

Evaluation of Skillnet Ireland in 2018

Submitted to

Skillnet Ireland

Prepared by

**Indecon International Economic
Consultants**

Indecon

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Executive Summary

Introduction and Background

This report is submitted to Skillnet Ireland by Indecon International Economic Consultants. The report provides an independent evaluation of Skillnet Ireland's programmes during 2018.

The background to this review is that Skillnet Ireland is the national business support agency dedicated to the promotion and facilitation of workforce learning in Ireland. The organisation was established in 1999 and works with businesses and their employees to address their current and future skills needs by providing high quality, subsidised training and education through a series of enterprise-led networks which operate across a range of sectors and regions.¹ The agency facilitates the growth of productive businesses in Ireland by enabling workforce planning, workforce development and workforce innovation.

Skillnet Ireland receives public funding through the National Training Fund (NTF), which is a dedicated fund to support the training of those in employment, as well as individuals who are seeking employment. In addition to NTF funding, Skillnet Ireland channels funding into its training programmes via financial contributions provided by businesses that participate within Skillnet networks.

Scope of Evaluation

An independent evaluation of Skillnet Ireland programmes is undertaken on an annual basis. Instigated by Skillnet Ireland, this approach has been cited by the OECD as an example of international best practice.²

The overall objective of this evaluation is to conduct an independent evaluation of Skillnet Ireland's programmes during 2018. This evaluation addresses the following thematic areas:

- Consistency with Government Policy;
- Impacts on Business;
- Impacts on Learners; and
- Effectiveness and Efficiency.

A rigorous methodology was applied in completing this evaluation. This was designed to ensure an independent and rigorous examination of Skillnet Ireland's programmes during 2018, in line with the above terms of reference. This included particular focus on assessing the consistency of the organisation's activities and outputs with Government policy objectives, as well as the importance of ensuring value-for-money in the utilisation of NTF/public funding.

Key Conclusions from Evaluation

Assessment of Consistency with Government Policy

Skillnet Ireland's alignment with the objectives of the NTF is evidenced by the organisation's training outcomes. During 2018, Skillnet Ireland delivered a total of 441,846 training days to 56,182 learners, exceeding the overall annual targets set by the Department of Education and Skills. Skillnet Ireland also surpassed the training days targets for both in-employment and jobseeker training, by 26% and 46% respectively, during 2018.

¹ During 2018, Skillnet Ireland operated a total of 65 networks and delivered training through a suite of programmes, including the Training Networks Programme (TNP), the Future Skills Programme (FSP), Management Development training, and the Employment Activation Programme (EAP).

² Improving the Governance of Adult Learning. OECD Skills Series (2018).

A key overall indicator of Skillnet Ireland's success in contributing to wider Government policy on workforce development has been the growth of its enterprise participation base across the organisation's networks. Skillnet Ireland worked with a total of 16,462 enterprises during 2018, representing a growth of 9.7% on the number of enterprises in 2017, and a 28% increase compared to the organisation's base in 2015. The enterprise base is focussed on meeting the training needs of SME firms, which now represent 95% of the overall base. The organisation's SMEs now represent approximately 5.2% of the overall population of SMEs in Ireland. This compares with 4% in 2013 and demonstrates the achievements of Skillnet Ireland in growing its reach among SMEs, particularly given the scale of the challenge.

Skillnet Ireland launched a total of five new networks during 2018, exceeding the target of four new learning networks set out in the Government's 'Action Plan for Education for 2018'. These new networks cover a diversity of sectors and skill needs, including the areas of robotic and automation technologies, micro- and nano-technologies, talent management and professional development within the recruitment and hospitality sectors, among others.

In addition to the overarching National Skills Strategy and the Action Plan for Education, Skillnet Ireland is playing an ongoing role in delivering objectives on a number of wider Government strategies and policies, including responding to the skill needs arising from Brexit, and the Future Jobs Ireland, Technology Skills 2022, Ireland for Finance 2025 and Food Wise 2025 frameworks. The organisation is also aligned with a number of goals under the Government's 'Sustainable Development Goals National Implementation Plan 2018-2020', while it is also contributing to EU policy on the digital economy through the development of the Digital Europe programme.

Skillnet Ireland also plays an active role in both shaping and responding to the Government's future skills agenda, and in maintaining a supply of new and future skills. This role is supported through development of new training and education programmes as part of the Future Skills Programme, as well as through the organisation's support of training programmes in specific growth sectors. A total of 46 new FSP initiatives were launched during 2018, across a diverse range of areas. These include the innovative Master's in Artificial Intelligence, which is Ireland's first postgraduate programme in this growing area.

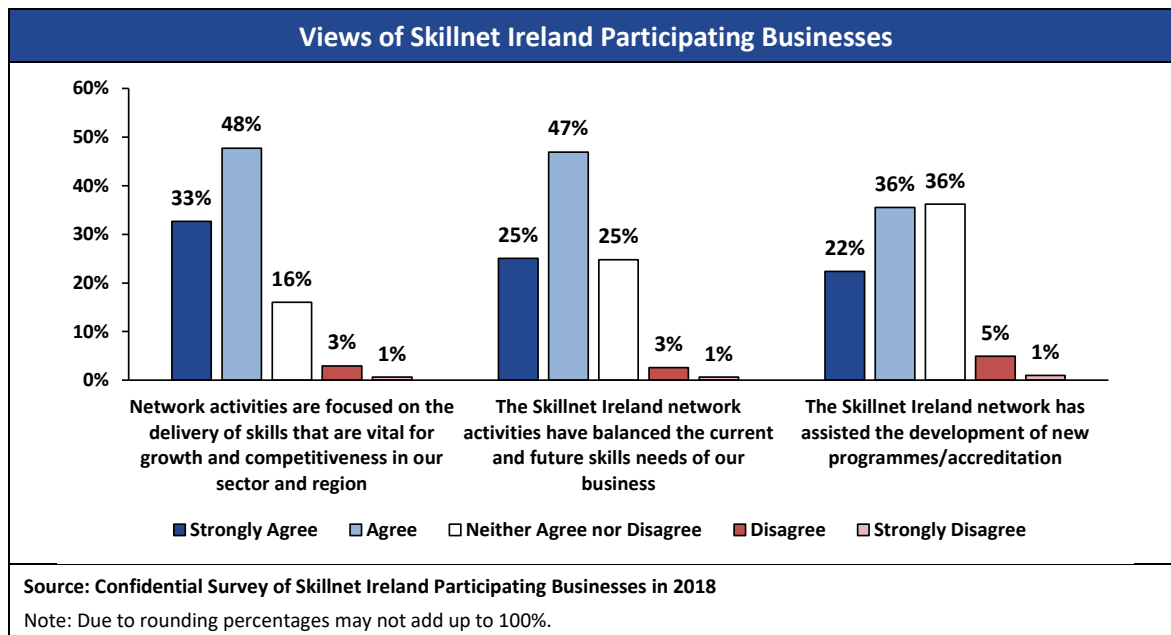
Assessment of Skillnet Ireland Impacts on Participating Businesses

A key overall objective for Skillnet Ireland concerns the ongoing expansion of its overall reach through increased participation of additional businesses, while also maximising retention through building strong and lasting relationships with businesses that already participate in Skillnet networks. In this context, Indecon's research found that 31% of firms participated in a Skillnet Ireland network for the first time in 2018, while 69% of firms participated in a network prior to 2018. Notably, 23.6% had participated for the first time in 2013 or earlier.

