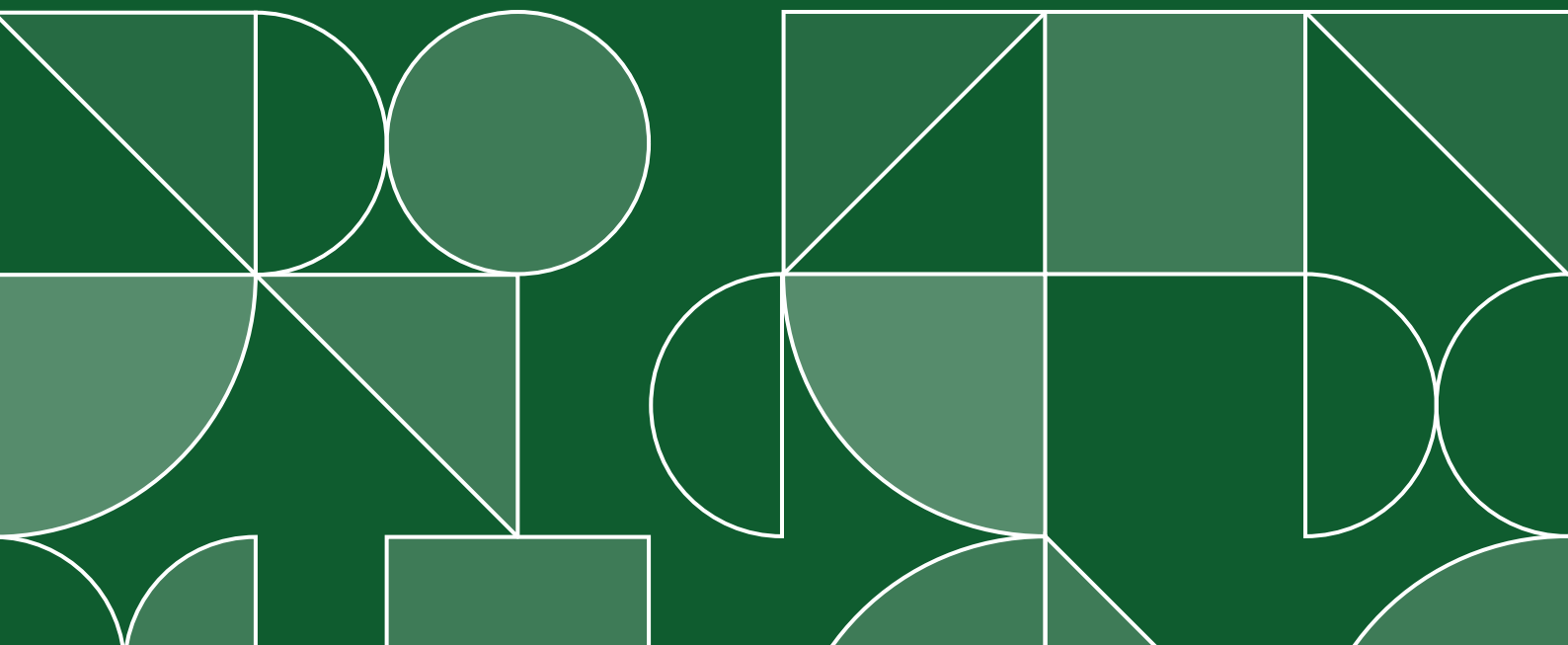


2025

# Conceptual Framework: SWOT Analysis of the Organising Framework for Occupations

---

Labour Market Intelligence  
research programme



© Published in 2025 by:

Department of Higher Education and Training  
Private Bag X174  
Pretoria 0001  
[www.dhet.gov.za](http://www.dhet.gov.za)

2025

# Conceptual Framework: SWOT Analysis of the Organising Framework for Occupations

---

Labour Market Intelligence  
research programme

---

Centre for Researching Education and Labour, University of the Witwatersrand





## Acknowledgements

The Development Policy Research Unit would like to thank everyone who assisted with and contributed to this publication. We extend our gratitude to the Department of Higher Education and Training for their guidance and input throughout the process.

## Author

Centre for Researching Education and Labour, University of the Witwatersrand

## Citation

Development Policy Research Unit (2025). *Conceptual Framework: SWOT Analysis of the Organising Framework for Occupations*. Labour Market Intelligence research programme, Department of Higher Education and Training.

# Table of Contents

---

List of Figures	4
Acronyms and Abbreviations	5
Key Terms and Concepts	6

## **PART 1**

---

<b>PURPOSE</b>	<b>7</b>
----------------	----------

## **PART 2**

---

<b>RATIONALE</b>	<b>9</b>
------------------	----------

## **PART 3**

---

<b>KEY QUESTIONS</b>	<b>12</b>
----------------------	-----------

## **PART 4**

---

<b>TARGET GROUP</b>	<b>14</b>
---------------------	-----------

## **PART 5**

---

<b>SCOPE</b>	<b>16</b>
--------------	-----------

## **PART 6**

---

<b>METHODOLOGY AND APPROACH</b>	<b>18</b>
---------------------------------	-----------

## **PART 7**

---

<b>CORE DATA SOURCES (INCLUDING GAPS AND LIMITATIONS)</b>	<b>21</b>
---	-----------

## **PART 8**

---

<b>ANALYSIS OF DATA AGAINST GOALS</b>	<b>23</b>
---------------------------------------	-----------

## **PART 9**

---

<b>LINKS TO OTHER LABOUR MARKET INTELLIGENCE RESEARCH</b>	<b>25</b>
---	-----------

## **PART 10**

---

<b>REFERENCES</b>	<b>27</b>
-------------------	-----------

## List of Figures

---

<b>Figure 1:</b>	Arriving at a strategic decision	11
<b>Figure 2:</b>	The analysis process	19

## Acronyms and Abbreviations

---

ACRONYM/ABBREVIATION	TERM/DEFINITION
ANZSCO	Australian and New Zealand Standard Classification of Occupations
DHET	Department of Higher Education and Training
ILO	International Labour Organization
ISCO	International Standard Classification of Occupations
OFO	Organising Framework for Occupations
PSET	Post-school education and training
REAL Centre	Centre for Researching Education and Labour
SASCO	South African Standard Classification of Occupations
SETA	Sector Education and Training Authority
Stats SA	Statistics South Africa
SWOT	Strengths, weaknesses, opportunities, and threats

## Key Terms and Concepts

---

This section introduces and provides definitions of the key terms and concepts that will be used in the report. These are the standard definitions used by South Africa's Department of Higher Education and Training (DHET) in the Organising Framework for Occupations (OFO), as set out in the 2015 guidelines.

