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Research Article

Challenges faced by organizations in the process of green transition

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Abstract

Climate played a huge role in every change in the historical course of planet Earth. Even today, it is a topic that inspires experts to think and undertake initiatives for sustainable development based on the principles of green transition. However, in conditions where 99% of European businesses are micro, small and medium, it is clear that the progression of European countries towards the goal of green transition will only be through strategic planning in which "green" goals are incorporated.
The transformation of micro, small and medium-sized businesses in the future period is imperative. It is becoming a strategic imperative for businessmen who want to advance in the global landscape, which is rapidly developing in a green direction. The transition to a green economy, despite the fact that it is costly, slow and will cause many "victims", provides significant opportunities for businessmen to strengthen their competitiveness.
However, it should not be forgotten that parallel to setting green strategic goals, every organization should provide strong internal capacities for the implementation of large-scale changes resulting from green transitions. The transformation should be in the spirit of smart transition, which will enable a balance between what the company wants to achieve and the skills possessed by human resources.

Keywords: challenge, green transition, changes, green jobs.

1. Introduction

In order to remain competitive at the regional and international level, organizations need to deal with the changes resulting from the green transition as soon as possible. The circumstances on terrain are different. Some large companies have already accepted the external drives of change and market signals, and have proceeded towards incorporating green goals into their strategic plans. Some of the micro, small

and medium-sized organizations partially accepted the changes and mainly focused on taking the opportunities for the production of their own electricity with solar photovoltaic cells. However, there is a significant part of organizations that still need to fully accept the change and overcome the concept that "there is still time" for the green transition.

The path to the green transition is difficult and full of challenges. It is not a short-term trend, nor a new ethical business model; it is a way of thinking, a way in which the organization ensures better visibility and image among clients and stakeholders. On this path, the organization discovers many innovative solutions, identifies bottlenecks, opportunities for new investments, financial opportunities for implementation of green goals, builds internal capacities and ensures long-term profitability (Zenku and Dimovska, 2023).

The transition to a green economy, however, is not taking place at the same pace neither in all EU members, nor in the candidates for membership. Some of them apply the moderate transition scenario, and some follow the green scenario at an accelerated pace. In fact, every state has its own transitional dynamics, and every organization has its own flexibility to EU policies for modern economy, competitive and neutral in climate conditions until 2030.

One thing is clear, no organization will be exempted from the green transition, which will ensure broad participation of business subjects in these major changes, expressed through business practices and the green strategic goals of the organization. What will happen in the future remains to be seen.

The researches that are presented by the big companies are not so promising. Namely, of the larger companies that have plans for the green transition, less than 5% of them show credible indicators for the feasibility of their plans (Kuzmanova, 2023). Is this a worrying fact? Yes, it is. For this reason, each country should come up with its own strategy for supporting the green transition, that is, provide a suitable context, directions and regulatory security for encouraging these changes, regardless of the size of the organizations and their activities. In particular, efforts should be made to adopt changes from green transitions to MSMEs, considering that they generate more than 60% of greenhouse gas emissions (Kuzmanova, 2023) Just this data, makes the transformation of MSMEs mandatory and urgent.

Likewise, the healthy coordination among the public and private sector, non-governmental sector and relevant ministries, especially the Ministry of Environment and Physical Planning, as the major institution for activities associated to national strategies and plans related to climate change, is of inestimable importance (Landay & Ilieva, 2021).

2. **Challenges of the green transition**

Organizations today should take into account global trends in environmental protection, as well as national strategic guidelines for green transition and incorporate them into their strategic plans. The balanced scorecard, as a tool, offers opportunities in the planning process to pay attention to those areas that organizations often disregard,

focusing mostly on the financial perspective. Organizations need a workforce with new skills that are compatible with emerging technological changes. Organizations often discuss the question of whether strategic goals are set in accordance with the professional structure of their employees and the level of their skills, or in accordance with the guidelines for green transition and the projected guidelines for environmental protection.

Green jobs are a reality, but also a future that we cannot ignore. This concept in the Republic of North Macedonia needs to rapidly develop and upgrade, and young people need to receive the right direction in the process of their future professional orientation. Unfortunately, the terms green economy and green jobs in the Republic of North Macedonia are still insufficiently known and are not completely clear to a large number of citizens. The mystique and nebulosity that appears about green jobs largely makes it impossible to perceive their significance for the overall economic development of the country and inclusion in European and world trends.