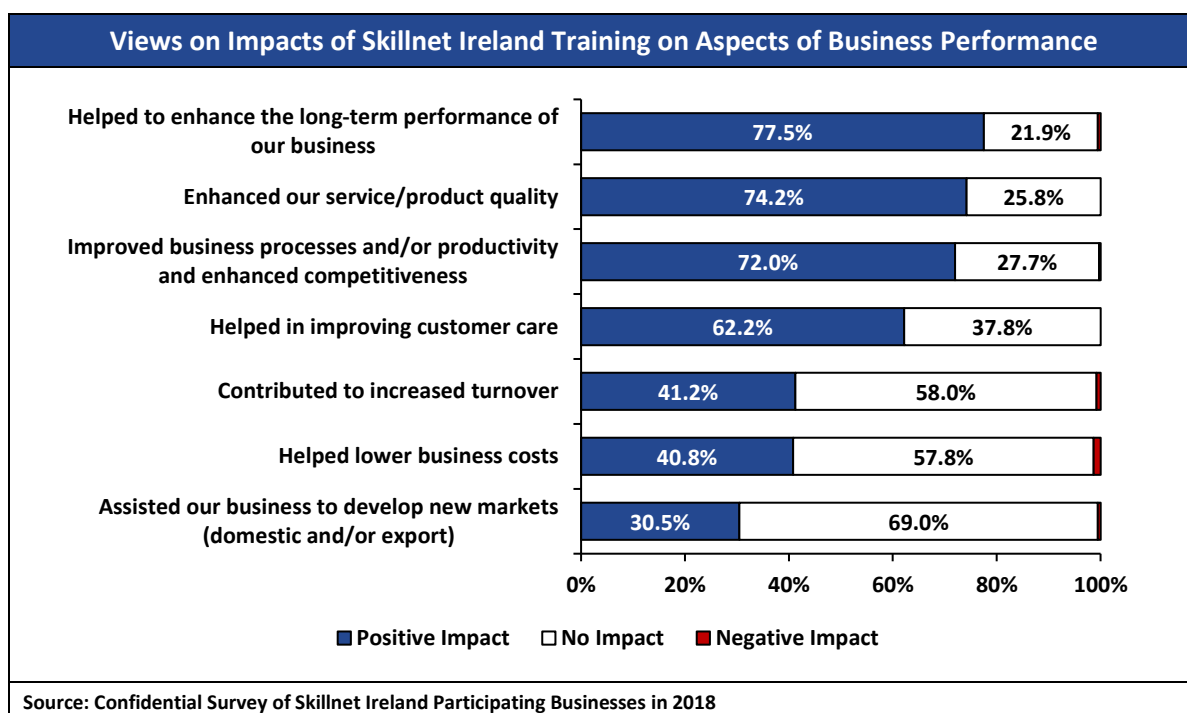
A key overall measure of the effectiveness of Skillnet Ireland's industry-led network model is the quantum of training delivered. Of particular importance in the context of enterprise workforce development concerns the number of in-employment learners supported through the Skillnet Ireland programmes. Overall, the number of in-employment learners increased by 14.7% to 54,159 learners in 2018. There was an increase of 15% in the number of in-employment training days delivered during 2018, with 394,028 days provided to enterprise employees.

The overwhelming majority (91.4%) of Skillnet Ireland participating enterprises responding to Indecon's research indicated that they were very satisfied or satisfied with the design and relevance of Skillnet Ireland training to their business needs.

A large majority (81%) of enterprises responding to Indecon's research agreed that the activities of their Skillnet network have been focused on the delivery of skills that are vital for growth and competitiveness in their sector or region. Additionally, 72% of firms were also of the view that the training provided by their Skillnet Ireland network during 2018 achieved an appropriate balance between addressing current skill requirements and anticipating future skill needs (see figure overleaf).



Over three-quarters of businesses responding to Indecon’s research indicated that they believed Skillnet Ireland training has had a positive impact in terms of enhancing the long-term performance of their business, while 74.2% of firms were of the view that training helped to enhance their product/service quality. 72% of enterprises also considered that Skillnet Ireland training has a positive impact in delivering improved business processes and/or enhancing productivity and competitiveness, while 62.2% indicated that training had a positive impact in helping to improve customer care.



94% of participating enterprises indicated that they were very satisfied or satisfied that the training they received through their Skillnet Ireland network during 2018 had achieved their overall expectations and objectives to support the development of their business. The research also found that 92.7% of participating firms were very satisfied or satisfied with the value for money they achieved from the training delivered. 91.4% of firms were satisfied with the overall quality of training. While these self-reported research findings must be interpreted within the context of the co-funding support which enterprises receive from Skillnet Ireland, they nonetheless highlight the very high levels of satisfaction among participating enterprises on key aspects of the training they accessed.

Assessment of Impacts on Learners

Indecon assessed the alignment of Skillnet Ireland's programmes and outputs with the evolving needs of Ireland's labour market, in addition to the impacts of its learning programmes on the expanding group of learners, including in terms of the benefits of learning for personal career development and labour market progression.

Alignment with needs of the labour market

The overall level of demand for Skillnet Ireland workforce development programmes will be influenced in particular by the developments in employment and unemployment across the economy.

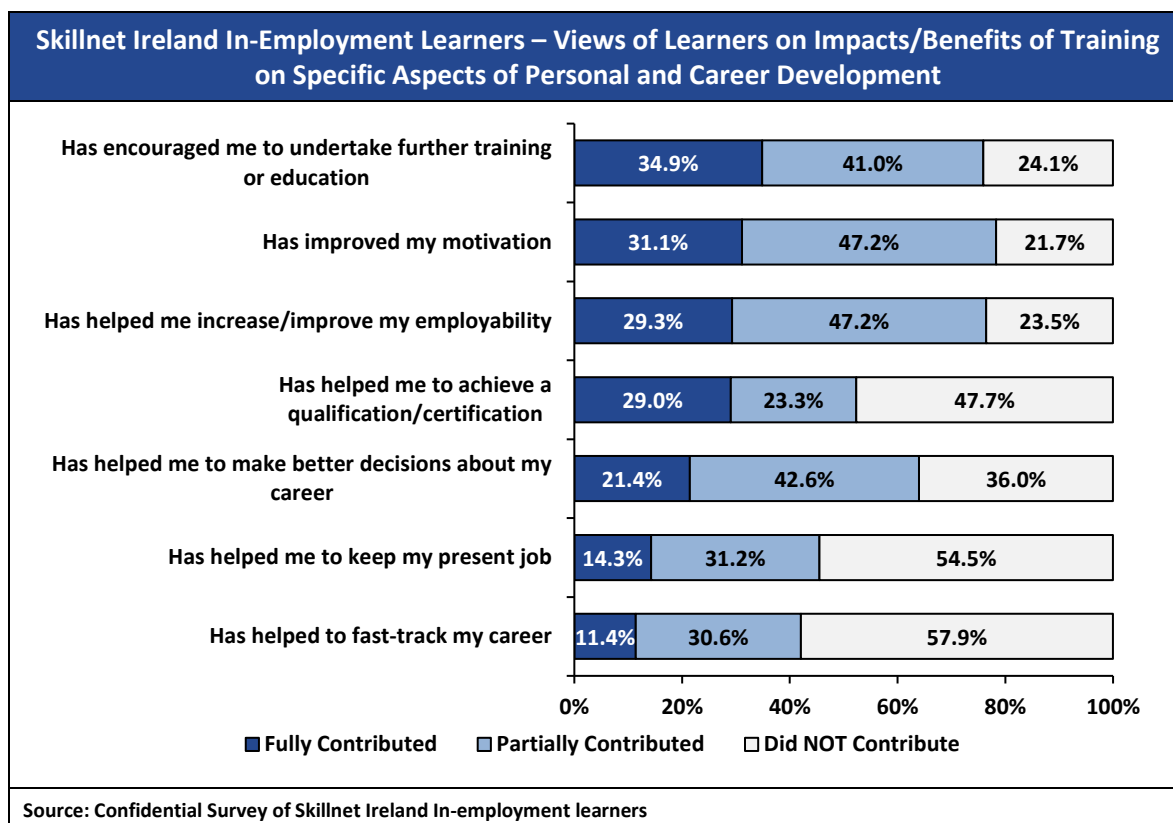
Since 2014, employment growth has averaged just over 3% per annum, and by the end of 2018 there were almost 2.3 million persons at work across the Irish economy. Unemployment has fallen sharply to below 5% in the first quarter of 2019, approaching levels which are generally accepted as representing full employment.

The dramatic changes in the Irish labour market since the post-crisis period have important implications for Skillnet Ireland strategy and, in particular, the appropriate division of resources between in-employment versus jobseeker learning.