The occupational classification system commonly used worldwide is the International Labour Organization's (ILO) International Standard Classification of Occupations (ISCO). The definitions of the latest version published in 2008 (ISCO-08) are very similar to those of the OFO. The similarities and differences in definitions and approaches between occupational classification systems are identified in the report.

**Job:** A set of tasks and duties carried out or meant to be carried out by one person for a particular employer, including self-employment.

**Occupation:** A set of jobs whose main tasks and duties are characterised by a high degree of similarity (skill specialisation).

**Organising Framework for Occupations (OFO):** A skills-based coded classification system that captures all jobs in the form of occupations and provides a framework for the identification, articulation, reporting, and monitoring of skills demand and supply in the South African labour market.

**Skill:** The ability to carry out duties and tasks for a specific job. Two dimensions of skill—skill level and skill specialisation—are used to arrange occupations into groups.

**Skill level:** A function of the complexity and range of tasks and duties to be performed in an occupation.

**Skill specialisation:** A dimension of skill considered in terms of four concepts—the field of knowledge required, the tools and machinery used, the materials worked on or with, and the kinds of goods and services produced.

PART 1

---

**Purpose**



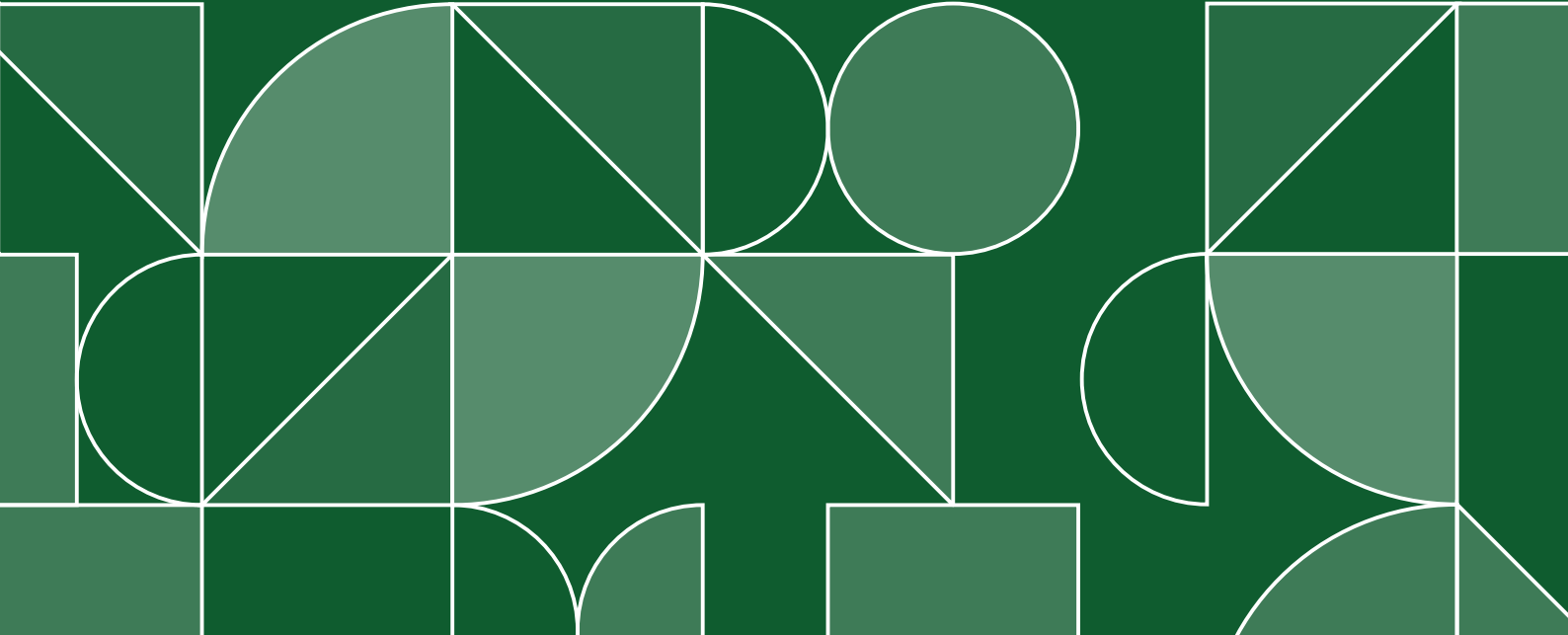
The purpose of this conceptual framework is to guide the development of a report that examines the OFO through its strengths, weaknesses, opportunities, and threats (SWOT) and explores its implications for policy planning. The SWOT analysis will be undertaken in two ways: focusing first on factors that are internal to the OFO then on the use of the OFO. This approach means that both the construction of the OFO and its application in labour market planning, analysis, and reporting will be assessed.



PART 2

---

Rationale



In its discussion of the main objectives of classifying occupations, the ILO (2012) states that:

“Classifications of occupations are used in national contexts for the collection and dissemination of statistics from sources such as population censuses, labour force surveys and other household surveys, employer surveys and other sources. They are also used by governments and companies in activities such as matching job seekers with job vacancies, educational planning, reporting of industrial accidents, administration of workers’ compensation, and the management of employment-related migration.”

The ILO recommends that countries adapt the ISCO to their specific national contexts and realities. In South Africa, there are two occupational classification systems: the South African Standard Classification of Occupations (SASCO) and the OFO. These two systems serve different purposes. The SASCO is based on the ISCO and provides internationally comparable statistical data for the country. The OFO, on the other hand, has a more specific purpose of providing a framework in which jobs are matched to occupations to enable identifying, reporting, and monitoring skills demand and supply in the labour market. The OFO arose in 2004 from the need to offer more robust data for sectoral labour market planning. The Department of Labour at the time, which was the custodian of skills development, undertook a wide-ranging assessment of international classification systems including the Australian and New Zealand Standard Classification of Occupations (ANZSCO) and the United Kingdom’s version. Ultimately, the OFO was principally founded on the ANZSCO model.

The OFO provides occupation-based data that is used with other data sources to inform skills provisioning. It is thus essential to understand the challenges experienced by users of the OFO within the post-school education and training (PSET) system. Comprehending and improving on the categorisation of occupations on the OFO is an integral part of better aligning skills supply with skills demand. As it currently stands, the OFO is the main tool for collecting and analysing occupational data at a level of granularity that allows for detailed labour market assessment.