In recent years, and in accordance with the Paris Climate Agreement, the Republic of North Macedonia, through appropriate national contributions, has committed to reducing carbon dioxide by 2030. The data presented in the Second Biennial Report on Climate Change, prepared by the Ministry of Environment and Physical Planning, in collaboration with a number of experts, confirm the findings that 6,200 green jobs would be created by 2035, of which 4,000 are in the sector of energy efficiency and buildings (Second Biennial Climate Change Report, 2017).

Projection modeling and analysis are based on three scenarios:

1. Reference scenario or scenario without measures (WOM);
2. Mitigation scenario or scenario with existing measures (WEM);
3. More ambitious mitigation scenario or scenario with additional measures (WAM);
4. Scenario with extended mitigation measures – e-WAM (introduced in the Third Biennial Climate Change Report);

In order to be more understandable and easier to communicate, these three scenarios are also named: Recipe for Survival, Recipe for Comfortable Life, and Special Recipe for Climate Champions.

Changes in this direction not only require a workforce with new skills, but are also quite expensive. For example, in order to implement the WAM scenario until 2035, it is necessary to invest an average of 1,191.5 million Euros per year. If investments from the private sector are excluded, the remaining investments total an average of 274.8 million Euros per year.

However, the projections, which were made after revising the data from the second two-year report and the dynamics that are happening in the field, increase this percentage even more. In the Third Biennial Report on Climate Change, the additional benefits of the measures/policies have been analyzed, in terms of their potential for creating green jobs. The maximum number of new green jobs according to the WEM scenario in 2030 is 5,309 green jobs, of which 61% are in the area of energy efficiency and the rest are in the field of renewable energy sources (RES). In the WAM scenario

the maximum number reaches 7,035 in 2030, while in the e-WAM scenario 9,895 in 2035. The number of green jobs in 2035 under the e-WAM scenario is almost double compared to the WEM scenario. In terms of gender equality in green jobs, projections show that at least 27% of the maximum number of jobs in 2035 will be filled by women (Third Annual Climate Change Report, 2020).

Based on the official data presented in the paper, there is no doubt that there is a need for retraining or training within the existing occupations. If green jobs are analyzed, it can be determined that they are at a higher level than the rest. Low-skilled occupations will usually need to adapt to new innovative work processes and an increase of the level of environmental awareness. The jobs that are the backbone of the transition to a green economy require professional skills and new soft skills. In this context, the definition of green skills, created by the United Nations Organization applies, according to which green skills consist of knowledge, abilities, values and attitudes needed to live, develop and support a sustainable and efficient society. The analysis of this definition leads us to the conclusion that there are two types of knowledge and skills. In the first group is the technical/professional knowledge that provides employees with knowledge of using green technologies and processes. While the second group includes the so-called transferable knowledge and skills that are aimed at and help organizations and individuals to make decisions that are directed towards protecting the environment, not only at the workplace but also in life in general. It is understood that the second group of skills and knowledge is also related to the attitudes of individuals towards environmental protection.

The analysis of green jobs in terms of their classification and identification starts from different approaches, from which the necessary knowledge and skills are derived. In general, the division of green jobs is based on whether the organizations produce products or services for the benefit of the green transition or are organizations that apply environmental protection mechanisms. In general, in both approaches, the way the products/services are delivered is also important, especially analyzing the jobs that are directly involved in those processes.

Defining green jobs in terms of their content, and in order to avoid ambiguities, resulted in their nuance. In that sense is the example of Kate Crowley, who divides green jobs into three categories: dark green, medium green and light green (Crowley, 1999). The table below shows some of the specifics for each type of green workplace.

Table 1: Typology of green jobs

	Dark green	**Medium green**	**Light green**
Modality	Proactive	Integrative	Reactive
Period	Long-term	Medium-term	Short-term
Goal	Environmental sustainability	Environmental modernization	Sustainable development
Workplace	Nature conservation	Greening industry	Remediation of environmental damage

Source: (Crowley, 1999)

The analysis of the table above leads us to the interpretation that the category of light-green jobs is compatible with the common pragmatic way of caring for the environment in the existing sectors of an individual organization. On the other hand, medium-green jobs need the development of a market atmosphere and technologies for "environmental reformation". In contrast, the category of dark-green jobs is focused on the proactivity component, for example, through the design and production of technologies for the utilization of renewable energy resources. The goal of dark-green workplaces for "ecological sustainability" ultimately requires the development of alternatives in the existing social relations and their ecologically destructive character (Nedanovski, & Danilovska, 2022).