Impacts on learners

Indecon's research among Skillnet Ireland in-employment learners found generally very high levels of satisfaction among learners on a number of aspects of their learning experience. Notably, 94.1% of in-employment learners indicated that they were either very satisfied or satisfied with the quality of training, with a similar proportion satisfied with the relevance of the training. 90% of in-employment learners who responded to Indecon's survey indicated that the Skillnet Ireland training they received met their overall expectations.

Skillnet Ireland learners also highlighted specific impacts/benefits of learning in terms of career and personal development. Approximately 75% of in-employment learners responding to the research indicated that their Skillnet Ireland training had partially or fully contributed to encouraging them to undertake further training or education. Similarly, 78.3% of respondents were in agreement that their Skillnet Ireland learning had led to an increased level of personal motivation. Another important finding that emerges is related to the view towards improved employability, which is fully or partially attributed to Skillnet training by 76.5% of respondents (see figure overleaf).



Skillnet Ireland has expanded its role in delivering accredited education and training up to NFQ Levels 8 and 9. In relation to the benefits of qualifications, indicative estimates developed by Indecon based on national research suggest that a typical individual in the Irish labour force who is aged 30, is in employment and possesses a Level 9 postgraduate degree, could expect on average to earn a net lifetime income premium over their remaining career of €60,400 after tax in discounted present value terms compared to a similar individual with a Level 8 undergraduate degree (see table below).

Value of a Post-Graduate Qualification – Estimated Additional Lifetime Earnings Premium of a Level 9 Qualification versus a Level 8 Qualification

Age Upon Completion of Qualification	Net Lifetime Earnings Premium after Tax – Present Value - €
25	71,000
30	60,400
35	50,800
40	42,100
45	34,200
50	27,100
55	18,500
60	9,700

Source: Indecon analysis

Although Irish unemployment levels have fallen dramatically over the last 3-4 years, Skillnet Ireland continues to play a role in supporting the Government's labour market activation policies in encouraging participation in the labour force and assisting jobseekers to find sustainable paid employment. During 2018, through the Employment Activation Programme, Skillnet Ireland delivered a total of 47,818 training days to 2,023 for-employment learners. The evidence from Indecon's research among EAP learners suggests that the programme has delivered a number of immediate labour market progression as well as career and personal development benefits to these individuals. Notably, 60.3% of 2018 EAP learners who responded to Indecon's research were in employment as of May-June 2019.

Assessment of Effectiveness and Efficiency

As part of the evaluation, Indecon also examined a number of aspects of the effectiveness and efficiency of Skillnet Ireland in 2018, including in relation to financial inputs and funding leverage, cost-effectiveness and value for money, and aspects of the effectiveness of network management.

Financial inputs and funding leverage

A total of 65 networks during 2018 were operated by Skillnet Ireland, with total income of €36.3 million, comprising grant funding of €17.7 million from NTF and an investment by participating businesses of €18.6 million. Enterprise funding accounted for 51.2% of network funding, and this contribution from enterprises was ahead of budget.

In relation to funding leverage and maximising the efficient deployment of NTF funding, it is notable that for every €1 of public/NTF funding allocated during 2018, participating enterprises provided €1.17 of matching funding.

Cost effectiveness and value for money

There has been an upward movement in overall unit costs of Skillnet Ireland's training programme delivery since 2016, when measured on a per trainee basis. However, this may reflect a range of factors, including the changing composition of programmes in terms of nature of interaction, delivery, duration and other drivers of cost. When examined on the basis of costs per training day delivered, overall unit costs have remained stable over the three-year period from 2016 to 2018. At programme level, an exception has been in relation to Management Development, for which unit costs increased significantly in 2018. However, this may reflect the evolving nature of management development training since this area of Skillnet Ireland's remit was reformed in 2017/18.

All training programmes will exhibit some level of deadweight, whereby some of the participation levels and learning outcomes observed are likely to occur in the absence of the programme. Indecon's research found that 16% of Skillnet Ireland participating firms indicated that if Skillnet Ireland did not exist, they would have not arranged training at all; 12.8% would have organised training but at a later date; whilst 40.5% indicated that they would have arranged alternative training but to a lesser degree. Just under a third of respondents (30.4%) stated they would have arranged alternative external training no different to that received through Skillnet Ireland, indicating a degree of deadweight, but not at a level of concern to Indecon for training programmes of this type.

Recommendations from Evaluation

Based on the detailed evaluation and conclusions, a number of recommendations designed to further enhance the effectiveness and impacts of Skillnet Ireland programmes have been identified by Indecon. These are set out in the next table.

Recommendations arising from Evaluation	
No.	Recommendation
1.	Given its role at the interface between business, Government and the education and training sector, Skillnet Ireland to further support economic development by placing skills and talent at the forefront of Ireland's value proposition, building on existing collaboration with the IDA Ireland and other agencies.
2.	Given that SME productivity is a key challenge highlighted at a national and international level, Skillnet Ireland to increase its focus on initiatives to drive productivity growth and innovation among SMEs. This should include exploration and instigation of additional workforce planning and development activities that drive SME growth and competitiveness.
3.	Increased emphasis should be placed and investment undertaken by Skillnet Ireland in the promotion of the benefits of workforce development, in order to engage enterprises that are not investing sufficiently in their workforce and are vulnerable to economic shocks. This is also important in the context of the ongoing need to drive further enhancement of Skillnet Ireland's reach among SMEs.
4.	The potential for Skillnet Ireland to disperse more frequent calls for proposals should be examined, with the objective of addressing government goals in the areas of workforce development, research and innovation. This may include dedicated theme-based calls (e.g. in the area of digital transformation).
5.	To maximise leverage and value for money through the deployment of NTF funds, Skillnet Ireland to examine the potential to access European Commission and other international funding programmes to complement NTF funding and to further advance workforce development and innovation in Ireland.
6.	Priority should be given by Skillnet Ireland to initiatives which address the digital skills gap, including in relation to preparing business across multiple sectors for digital transformation and maximising the use of technology to improve innovation capacity.
7.	Skillnet Ireland to encourage greater uptake of e-learning by business and explore the utilisation of immersive technologies within its workforce development initiatives.
8.	Skillnet Ireland to leverage its enterprise network model to build on their existing innovation capacity by promoting greater collaboration between Skillnet networks and partnerships with industry bodies, clusters, agencies and other stakeholders.
9.	Skillnet Ireland to continue to further develop and disseminate the outputs from its future skills research programme, including research in the areas of disruptive technologies and other developments to transform the workplace, while strengthening academic-industry links.
10.	Skillnet Ireland to undertake a feasibility assessment of the costs and benefits of options to enhance its data gathering processes to inform future counterfactual evaluation of its programmes.
Source: Indecon	

Overall Conclusion

Indecon's evaluation of Skillnet Ireland's programmes in 2018 has found that the organisation has continued to meet its objectives, both in terms of achievement of its targets under the National Training Fund, and in relation to demonstrating broad alignment with and contribution to meeting government policy goals.

There has been continued growth in Skillnet Ireland's enterprise base, which reached a total of 16,462 businesses during 2018, while the organisation delivered a total of 441,846 training days to 56,182 learners. Skillnet Ireland also continues to deliver overall value for money in the deployment of NTF funding, as evidenced by the continued high level of leverage of enterprise funding.

The organisation has demonstrated its ability and flexibility to respond effectively to immediate challenges faced by SMEs, including in relation to Brexit. It has also further expanded its programmes to address future skills challenges through effective collaborations with industry, state agencies and higher education institutions, creating specialised programmes that address emerging workforce and sectoral needs, and providing a wider range of learning opportunities for businesses in Ireland.

The evaluation has also highlighted continued positive feedback from both enterprises and learners on a range of aspects, including the impact on business productivity, turnover and long-term performance, as well as career and personal development benefits for Skillnet Ireland-supported learners.