The majority of classification systems used internationally record data at a unit group level (4<sup>th</sup> digit), which clusters occupations by skill specialisation and, to some extent, skill level but with little specificity. The next level of disaggregation (5<sup>th</sup> and 6<sup>th</sup> digit) provides a further layer of detail on the sets of jobs and tasks that are represented within the unit group. The benefit of this additional degree of detail is that it supports planning for skills development that recognises the varied areas of concentration that exist within the different occupations.

While this study aims to explore the OFO in the context of other occupational classification systems, including comparing it to the SASCO, analysing it at a SWOT level, and assessing its policy implications, it remains cognisant of some of the challenges emerging in the framework’s conceptualisation and usage.

In its conceptualisation, the OFO has no ‘concept model’ (like the Occupational Information Network) to dissect the different mix of knowledge, skills, abilities, and tasks. As such, the type and scope of information per occupation varies, and there remains no mechanism for content and construct validity. In terms of its usage, there remain challenges in the OFO’s responsiveness and adaptability to the changing world of work.

Furthermore, the framework's reliance on employers to provide information is constrained by at least two key challenges (among others):

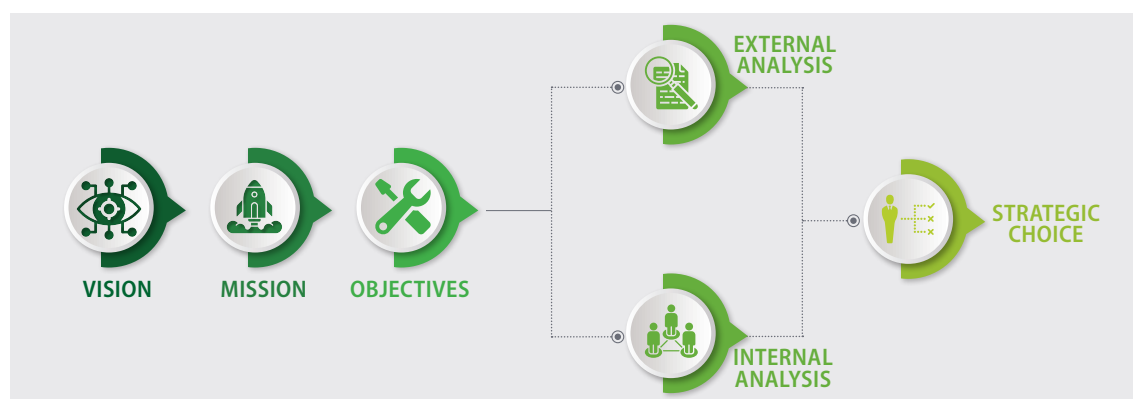
1. The provision of data is voluntary, incentivised by a rebate on the skills levy paid on submission of a workplace skills plan. However, the administrative burden of providing the data is not always sufficiently compensated by the levy grant paid to employers, many of whom treat the levy as an additional tax and therefore do not submit the required documentation.
2. Employers do not fully understand how to translate the jobs within their organisations to the occupations on the OFO. While some occupations align neatly to job titles, many do not, for widely varying reasons. This can lead to incorrect reporting by employers, thus yielding misleading information. The role of employers in the mapping of jobs to occupations needs to be reconsidered.

In addition to challenges relating to employers, the OFO itself has intrinsic weaknesses that make it difficult to apply. For example:

- Not all sectors are adequately represented with respect to the occupations reflected in the OFO. There are clear gaps where there is an over-reliance on generic occupations, even where more specialised fields exist within specific sectors or industries.
- Occupations and specialisations are not represented in a consistent manner. Some occupations have individual OFO codes for specialisations within their fields, while others have specialisations that are subsumed in a generic catch-all title. A more consistent approach is needed.
- Specialisations and alternative job titles are used interchangeably, which is not appropriate as they refer to different issues. This also leads to misunderstanding and misapplication by employers.
- Some public sector roles (especially special categories such as military and law enforcement) are defined in ways that do not always align neatly to occupations. This has implications for profiling the functional skill sets of public servants, who comprise a significant portion of the workforce nationally.

Thus, an important benefit of this research is that it will assist policymakers and stakeholders with broadening and deepening their understanding of a critical labour market intelligence tool in the South African context. The SWOT analysis of the OFO will aid the formulation of PSET policies that are more responsive to what is a fundamentally complex and fluctuating occupational dynamic. The figure below outlines the process—the vision and mission of the OFO, and an external and internal analysis to help derive some strategic implementation choices and possibilities.

**FIGURE 1:** Arriving at a strategic decision



The study aims to develop some nuanced insights that more clearly illustrate the OFO's strengths and weaknesses from its patterns of use.