3. Compatibility of educational programs and the requirements of entrepreneurs

The changes occurring in the green transition process also led to significant changes in organizations and their future strategic directions. However, it is neither an easy nor a pleasant task for organizations facing numerous challenges and paying special attention to low and streamlined costs. If the companies do not find support from the state for the training of their employees for the acquisition of new green skills, it is certain that the companies will have a careful approach to spending their own funds for the professional development of their employees. This is a significant challenge for large companies, in which, perhaps, some of the employees would lose their previous jobs, but micro, small and medium-sized organizations are no less affected. For the future professional staff, that is, those young people who are still in the educational process, the best strategy is to adapt the curricula and programs to the modern requirements for green jobs and green skills. Those who have completed their formal education process, need to improve and acquire new skills through additional training. The general impression is that employees are usually not interested in leading certain green changes, and this lack of interest usually stems from the uncertainty and ambiguity of green jobs. This is mostly complemented by the low level of green skills, and the age limit of the employees also has its influence.

As far as the situation in formal education is concerned, the acquisition of green skills should start from primary education, and should be emphasized the most in curricula and programs in secondary education.

The research results presented in the work by the authors (Nedanovski & Danilovska, 2022) and in terms of the degree of qualifications with competences for green skills, in secondary schools, give the following image. Out of a total of 93 educational profiles/qualifications in 14 vocations/sectors, qualifications with competences for green skills are acquired in 33 educational profiles/qualifications, namely in three-year (12 educational profiles) and four-year educational programs (21 educational profiles). If the negative side of this research is presented, then it is necessary to emphasize that 64% of students do not acquire green skills competencies, out of the analyzed 93 educational profiles/qualifications.

The results obtained by the entrepreneurs are also useful, in relation to the green

skills they prefer in their employees. The results of that electronic survey are shown in table 2.

Table 2: Which green skills do entrepreneurs expect from their employees?

Which green skills do entrepreneurs expect from their employees?	
To be aware and responsible for the preservation of the environment	26%
To have applicable technical knowledge for improving energy efficiency	28%
To be able to get involved practically in saving energy and protecting ecosystems	20%
To practice sustainable environmental management	26%

Source: (Nedanovski & Danilovska, 2022)

The analysis of the responses presented in table 2 point us to the conclusion that employers are more focused on operational green skills, as opposed to the cognitive ones that students acquire in the educational process.

The nebulosity deepens even more in a real situation, which originates from job interviews conducted by employers, in which questions about the expertise of potential candidates and their soft skills are usually preferred, without special emphasis on green skills, which further obscures the uncertainty of future professional staff about the importance of green skills and whether they will offer them greater competitiveness in the labour market.

4. **Conclusion**

As we enter the 21st century, humanity is facing numerous challenges, the most current of which are climate change and the depletion of natural resources, which can be a serious threat to future generations. The solutions to the challenges facing humanity are placed in a framework called green transition, which, in addition to meeting EU requirements, must ensure social development and decent work for all. It is always and everywhere emphasized that the green transition must not be considered differently and unrelated to the smart transition, that is, in solving the challenges of the green transition, a holistic approach should be applied.

These major changes entail changes in the professional competencies of the employees. For some of the professional occupations, a decrease in demand on the labour market is expected, for some of them a change in the content of certain work tasks is expected, as a result of the green goals, and there is no doubt that, in the future, there would be a need for completely new occupations in function of the green economy.

In the Republic of North Macedonia, it is urgently necessary to carry out an analysis of how much the existing workforce is ready to respond to the demands of green

changes, how many of them possess green skills, and how many of them with certain forms of additional training will be able to acquire green skills that are needed by their jobs. Given that the green transition is expected to open significant opportunities for economic growth in each country, opportunities for innovation, new business models and new jobs, it is necessary to take initiatives as soon as possible so that we can actively engage and keep up with the rest of the EU countries.

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