Looking to the future, Skillnet Ireland now has the opportunity to leverage its role at the interface between business, government and the education and training sector to position skills and talent at the forefront of Ireland's value proposition, promote the benefits of workforce development, and drive productivity growth and innovation among SMEs. This will, however, require a range of initiatives and measures, a number of which have been identified in this evaluation. It will also require the organisation to maintain an ongoing focus on developing its reach among SMEs, ensuring responsiveness to demand, and continuing to demonstrate value for money in the utilisation of NTF funds.

1 Introduction, Background and Methodology

1.1 Introduction

This report is submitted to Skillnet Ireland by Indecon International Economic Consultants. The report provides an independent evaluation of Skillnet Ireland's programmes during 2018.

1.2 Background and Overview of Skillnet Ireland

Skillnet Ireland is the national business support agency dedicated to the promotion and facilitation of workforce learning in Ireland. The organisation was established in 1999 and works with businesses and their employees to address their current and future skills needs by providing high quality, subsidised training through a series of enterprise-led training networks which operate across a range of sectors and regions. The agency facilitates the growth of productive businesses in Ireland by enabling workforce planning, workforce development and workforce innovation. During 2018, Skillnet Ireland operated a total of 65 networks and delivered training through a suite of programmes, including the Training Networks Programme (TNP), the Future Skills Programme (FSP), the Management Development Programme, and the Employment Activation Programme (EAP).

Skillnet Ireland receives public funding through the National Training Fund (NTF), which is a dedicated fund to support the training of those in employment, as well as individuals who are seeking employment. In addition to NTF funding, Skillnet Ireland channels funding into its training programmes via funding provided by businesses that participate within Skillnet networks.

1.3 Scope and Terms of Reference for Evaluation

An independent evaluation of programmes managed by Skillnet Ireland is undertaken on an annual basis. Instigated by Skillnet Ireland, this approach has been cited by the OECD as an example of international best practice.³ The overall objective of this evaluation is to conduct an independent evaluation of Skillnet Ireland's training programmes delivered in 2018. This evaluation addresses the following thematic areas:

1. Consistency with Policy, including:
 - Consistency with Government policy in relation to workforce development, and facilitation of enterprise involvement in workforce development;
 - Role of Skillnet Ireland in promoting the future skills agenda;
 - Role of Skillnet Ireland in promoting management development; and
 - Alignment of programmes with requirements of National Training Fund.

2. Impact on Participating Enterprises, including:
 - Profile of enterprise participation in Skillnet Ireland networks;
 - Assessment of training outputs and outcomes for enterprises; and
 - Impact of Skillnet Ireland participation on enterprises.

³ Skills Strategy Implementation Guidance for Slovenia: Improving the Governance of Adult Learning. OECD Skills Series (2018).

3. Impacts on Learners, including:

- Alignment of Skillnet Ireland programmes/training with labour market needs;
- Relevance and responsiveness to industry sectors, to enterprise in general and to the economy;
- Role in supplying both current and future skills that will impact the growth potential of Irish enterprise;
- Role in labour market activation;
- General profile of learners;
- Benefits and impact of learning (for in-employment and for-employment learners);
- Facilitation of access to accredited training and education; and
- Career progression outcomes (from in-employment and for-employment training).

4. Effectiveness and Efficiency, including:

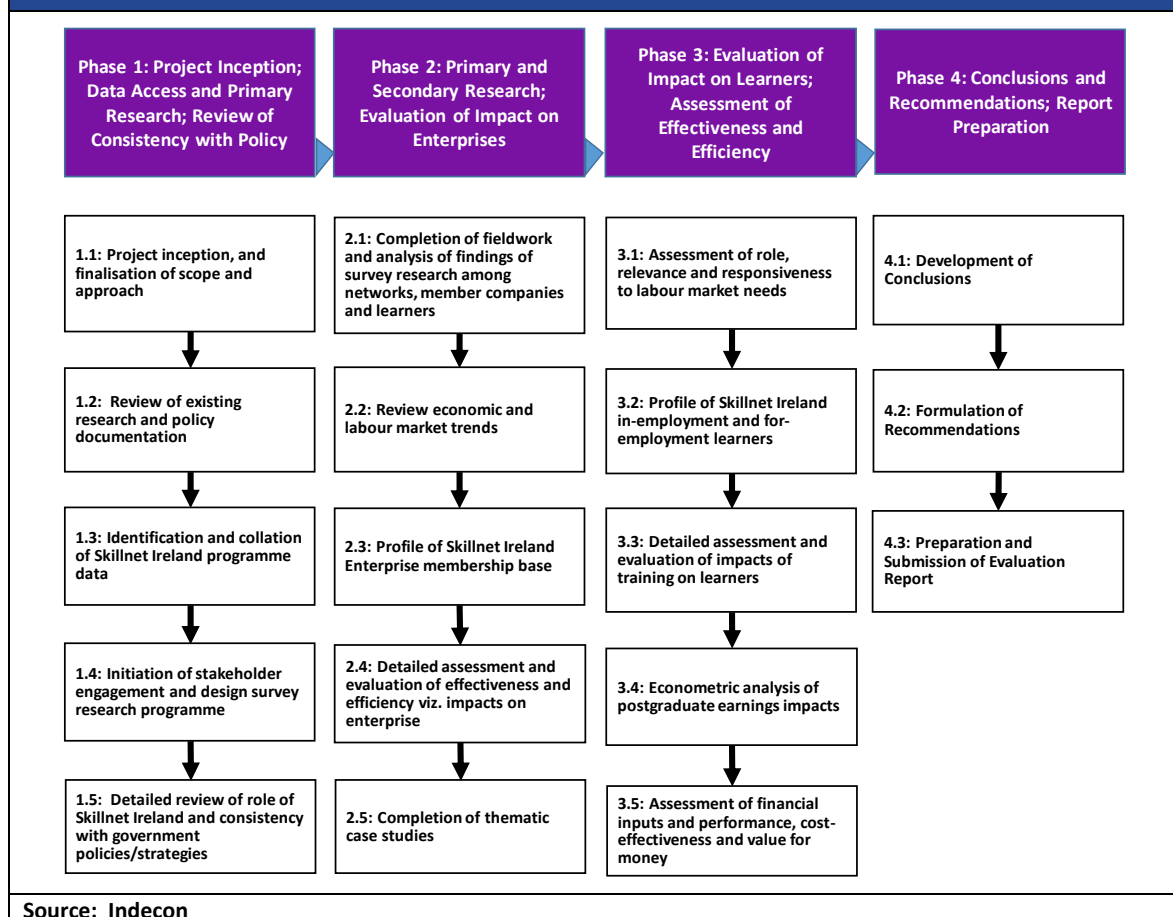
- Financial inputs and performance;
- Cost-effectiveness and value-for-money; and
- Network management.

The evaluation also delivers recommendations on areas for enhancement of the future delivery of Skillnet Ireland programmes.

1.4 Methodological Approach to Evaluation

A rigorous methodology was applied in completing this evaluation. This was designed to ensure an independent and rigorous examination of Skillnet Ireland's programmes during 2018, in line with the above terms of reference. This included particular focus on assessing the consistency of the organisation's activities and outputs with Government policy objectives, as well as the importance of ensuring value-for-money in the utilisation of NTF/public funding. An overview description of the methodological approach to completing the evaluation is presented in the next figure.

Figure 1.1: Overview of Proposed Methodological Approach/Work Programme for Evaluation of Skillnet Ireland Training Networks in 2018



1.4.1 Primary Research

This evaluation has been informed by an extensive programme of consultations and primary research, based on a number of components. These components are described below.

Consultation Programme

The evaluation process included engagement with a range of internal Skillnet Ireland and external policymakers and other stakeholders. These included the following:

- ❑ Discussions with Skillnet Ireland main board members;
- ❑ Detailed engagement with Skillnet Ireland Leadership Team; and
- ❑ Discussions with and inputs provided by external bodies, including:
 - Department of Business, Enterprise and Innovation;
 - IDA Ireland; and
 - Regional Skills Forum.

The above consultations provided valuable inputs from Skillnet Ireland main board members and senior management, as well selected key government officials and senior management within state agencies, on a range of aspects of the terms of reference, in addition to potential options for the future enhancement and development, and effective management, of the organisation's programmes.