# Key Questions

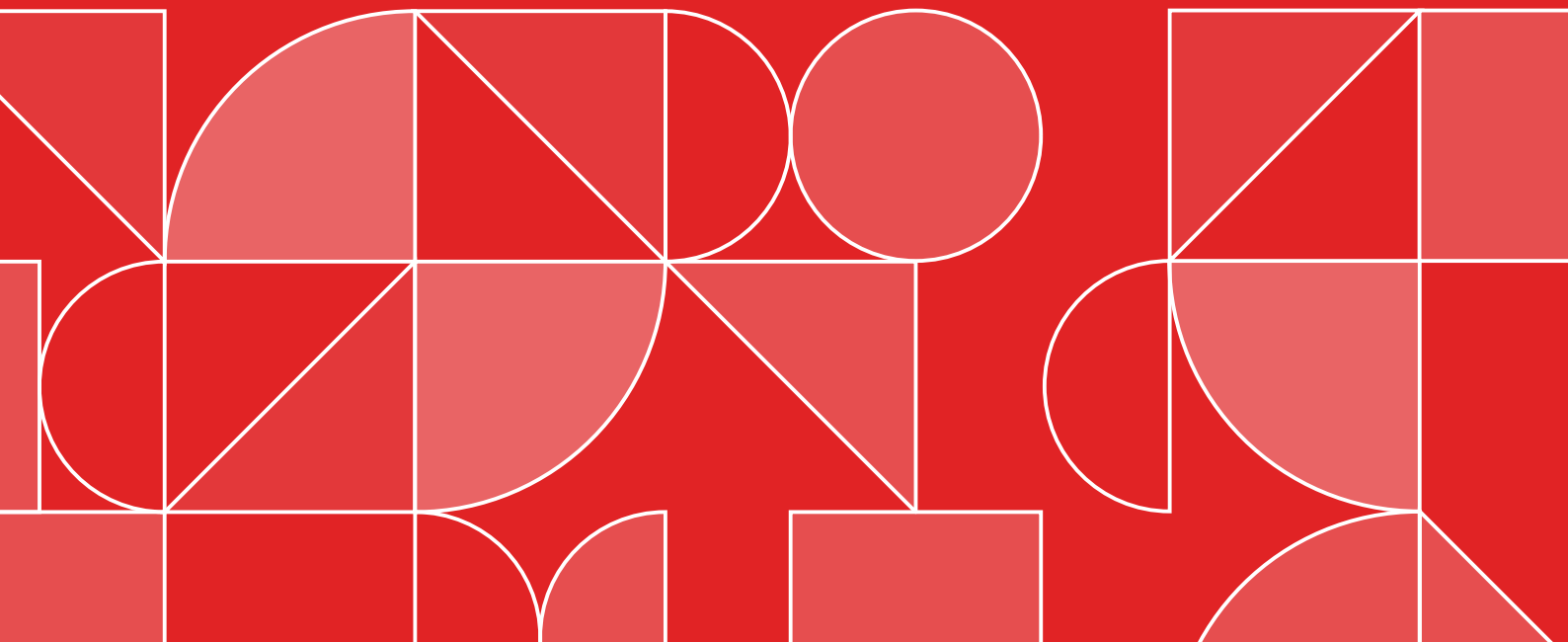


In line with the research focus, two clusters of questions will guide the study:

1. Occupational classification systems and the OFO
  - a. How are occupational classification systems used internationally?
  - b. What are the key principles and the architecture of the OFO—its origins, why it was developed, and who developed it?
  - c. How does the OFO compare to the SASCO?
  - d. How is the OFO maintained and updated—by who, how frequently, and through what processes?
  
2. SWOT analysis of the OFO
  - a. What are the intrinsic and extrinsic strengths of the OFO?
  - b. What are the weaknesses of the OFO, especially in its application in labour market planning and reporting?
  - c. What are the opportunities for better utilisation of the OFO?
  - d. What are the threats that the OFO faces?

Recommendations will be made on how the OFO can be improved as a tool (meaning its content), as well as how it can be positioned better as a resource for labour market planning and reporting. The specific recommendations will emerge from the findings of the SWOT analysis.

# Target Group

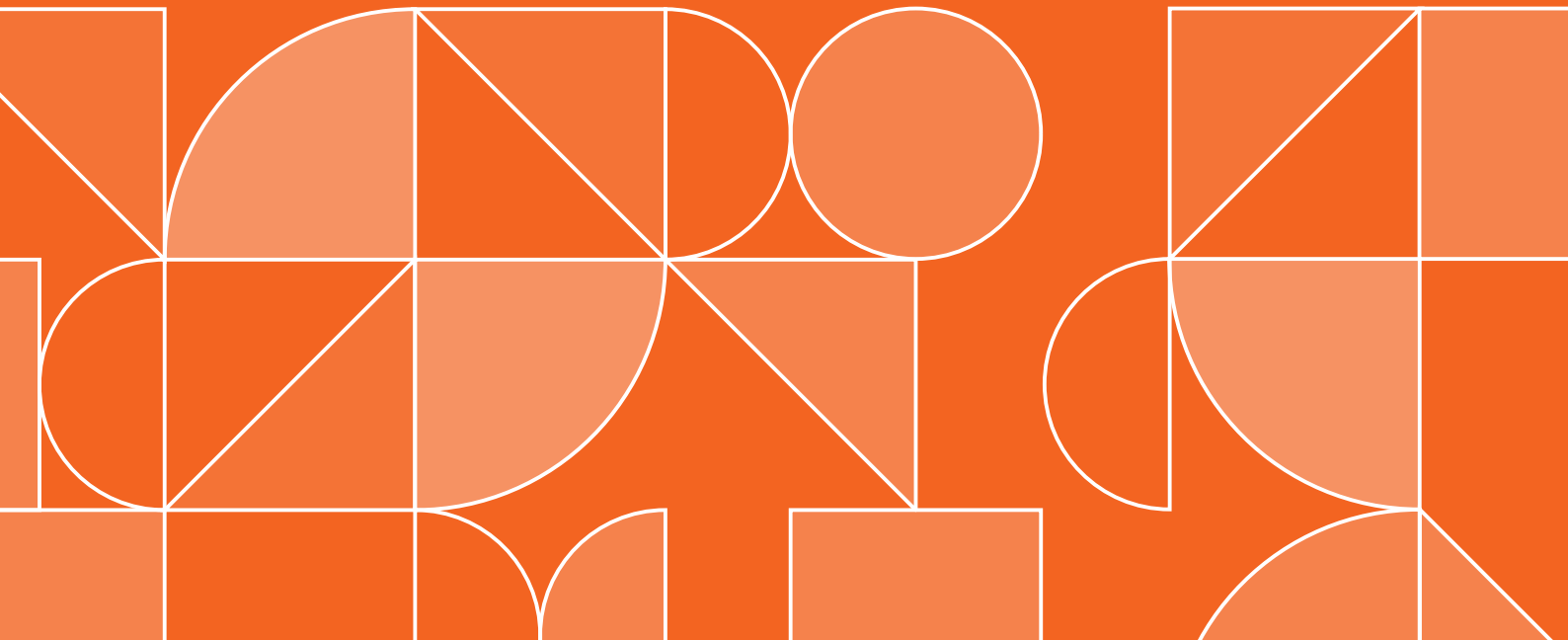


The report will be primarily aimed at policymakers dealing with the labour market, including the DHET and its associated agencies and institutions, and Statistics South Africa (Stats SA). It is envisaged that the report could be of use more broadly to employers and other bodies involved in skills planning as well as to the range of entities involved in skills provision. Policymakers and stakeholders engaged in occupationally orientated skills development could also benefit from this report. An expanded and multi-layered understanding of occupations, and the system through which a wide range of stakeholders access occupational data, has the potential to benefit a diverse target group. In addition, the report is expected to be used by researchers and research organisations.

