible.
Skills-based decisions help organisations move from broad role labels to a clearer view of the tasks, skills, capabilities and judgement the work actually requires. This matters particularly now that work is changing faster than job descriptions can keep up. A skills lens helps leaders ask better questions: which skills are critical, which are becoming scarce, which can be built, which can be automated and which still require human judgement?



For the organisation, skills-based decisions improve workforce strategy.
Skills-based decisions give leaders a more useful view of organisational capability than headcount, structure or job architecture alone. The organisation can see where critical skills exist, where skills are concentrated in too few people, where gaps are emerging and where investment should be directed. This improves decisions about learning, hiring, automation, redeployment, outsourcing and the future shape of the workforce, turning workforce planning from a headcount exercise into a skills conversation.



For people, skills-based decisions can widen what the organisation sees.
Organisations often see only the roles people hold and the opportunities they have already been given, rather than the full range of capabilities they could contribute. A skills-based approach can surface capability that sits outside formal job descriptions, including skills gained through projects, adjacent experiences, learning, volunteering, previous careers or personal initiative. It can also make development conversations more intentional by showing which skills are needed next, not only which role someone should aspire to. The goal is not to reduce people to skills; the goal is to stop reducing people to job titles.

AI is the catalyst that makes skills-based organisations both more necessary and more achievable

AI makes skills-based organisations more achievable, while simultaneously making them more necessary.

Since late 2022, generative AI has moved from a specialist technology to an everyday workplace tool, accelerating changes in work itself. Static job descriptions are increasingly insufficient as a basis for workforce decisions because the tasks within jobs are changing faster than many role profiles can be updated.

AI changes the equation because it affects both sides of the skills conversation.

- On the demand side, AI is reshaping work. It changes which tasks are automated, which are augmented, and which forms of human judgement become more valuable.
- On the supply side, AI can help organisations see skills with greater speed and granularity by identifying patterns across work outputs, learning history, project experience, credentials and career movement.

This does not make skills data perfect, but it can make skills visibility more dynamic than a once-off assessment or a static job description.

The real opportunity is not to let AI make talent decisions. It is to use AI to improve the evidence available to leaders, managers and employees. AI can help suggest skills, identify adjacencies, highlight emerging gaps, recommend learning pathways or match people to opportunities. Decisions about readiness, selection, development and movement, however, should remain with accountable humans who can consider context, aspiration, performance, equity and business need.

This is also where trust matters. If AI is used to infer skills, employees should understand what data is being used, what is being inferred, how confidence is determined, and how they can correct or add to their skills profile. Without transparency, AI-enabled skills systems may feel like surveillance. With transparency, they can become a practical way for people to make their capabilities visible and access opportunities they may not otherwise have seen.

Used responsibly, AI can help people, managers and leaders see skills more clearly, discuss opportunity more specifically, and make workforce decisions with greater evidence and care.



Where to start

Codifying an organisation's skills landscape into a coherent skills architecture is a structured journey. The sequence below provides a practical roadmap from the existing job and skills landscape to an architecture that can support workforce planning, development and talent mobility.

1. Confirm the ambition, scope and design principles. Define the workforce decisions the architecture must enable, the job families or markets in scope, and the principles that will govern consistency, transparency, mobility and local flexibility.
2. Identify whether existing job architecture and level differentiators need to be further simplified or rationalised, to enable a coherent structural baseline.
3. Define level differentiators. Set clear descriptors for each organisational level, reflecting increasing complexity, scope, accountability and impact, so that roles can be compared consistently.
4. Refresh or develop the skills catalogue. Validate existing skills, add missing and emerging skills, remove overlaps, group related skills and identify transferable skills to establish a common organisational language.
5. Define proficiency levels. Specify what increasing mastery looks like for each skill so that requirements can be applied consistently across roles and levels.
6. Map skills and required proficiencies to roles. Assign the relevant skills and expected proficiency levels to each role, to create a role–skills–proficiency catalogue that makes work requirements explicit.
7. Establish movement logic. Codify the rules for vertical, lateral and diagonal movement between roles, including where targeted development is required.
8. Operationalise, govern and continuously refine. Translate the architecture into career pathways and integrate it into recruitment, learning, performance, succession and internal mobility; enable access through appropriate technology; establish ownership and movement rules; and continually refresh the architecture as work and skills evolve.

Start small, build deliberately

This may seem like a significant undertaking, but it does not need to begin with an organisation-wide rollout. You can start with one or two focused pilots: a priority job family, a critical capability area, or a specific workforce challenge such as internal mobility, succession or reskilling. A pilot allows the organisation to apply the architecture to real decisions, establish practical governance and build familiarity before expanding in deliberate stages.

Our point of view is clear: codifying organisational capability through a coherent skills architecture adds value by making capability, gaps, adjacencies and development priorities more visible and actionable. Starting small is not about testing whether skills architecture is worthwhile; it is a pragmatic way to begin realising value while building the conditions required for scale.

Leadership responsibility: leading the change

Becoming skills-based is a leadership-led change, enabled by HR processes and technology.
Leaders must align on:

- why the skills architecture matters,
- which workforce decisions it will inform, and
- the behaviours and accountabilities required to make it real.

Their role is not limited to approving the design: they must visibly sponsor its use, challenge talent decisions that rely only on titles or informal networks, and create the conditions for managers and employees to adopt a more transparent, evidence-based approach to development and mobility.

Change management should be embedded in the leadership agenda from the outset. This establishes clear ownership and governance, transparent rules for how skills data will be collected and used, practical support for managers, meaningful communication with employees, and feedback mechanisms that build trust and improve the approach over time. These commitments must develop alongside the technical architecture so that the organisation is equipped not only to describe skills, but to use them consistently in recruitment, learning, performance, succession and internal mobility.

Ultimately, the success of a skills architecture depends on leaders treating adoption as part of the transformation, rather than work that needs to be delegated after the design is complete. When leaders model the new decision principles, reinforce them through governance and people processes, and remain accountable for adoption, change management becomes the bridge between a well-designed architecture and a genuinely skills-based organisation.



Anna Retief
Senior Manager
Deloitte Africa



Gill Hofmeyr
Partner
Deloitte Africa

Deloitte.

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