Survey Research Programme

As with previous Indecon evaluations, this evaluation was informed by extensive inputs from Skillnet Ireland networks, participating enterprises and learners, through a series of new primary research surveys, as follows:

1. Survey of Network Managers and Promoters;
2. Survey of Skillnet Ireland Participating Businesses;
3. Survey of In-Employment Learners; and
4. Survey of Employment Activation Programme Learners.

Each survey focussed on networks', enterprises' and learners' experience in 2018, and was designed in collaboration with Skillnet Ireland and conducted online via SurveyMonkey. Survey fieldwork was undertaken between 31st May and 21st June 2019. A summary of the number of survey invitations issued and the associated numbers of responses and response rates achieved is presented in the table below. The number of responses and response rates attained provided a strong basis on which to inform the evaluation.

Table 1.1: Evaluation of Skillnet Ireland – Survey Research (May-June 2019) – Breakdown of Response Numbers and Response Rates Achieved			
	Number of Surveys Issued	Number of Responses	Response Rate
1. Survey of Network Managers and Promoters	117	87	71.3%
2. Survey of Participating Businesses	7,168	544	7.6%
3. Survey of In-Employment Learners	7,404	949	12.8%
4. Survey of Employment Activation Programme Learners	2,048	384	18.8%
Source: Indecon			

1.4.2 Data Sources

The analysis in this evaluation was supported by access to a range of data sources. Sources have been provided for each individual table and figure presented throughout. Sources used include data from Skillnet Ireland's Sonraí database as well as financial data. In addition, external data sources included Central Statistics Office (CSO) labour market data, SOLAS national skills database, and the EU Survey on Income and Living Conditions.

1.5 Report Structure

The remainder of the report is structured as follows:

- ❑ Section 2 examines the role of Skillnet Ireland and the organisation's consistency with Government policy across a number of areas;
- ❑ Section 3 evaluates the impact of Skillnet Ireland on its participating enterprise base;
- ❑ Section 4 assesses the impacts of training for in-employment and for-employment learners, in terms of the impact and benefits of training for labour market and career progression;
- ❑ Section 5 examines the financial inputs to, and performance of Skillnet Ireland's programmes, and assesses the effectiveness and efficiency, and value for money in the utilisation of public/NTF funds; and
- ❑ Section 6 summarises the key conclusions from the evaluation and also presents recommendations.

1.6 Acknowledgements and Disclaimer

Indecon would like to acknowledge the assistance and valuable inputs provided by a number of individuals and organisations during the course of this evaluation. We would like to express our gratitude to Skillnet Ireland main board members, including chairman Brendan McGinty, for their valuable contributions. We would also particularly like to thank members of Skillnet Ireland Leadership Team, including Paul Healy (CEO), Ian Quinn (Director of Finance and Company Secretary), Tracey Donnery (Executive Director) and Dave Flynn (Executive Director), in addition to Mark Jordan (Chief Technologist), Brian O'Shaughnessy (Development Project Manager), and Mary Hamill (Senior Data Analyst).

In addition, we would like to thank officials in the Department of Business, Enterprise and Innovation, IDA Ireland, and the Regional Skills Forum for their inputs to the evaluation.

Last but not least, we would also like to express our gratitude to businesses participating within Skillnet networks, learners, and network promoters and managers throughout the country who responded to Indecon's survey research.

The usual disclaimer applies and the analysis and findings in this independent report are the sole responsibility of Indecon.

2 Assessment of Consistency with Government Policy

2.1 Introduction

Skillnet Ireland operates within the wider government skills and labour market policy framework. However, an important issue concerns the extent to which the organisation is aligned with, and contributes effectively towards, different government policy objectives. This section examines the role of Skillnet Ireland and its consistency with government policy, including in relation to business productivity, innovation, workforce development and supporting the future skills agenda, in addition to promoting management development.

2.2 Overview of Policy Context and Skillnet Ireland Mandate

Skillnet Ireland within context of the National Training Fund

Skillnet Ireland receives public funding from the National Training Fund (NTF) via the Department of Education and Skills. The NTF was established under the National Training Fund Act 2000 as a dedicated fund designed to raise the skills of those in employment, to give jobseekers relevant skills, and to facilitate lifelong learning. The core objectives of NTF, as set out in the National Training Fund Act, are highlighted in the table below.

Table 2.1: National Training Fund – Core Objectives	
➤	To raise the skills of those in employment; or
➤	To provide training to those who wish to acquire skills for the purposes of taking up employment; or
➤	To provide information in relation to existing or likely future requirements for skills in the economy.
Source: National Training Fund Act, 2000, Section 7	

All education and training activity which is supported by the NTF must be consistent with existing Government policy in relation to workforce and enterprise development, supporting jobseekers and labour market activation, and in meeting associated sectoral and regional policy objectives. Skillnet Ireland's 'Statement of Strategy' sets out the objectives and aims of the organisation that will guide the organisation over the years 2016-2019. The three overarching goals of the strategy are summarised in Table 2.2.

Table 2.2: Skillnet Ireland Statement of Strategy 2016-2019 – Overall Goals

Goal One: “We will make training effectiveness, impact and relevance core to Skillnet Ireland activities. We will promote continuous improvement in the learning experiences provided to enterprise through our networks, and be a model for training excellence in an enterprise context.”

Goal Two: “We will play a pivotal role in maintaining a supply of the specific skills and future skills that impact the growth potential of Irish enterprise.”

Goal Three: “We will drive increased participation of employers in our proposition. In doing so, we will be a key enabler in sustaining national competitiveness through the up-skilling of those in employment.”

Source: Skillnet Ireland

Consistent with the above strategic goals is Skillnet Ireland’s mandate with the Department of Education and Skills. This mandate encompasses five dimensions/objectives, which are set out in the table below. An important issue, however, concerns how the organisation’s strategic goals and mandate are achieved in practice through the effective and efficient delivery of its programmes and their contribution to meeting specific government policy objectives.

Table 2.3: Skillnet Ireland Mandate

1. To act as an enterprise-led support body dedicated to the promotion and facilitation of enterprise training and workforce learning, as a key element in sustaining national competitiveness.

2. To increase participation in enterprise training by companies to improve competitiveness and provide improved access for workers to skills development.

3. To foster and support an enterprise-led, networked and partnership approach to the provision of enterprise training; and expand and develop that approach by supporting innovation, enhanced workplace training and workforce retention/activation-related training.

4. Using our broadly-based approach to encompass support for higher growth as well as vulnerable sectors ensuring, insofar as possible, that training is available to employees at all levels in participating private enterprises.