PART 5

---

# Scope

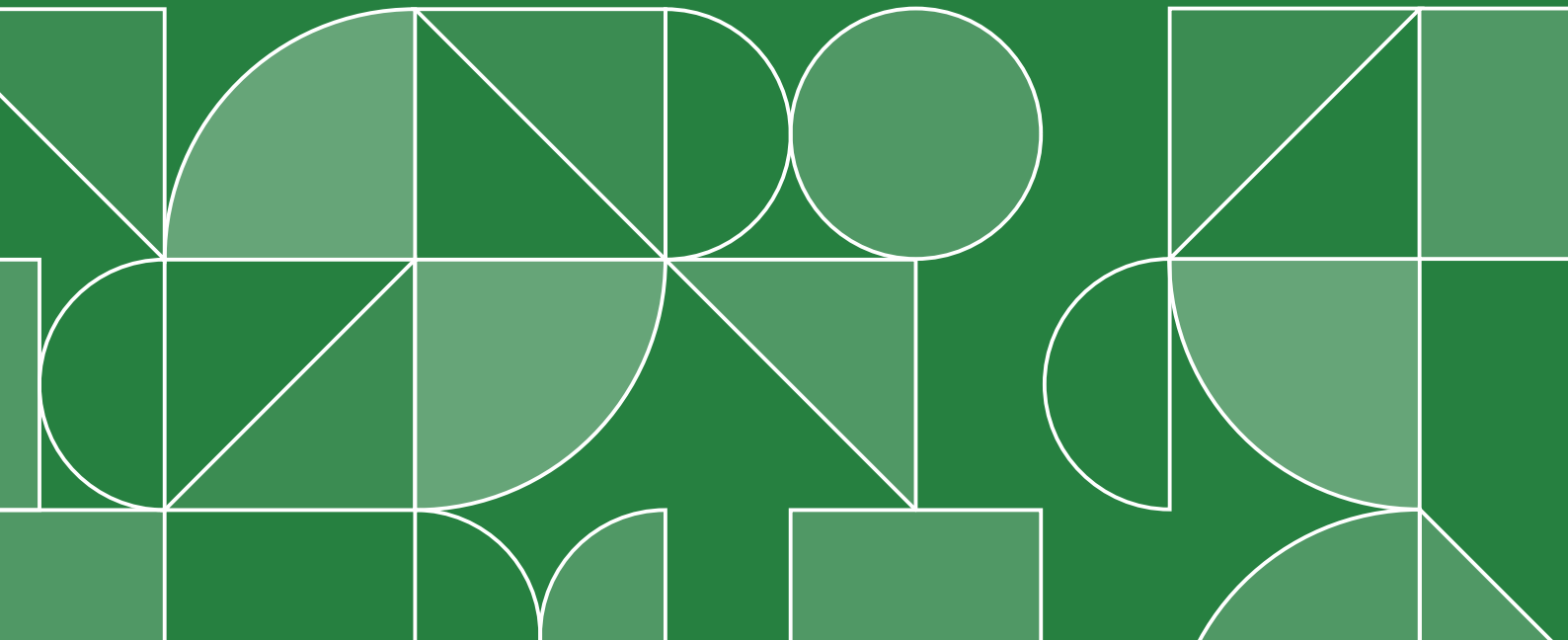


The report will focus on international occupational classification systems, in particular the ISCO-08 developed by the ILO, the SASCO used by Stats SA, and the OFO used for skills planning and reporting in South Africa. The report will highlight the guidelines produced for the OFO and draw on past research undertaken by the University of the Witwatersrand's Centre for Researching Education and Labour (REAL Centre), among others, as well as available literature.

PART 6

---

# Methodology and Approach



This report will be based on a literature review and a number of strategic interviews with researchers and/or key stakeholders who formed part of the OFO processes, particularly from the DHET, the Sector Education and Training Authorities (SETAs), employer representatives, and labour unions.

To understand occupational classification systems internationally and in South Africa, drawing on insights from previous work undertaken by the REAL Centre and available literature, these systems will be reviewed by considering:

- The design and use of occupational systems internationally, particularly the ISCO-08
- The key principles and the architecture of the OFO
- A comparison of the OFO with the SASCO
- A SWOT analysis of the OFO

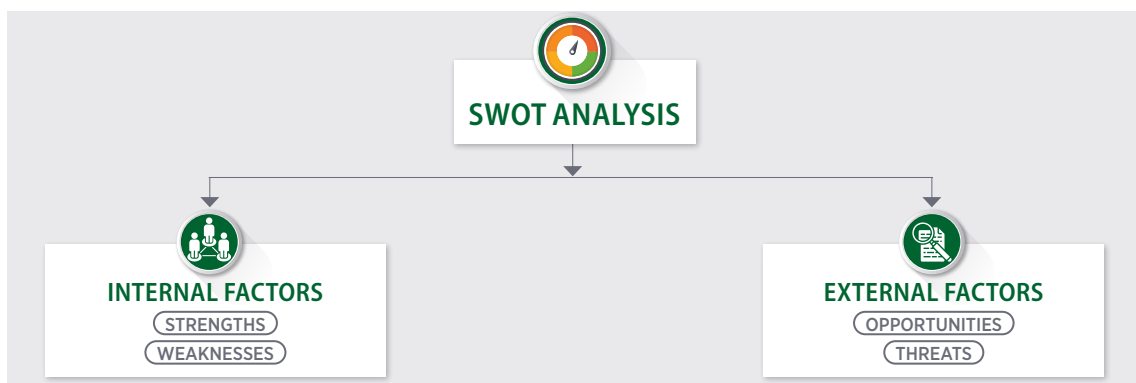
Literature on the occupational classification systems that will be considered includes grey literature drawn from government websites and reports, literature from institutions such as the ILO and the United Nations Educational, Scientific and Cultural Organization's International Centre for Technical and Vocational Education and Training, and academic literature where possible.

The desktop analysis will also draw on the various reports that were drafted by the REAL Centre as part of an attempt to understand the role of occupational classification systems and how they are utilised internationally, such as *A Review of the South Africa/Singapore Occupational System*, *A Review of the Occupational Systems in Five Countries: US, Singapore, Australia and New Zealand, Brazil and Nigeria*, and a critical review of occupational classification systems in general. Studies done for BANKSETA, Services SETA, MerSETA, and PSETA, as well as various engagements with the DHET around the launch of the OFO tool will also be considered.

A series of interviews will be conducted with researchers who were involved in the REAL Centre's OFO-linked research projects, and other key experts such as qualification development facilitators and SETA officials and representatives from a number of companies involved in skills development.

A SWOT analysis will be utilised for this assessment of the OFO. This approach is chosen for its simplicity and applicability in business and beyond, as the tool can be used to assess alternatives and complex decision situations. In the business arena, the grouping of internal and external issues is a frequent starting point for strategic planning. The SWOT analysis can be constructed quickly and can be used as a brainstorming exercise to benefit from multiple viewpoints.