5. To clearly focus on the value for money, efficiency and effectiveness in the delivery of training and upskilling.

Source: Skillnet Ireland mandate with Department of Education and Skills

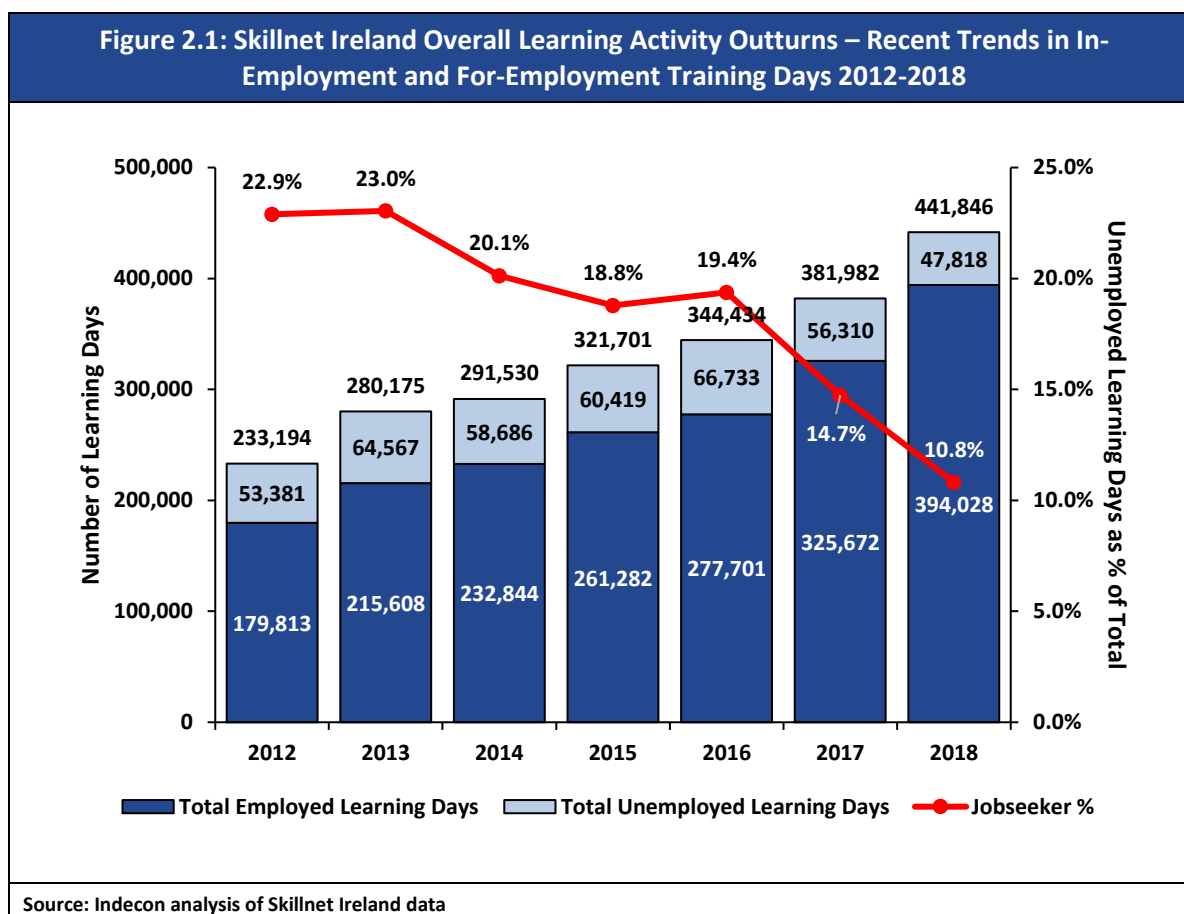
We examine overleaf the alignment of Skillnet Ireland with the requirements of the NTF, by reference to the outcomes achieved through the integration of NTF funding and enterprise co-funding in the delivery of the organisation’s training programmes. Separately, in Section 5.2 of this report, we also assess financial inputs, including NTF and company funding, allocated to Skillnet Ireland’s training programmes during 2018.

2.3 Alignment with National Training Fund Requirements

The table below presents a summary of Skillnet Ireland training activity outcomes achieved during 2018, in terms of both the number of learners and the number of learning days delivered. The Department of Education and Skills (DES) set an overall trainee target of 54,600 for 2018, comprising 51,600 in-employment and 3,000 for-employment learners. Skillnet Ireland surpassed the overall trainee target by 3%, supporting a total of 56,182 learners in 2018. This compared with 49,211 learners in 2017 – implying an annual increase of 14.1%. It is notable that the Department’s targets for learning/training days were substantially exceeded – by 28%, to reach an overall level of 441,846 learning days delivered in 2018, and representing a 15.7% increase on the outcome in 2017. Within the overall outcome, it is also noteworthy that Skillnet Ireland surpassed the learning days targets for both in-employment and jobseeker training, by 26% and 46% respectively, during 2018. In relation to the division between in-employment and for-employment/jobseeker learning, in-employment learners now represent over 96% of the overall number of learners supported.

Table 2.4: Skillnet Ireland Overall Training Activity Outturns versus Target 2018						
All Pro-grammes	Dept. of Edu-cation & Skills Target 2018*	Actual 2018	% of Target - 2018	Ref: Dept. of Education & Skills Target 2017*	Ref: Actual 2017	Ref: % of Target - 2017
Learners						
In-employ-ment learners	51,600	54,159	105%	40,500	45,506	112%
For-employ-ment learners	3,000	2,023	67%**	2,500	3,705	148%
Total Learners	54,600	56,182	103%	43,000	49,211	114%
Training Days						
In-employ-ment learning days	312,078	394,028	126%	270,000	325,672	121%
For-employ-ment learning days	32,667	47,818	146%	28,000	56,310	201%
Total Learning Days	344,745	441,846	128%	298,000	381,982	128%
Source: Skillnet Ireland						
*Relates to DES targets as set out in Annual Allocation Letter						
**Target comprises people or days and therefore the target for unemployed training was achieved based on days.						

Figure 2.1 highlights the evolution in Skillnet Ireland learning days since 2012. The overall annual number of learning days provided has increased from 280,175 in 2012 to 441,846 in 2018 as a result of overall expansion of Skillnet Ireland's enterprise and trainee base over this period. This reflects in particular the strengthening economic recovery and expansion of employment across the Irish economy. This is most evident in the number of in-employment learning days, which reached a total of 394,028 in 2018, representing 89% of the overall number of learning days.



2.4 Wider Government Policy Context and Role of Skillnet Ireland

The table overleaf presents a summary of specific government strategy/policy documents in which Skillnet Ireland is identified as having an explicit policy delivery role. These government policies are wide ranging in scope, and include wider workforce and skills development, as well as regional and sectoral dimensions.

Table 2.5: Overview of Role of Skillnet Ireland in relation to Key Government Strategies/Policies

Government Department / Agency	Government Strategy/Policy Name	No. of Actions for Skillnet Ireland	Year Published
Department of Education and Skills	Technology Skills 2022	2	2019
Department of Business, Enterprise and Innovation	Future Jobs Ireland 2019	2	2019
Department of Education and Skills	Cumasú	2	2019
Department of Agriculture, Food and the Marine	Foodwise 2025	1	2015
Department of Finance	Ireland for Finance 2025	7	2019
Department of Finance	IFS2020 - Action Plan 2018	7	2018
Department of Education and Skills	Action Plan for Education 2018	2	2018
National Skills Council / Expert Group on Future Skills Needs	Addressing Skills Needs arising from Brexit	3	2018
Department of Education and Skills	Ireland's Strategy for Foreign Languages in Education 2017-2026	2	2017
Department of Finance	IFS 2020 - Action Plan 2017	5	2017
Expert Group on Future Skill Needs	Update on Future Skills Needs in the Food and Drink Sector	3	2017
Department of Education and Skills	Action Plan for Education 2016-2019	1	2016
Department of Business, Enterprise and Innovation	Action Plan for Jobs - North-East North-West 2016-2017	2	2016
Expert Group on Future Skill Needs	Future Skills Needs of the Biopharma Industry in Ireland	3	2016
Department of Education and Skills	Ireland's National Skills Strategy 2025	2	2016
Department of Employment Affairs and Social Protection	Pathways to Work (2016-2020)	1	2016
Department of Business, Enterprise and Innovation	Enterprise 2025 - Ireland's National Enterprise Policy 2015-2025	1	2015
Expert Group on Future Skill Needs	Future Skill Needs in the Freight, Transport & Logistics Sector 2015-2020	3	2015
Expert Group on Future Skill Needs	Future skills requirements in the Hospitality Sector 2015-2020	2	2015
Department of Finance	IFS 2020 'A strategy for Ireland's International Financial Services sector 2015-2020	7	2015
Department of Business, Enterprise and Innovation	Innovation 2020	1	2015
Department of Housing, Planning and Local Government	Construction 2020 - A strategy for a Renewed Construction Sector	3	2014
Department of Education and Skills	ICT Skills Action Plan 2014-2016	2	2014
Expert Group on Future Skill Needs	Assessing the Demand for Big Data and Analytics Skills, 2013 - 2020	1	2013
Expert Group on Future Skill Needs	Future Skills Requirements of the Manufacturing Sector to 2020	9	2013

Source: Skillnet Ireland

Indecon's assessment indicates that Skillnet Ireland has played a role prior to and since 2018 in implementing actions related to a wide range of government policies/strategies. However, the majority of the above-listed strategies/policies are live, with the implementation of specific actions an ongoing requirement for Skillnet Ireland as part of the organisations' operations. Building on Indecon's 2017 evaluation, in the current evaluation we examine in particular Skillnet Ireland's ongoing role and contribution to achieving the goals of government policy on workforce skills development, as set out in the overarching National Skills Policy and in the Action Plan for Education.