**FIGURE 2:** The analysis process



Typically, managers first consider internal strengths and weaknesses—these can include image, structure, access to natural resources, capacity and efficiency, and financial resources. At the bottom row of the SWOT grid, external opportunities and threats are included—factors such as customers and competitors, trends in the market, partners and suppliers, social changes, new technology, and various environmental, economic, political, and regulatory issues. A SWOT analysis “assists in the identification of environmental relationships as well as the development of suitable paths for countries, organizations, or other entities to follow” (Helms & Nixon, 2010, p. 216).

Although a SWOT analysis is often utilised in business contexts, it is also widely used in academic research, albeit in altered and adapted forms. The SWOT analysis utilised for this particular report will be adjusted based on the subject matter being examined. The limitations of a SWOT analysis will be reflectively engaged with and mitigating measures designed, developed, and applied as required.

By developing and employing a bespoke methodology and framework, the report could prove to be analytically generative and productive, not only theoretically but also in terms of forming policy recommendations if proper contextual awareness and intelligence is applied.

The report will systematically examine the rationale and structure of international and South African occupational classification systems, the SWOT elements of the OFO, and the implications of the OFO as the basis for skills planning, monitoring, provisioning, and reporting in the country.

For the purposes of this research, the following broad definitions will apply:

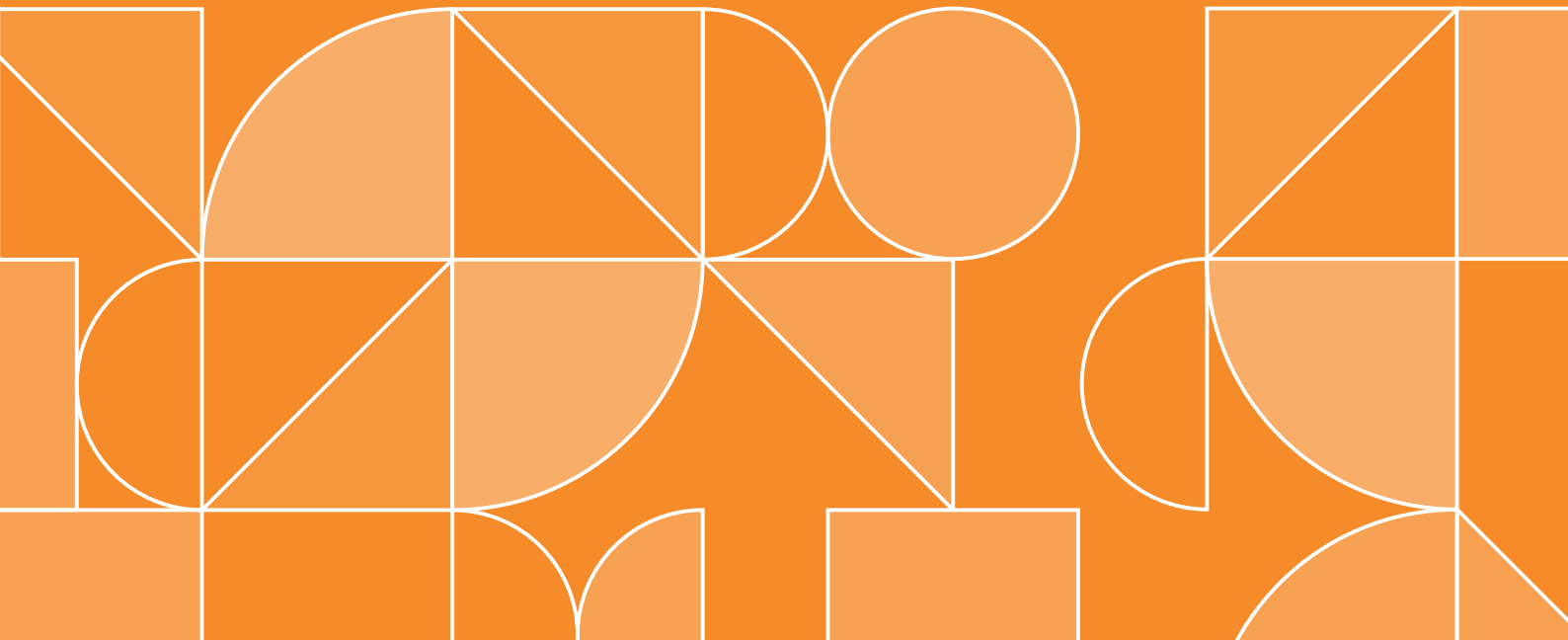
- **Strengths:** The intrinsic positive and beneficial aspects of the OFO, including its internal coherence, completeness, robustness, and ease of interpretation, as well as its usefulness, ease of use, and any other beneficial characteristics.
- **Weaknesses:** The aspects of the OFO that are not valuable or well-developed, some of which may have potential to be remedied to improve the framework’s utility and efficacy as a tool.
- **Opportunities:** The potential areas for improvement, where the OFO is currently being under-utilised or where it can be applied to better effect.
- **Threats:** The factors that could undermine the expected benefits of the OFO, or where the OFO can be misapplied.

These definitions will be used heuristically, and will be adapted appropriately in the analysis.

## PART 7

---

# Core Data Sources (Including Gaps and Limitations)



In most countries, occupational classification systems are the responsibility of departments of labour. Research on occupations is somewhat fragmented, and work from various disciplines and specialised fields will have to be drawn upon. In instances where occupational classification systems are public-facing (such as a career planning resource for the general population), information is typically readily available and/or open source.