2.5 Consistency with Government Policy on Workforce Development

Given its role as the national agency responsible for supporting enterprise and promoting workforce learning in Ireland, and reflecting its obligations in relation to the deployment of NTF funding, an important issue concerns the consistency between Skillnet Ireland's operations and Government policy in relation to workforce development.

National Skills Strategy

The overarching Government policy in relation to workforce and skills development is set out in the National Skills Strategy 2025 (NSS). The NSS, which Skillnet Ireland contributed to during its formulation, represents the key policy framework in which the organisation operates. The strategy aims to support the development of a well-educated, well-skilled and adaptable labour force, and creating and sustaining a strong pool of talented people of all ages living in Ireland.⁴ The overall aims of the National Skills Strategy are outlined in the programme's six objectives:

1. Education and training providers will place a stronger focus on providing skills development opportunities that are relevant to the needs of learners, society and the economy;
2. Employers will participate actively in the development of skills and make effective use of skills in their organisations to improve productivity and competitiveness;
3. The quality of teaching and learning at all stages of education will be continually enhanced and evaluated;
4. People across Ireland will engage more in lifelong learning;
5. There will be a specific focus on active inclusion to support participation in education and training and the labour market; and
6. To support an increase in the supply of skills to the labour market.

Skillnet Ireland is referenced in the NSS as an important model that enables employers to come together to determine their common skills needs, as well as being a flexible and effective framework for supporting learning outside of traditional education structures:

“[T]he Skillnets model enables networks of employers in regions or sectors to come together to determine their common skill needs and procure training for their employees. Skillnets is co-funded by the National Training Fund and by employers directly and has proved to be a flexible and effective model for companies of various sizes to meet their short and medium-term skill needs.” (NSS, page 58.)

Skillnet Ireland has been assigned two specific actions under the NSS, which are identified in the next table.

⁴ 'National Skills Strategy 2025', Department of Education and Skills, January 2016. See: https://www.education.ie/en/Publications/Policy-Reports/pub_national_skills_strategy_2025.pdf.

Table 2.6: Role of Skillnet Ireland in Context of National Skills Strategy 2025

National Skills Strategy Action	
1.	Action 1.3 – Diversity of Provision beyond School – Measure: “Support Skillnets to encourage companies to engage in their networks to assist them in meeting their skills needs.”
2.	“Action 2:2 – Capability of SMEs will be Enhanced through Skills Development - Measure: “Support the further development of skills assessment resources to help companies, especially SMEs, to accurately identify their skills needs.”
Source: National Skills Strategy 2025	

Growth in enterprise participation base

A key overall indicator of Skillnet Ireland’s success in relation to involving enterprise in workforce development is the growth in the size of the business participation base across the organisation’s networks. The table below provides a comparison of Skillnet Ireland’s overall enterprise base in 2018 and in 2017. Skillnet Ireland worked with a total of 16,462 participating enterprises during 2018. This represents an increase of 9.7% on the number of enterprises in 2017, and a 28% increase compared to the base in 2015.

Table 2.7: Skillnet Ireland – No. of Participating Enterprises

	2018	2017
Number of Participating Enterprises	16,462	15,012
Source: Indecon analysis of Skillnet Ireland data		

Indecon has also examined the levels and recent trends in the extent of ‘reach’ of Skillnet Ireland among the wider population of SMEs in the Irish economy. Based on the latest available business demography statistics pertaining to 2017 (published by the CSO in July 2019), there were 270,557 active SMEs in Ireland in 2017. A direct comparison based on Skillnet Ireland data for 2017 indicates that approximately 95% or 14,111 firms within its participation base were SMEs, implying that the organisation’s SME base represented approximately 5.2% of the overall population of SMEs in Ireland in 2017. This compares with 4% of SMEs in 2013 and demonstrates the achievements of Skillnet Ireland in growing its enterprise base and reach among SMEs, particularly given the scale of the challenge.

Action Plan for Education

The Action Plan for Education⁵ represents the Department of Education and Skills' Strategy Statement, and covers the period 2016-2019. It identifies education and training as being central to Ireland's economic, cultural, scientific, and social ambitions. The overall strategic objectives and envisaged outcomes of the plan include reference to Skillnet Ireland in workforce upskilling and reskilling, as follows:

“Increasing upskilling and reskilling opportunities in education and training for those in work (places in Higher Education including mature students, as well as Further Education and Training and Skillnets places).” (Page 3)

In the context of delivering on the Action Plan for Education's objective to “create a greater diversity of learning opportunities beyond school”, Action 102 identifies three key themes. These themes, which have since framed Skillnet Ireland's organisational strategy for the period 2016-2019, are as follows:

- Increased enterprise participation of employers in the Skillnets training networks model to improve the productivity, capability and competitiveness of enterprise;
- Enhanced relevance, effectiveness and impact of training including an increased focus on the effective diagnosis and prioritisation of skills needs and measurement of impact of training on enterprise; and
- Increased supply of new and specific skills (skills that are vital to the competitiveness and growth potential enterprise) to the Irish labour market which address current, emerging and future skills needs of enterprise. (Page 49)

The 2018 Action Plan for Education sets out a number of specific actions for Skillnet Ireland, which are set out below:

- Action 73: Support the development of an Upskilling Pathways Plan – New Opportunities for Adults which aims to help adults acquire a minimum level of literacy, numeracy and digital skills. (Skillnet Ireland along with DEASP, SOLAS, ETBI, QQI, NALA, and AONTAS).
- Action 74: Continue to work with Skillnets to deliver enterprise-led training and continue to develop the model in accordance with the Skillnets Statement of Strategy 2016-2019:
 - 74.1: Establish and fund 4 new Skillnets Learning Networks in Sectors (and regions) highlighted in national workforce and sectoral policy.
 - 74.2: Develop innovative programmes to meet emerging/future skill needs and critical skill shortages through collaborations with industry, FE providers, HEIs and agencies including the IDA.

⁵ Action Plan for Education (2016-2019), Department of Education and Skills Strategy Statement. See: <https://www.education.ie/en/Publications/Corporate-Reports/Strategy-Statement/Action-Plan-for-Education-2017.pdf>.