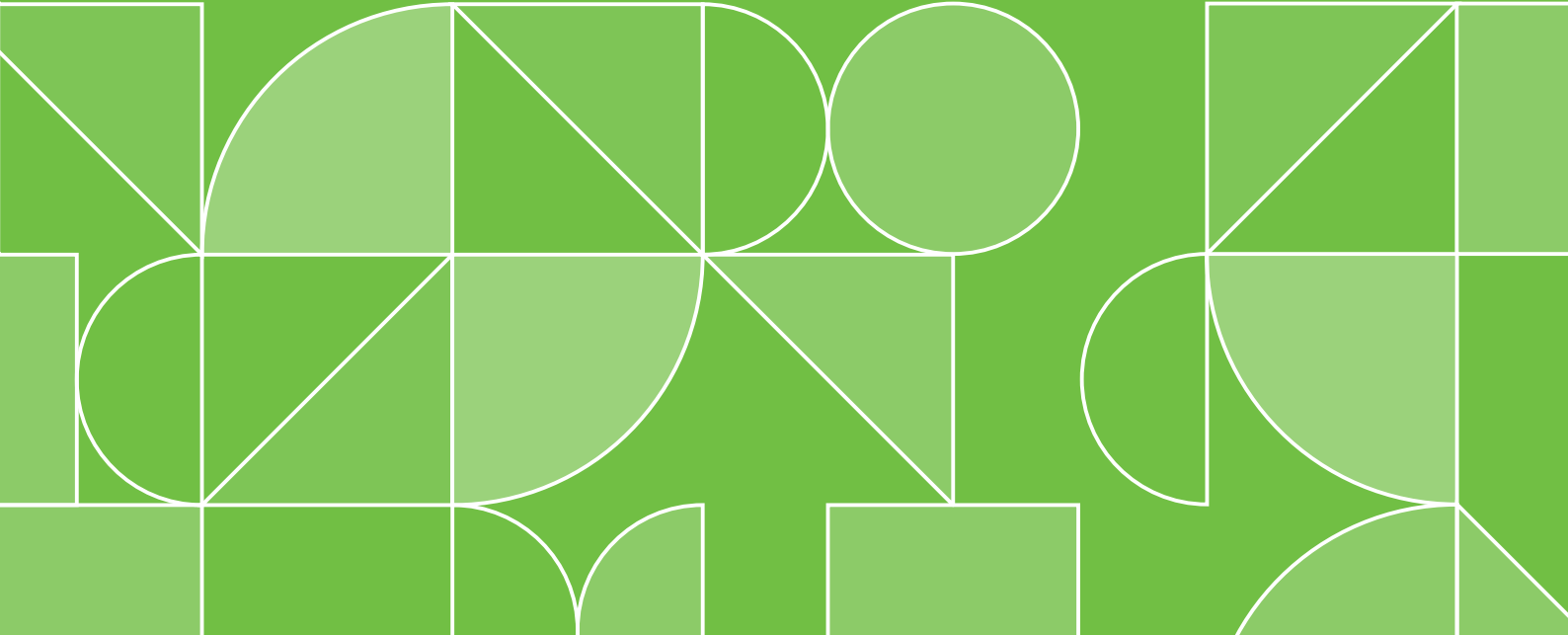
The core data sources for this research project will be academic literature on occupations, skills, and occupational classification systems, as well as a comprehensive body of primary data generated by the REAL Centre. Occupational classification systems have very weak to non-existent literature (with the possible exception of the United States), so grey literature, including government websites and official documents, will be extensively consulted. The OFO itself, and other occupational classification systems, are in and of themselves rich sources of data.

There is very little OFO expertise in South Africa and it is therefore unlikely that interviews with expert informants and research participants will take place, although all reasonable attempts will be made to explore this possibility. Research of this nature is not well-suited to surveys or questionnaires, so if needed, and where feasible, experts (from South Africa and elsewhere) will be identified and online interviews requested and conducted with the informed consent of participants. The interviews will be transcribed and the data analysed accordingly.

**PART 8**

---

**Analysis of Data  
Against Goals**



The goal of this project is to generate insights and recommendations that will be of value to policy-makers and stakeholders regarding the strengths, weaknesses, opportunities, and threats of the OFO—in terms of the system itself and the ways in which it is utilised and engaged with. Nonetheless, it is equally important to produce work of academic merit and utility. As a lateral approach will be required, drawing on diverse sources of information, the research will at first be fragmented, dense, and complex. Over time, and as the project progresses, the analyses and findings emanating therefrom will be refined.

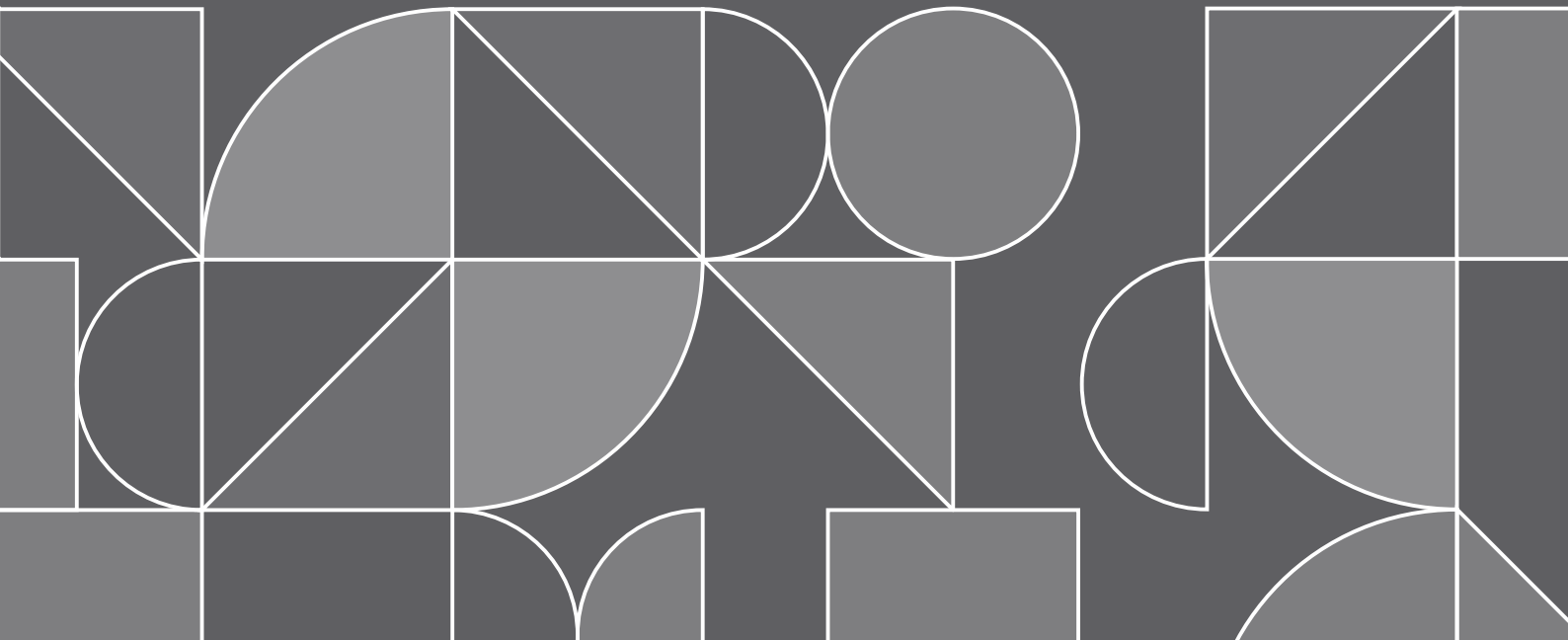
It would be potentially problematic to forcefully simplify the analysis, and its findings, during the early phases of the research. There is, however, always the risk that the analysis process becomes dominant, resulting in the end goal of the research becoming unclear or secondary. By consciously and reflectively holding up the analysis against the goals, this will ensure that the analysis undertaken contributes, albeit indirectly and in complex ways, to the goals of the research in question.

The data will be analysed against the specific project objective and rationale (a SWOT analysis of the OFO) as well as the overarching intention of improving labour market intelligence in South Africa—in terms of the quality and responsiveness of occupational classification systems. In essence, this project's overall goal is the formulation of policy recommendations that will assist with more accurately and efficiently linking occupational demand with the supply of education and training that aim to address this demand.

## PART 9

---

# Links to Other Labour Market Intelligence Research



Given that the OFO is the occupational classification system used for the purpose of skills planning and reporting, there are general linkages of this report across the entire Labour Market Intelligence research programme in relation to skills demand and supply, specifically the programme's Theme 2: Occupational classifications and their relationships to qualifications. Projects included in this theme include: Mapping occupations in the OFO to qualifications at different levels (project 2.2), Classifying occupations into high, medium, and elementary skill levels (project 2.3), Classifying qualifications into high, medium, and elementary skill levels (project 2.4), and Occupational patterns and trends over time (project 2.5).



Department of Higher Education and Training (2015). *Guidelines: Organising Framework for Occupations (OFO) 2015*. Own publication, Pretoria. Available at: <https://www.dhet.gov.za/Public%20FET%20Colleges/Planning%20-%20Additional%20Resource%20Documents/OFO%20Guideline%20-%202015.doc>.

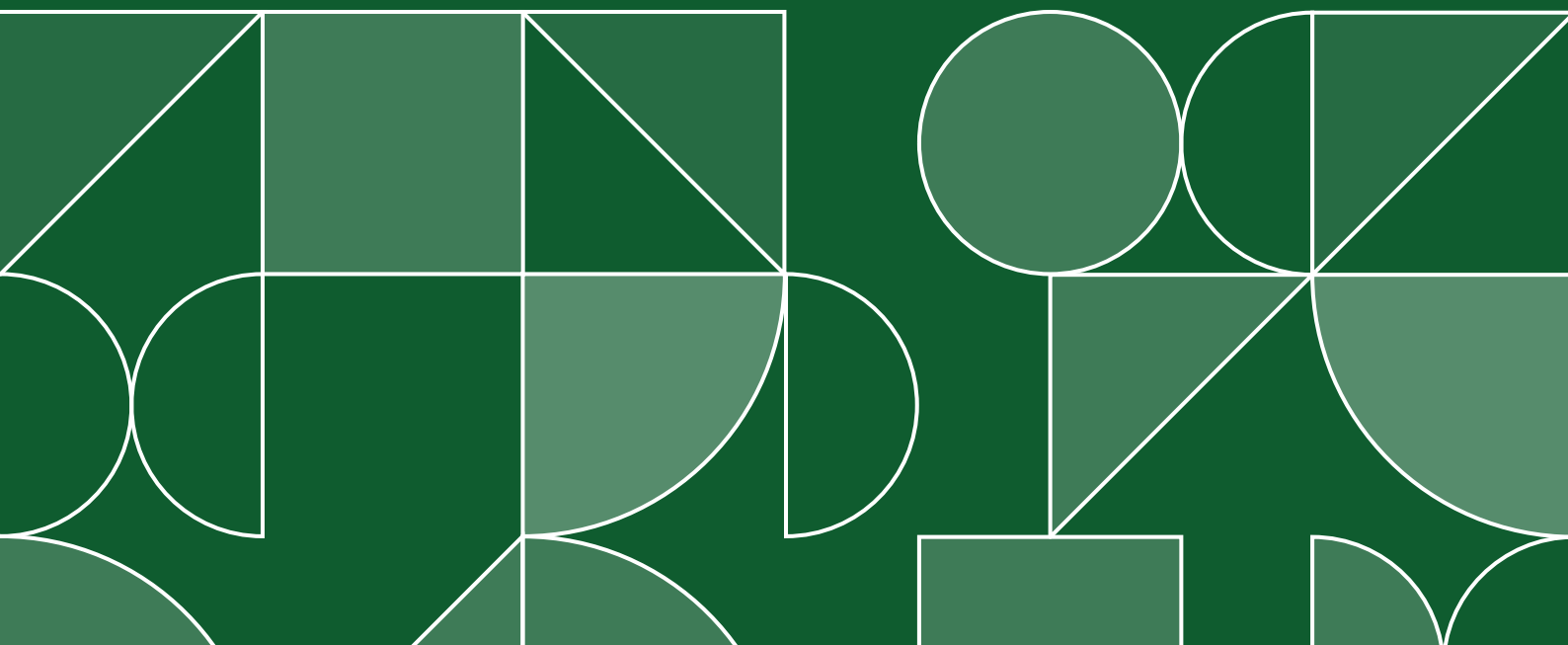
Helms, M. M. & Nixon, J. (2010). Exploring SWOT analysis: Where are they now? A review of academic research from the last decade. *Journal of Strategy and Management* 3, pp. 215–251.

International Labour Organization (2012). *International Standard Classification of Occupations 2008 (ISCO-08): Structure, group definitions and correspondence tables*. Own publication, Geneva. Available at: <https://www.ilo.org/publications/international-standard-classification-occupations-2008-isco-08-structure>.

Quality Council for Trades & Occupations (2020). *QCTO Research Bulletin 2020/21 Issue 01*. Own publication, Pretoria. Available at: [https://www.qcto.org.za/assets/qcto\\_research\\_bulletin\\_2020\\_1.pdf](https://www.qcto.org.za/assets/qcto_research_bulletin_2020_1.pdf).

Erra, M. (2023). Interview with Melissa Erra, Chief Director of the National Skills Fund.





#### DPRU CONTACTS

**Programme leader:** Professor Haroon Borat – [haroon.bhorat@uct.ac.za](mailto:haroon.bhorat@uct.ac.za)

**Programme manager:** Ms Janine Jantjies – [janine.jantjies@uct.ac.za](mailto:janine.jantjies@uct.ac.za)

#### DHET CONTACTS

**Programme leader:** Ms M. Khuluvhe – [khuluvhe.m@dhet.gov.za](mailto:khuluvhe.m@dhet.gov.za)

**Project secretariat:** Ms M. Ramasodi – [ramasodi.m@dhet.gov.za](mailto:ramasodi.m@dhet.gov.za)