New Network Formation

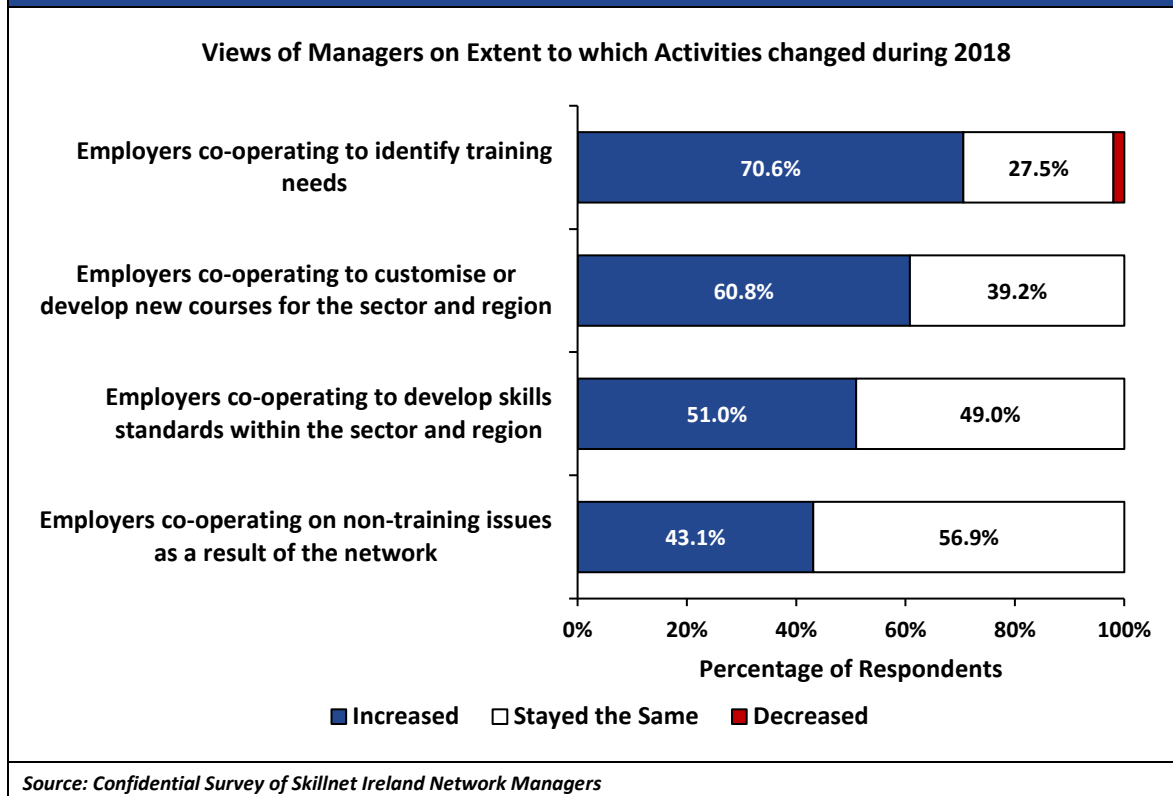
The overall growth of Skillnet Ireland’s enterprise participation is driven by a combination of expansion of existing networks as well as establishment of new networks. The next table provides an overview of the new networks established by Skillnet Ireland during 2018. A total of five new networks were launched during the year. This exceeded the target of four new learning networks set out in the Action Plan for Education for 2018, as described above. These new networks cover a diversity of sectors and skill needs, including the areas of robotic and automation technologies, micro- and nano-technologies, talent management and professional development within the recruitment and hospitality sectors, among others.

Table 2.8: Overview of New Skillnet Ireland Networks Established during 2018	
Skillnet Name	Skills Focus of Skillnet
Cobotics Skillnet	Aimed at increasing the uptake of robotic and automation technologies in order to support the international competitiveness of Irish businesses and employment growth.
M1 - Drogheda Chamber Skillnet	Network has the objective of supporting regional development in multiple sectors in the Drogheda area by enabling participating companies to develop and grow through the provision of relevant and flexible training.
MIDAS Electronic Systems Skillnet	A national network that encourages the development of Ireland’s micro and nano-electronics industry through the enhancement of specialised skills and knowledge within the sector, broadening access to skills development opportunities and encouraging ongoing professional development.
National Recruitment Federation Skillnet	Provides training, courses and other support services concerning technical and recruitment skills, talent management and personal and career development in order to enhance specialised skills and knowledge nationally in Ireland’s recruitment sector.
Chef Network Skillnet	Provides education and training, business development and professional development services in order to attract and retain chefs, promote and maintain culinary skills and improve training standards and encourage greater collaboration with the education sector in the culinary industry.
Source: Skillnet Ireland	

Enterprise Collaboration

An indication of how Skillnet Ireland facilitates and encourages enterprises to engage within their networks is seen in the findings from Indecon’s research among network managers, summarised in the figure overleaf. This found that a majority of over 60% of network managers indicated that there had been an increase during 2018 in the number of participating enterprises co-operating with Skillnet Ireland to identify training needs and to customise and design new courses for their region or sector.

Figure 2.2: Skillnet Ireland Enterprise Engagement – Views of Network Managers on Change in Extent of Enterprise Co-operation Activities during 2018



2.5.1 Ongoing Contribution to Specific Government Policies

In addition to its key role in contributing to the achievement of government policy goals as set out in the National Skills Strategy, it is also instructive to highlight the role of Skillnet Ireland in relation to a number of recently launched national and sectoral government strategies. These include:

- ❑ Addressing skills needs arising from Brexit;
- ❑ Future Jobs Ireland 2019;
- ❑ Technology Skills 2022;
- ❑ Ireland for Finance 2025;
- ❑ Food Wise 2025; and
- ❑ Sustainable Development Goals National Implementation Plan 2018-2020.

Addressing Skills Needs arising from Brexit

In June 2018, the National Skills Council along with the Expert Group on Future Skills Needs published a report entitled ‘Addressing the Skills Needs arising from the Potential Trade Implications of Brexit’.⁶ This report represents a cross-sectoral contingency analysis to identify and make recommendations on addressing the specific skills needs for the Irish enterprise base arising from the potential trade implications of Brexit. Its focus is on those skillsets associated with the facilitation of trade across international borders, and its diversification into and from new markets.

One of the main recommendations of the report is to “Introduce additional customs awareness and higher-level customs clearance training and advice for third-country trading as the implications of Brexit become clearer.”

Skillnet Ireland has been assigned a lead role in relation to the following associated measure:

- “Encourage the development of enterprise-led Skillnet Ireland networks for customs clearance training aligned with sectoral needs. (Lead: Enterprise led networks with Skillnet Ireland.)”

In response to this, the recent Skillnet Ireland Supplemental Call (2019) recognized the need to encourage and incentivise enterprise participation in upskilling to mitigate the impacts of Brexit, and to ensure that firms are adequately prepared. Aligned with the above recommendation to provide competitive training solutions, up to 80% grant funding was made available as part of this Call for high-impact, Brexit-related upskilling proposals.

Additionally, supported by the ‘Getting Ireland Brexit Ready’ strategy, Skillnet Ireland was tasked with designing and implementing a national initiative, called *Clear Customs*, which provides free training to customs intermediaries and to businesses that frequently trade with or through the UK. This initiative is delivered by a consortium established by Skillnet Ireland, led by the Chartered Institute of Logistics and Transport (CILT). This initiative is profiled in a case study presented in Section 3 of this report (see Box 3.1).

Future Jobs Ireland 2019

Future Jobs Ireland represents the Government’s new strategic multi-annual framework of focused ambitions which will form a key part of Ireland’s future economic agenda over the medium term. The framework, which was launched in March 2019, is designed to complement other key Government development frameworks and initiatives, including ‘Project Ireland 2040’ and ‘Global Ireland 2025’, and also builds on other strategies which are currently being implemented such as ‘Innovation 2020’, ‘Enterprise 2025 Renewed’ and the new Regional Enterprise Plans. Future Jobs Ireland has a key objective of ensuring that Ireland’s enterprises and workers are well placed to prosper in the rapidly changing global economy. The framework will focus on five pillars. Future Jobs Ireland 2019 is the first in a series of annual reports that will form part of a multi-annual framework. This first report sets out core ambitions for each of the above pillars, and these are supported by a set of specific deliverables representing steps toward achieving each ambition.

⁶ National Skills Council and Expert Group on Future Skills Needs, ‘Addressing the Skills Needs arising from the Potential Trade Implications of Brexit’, June 2018. See: <https://dbei.gov.ie/en/Publications/Publication-files/Skills-needs-potential-trade-implications-Brexit.pdf>.

Skillnet Ireland is assigned roles in respect of the following pillars and associated ambitions for delivery during 2019:

- ❑ Pillar 2 – Improving SME productivity:
 - Ambition 2.5: “Improve leadership and management skills in SMEs – Deliverable (iii) “Expand Skillnet Ireland provision in leadership skills and management development skills in SMEs to support productivity growth and to support the absorption of new technologies by SMEs.”
- ❑ Pillar 3 – Enhancing skills and developing and attracting talent:
 - Ambition 3.1: “Provide high quality and timely education and training responses to evolving enterprise and skills needs” – Deliverable (v) “Expand Skillnet Ireland provision in high demand areas as evidenced by EGFSN Skills Forecasting such as AI/Cognitive systems, AR/VR, robotics, blockchain and cybersecurity.”

Skillnet Ireland is currently progressing the delivery of these actions.

Technology Skills 2022

Technology Skills 2022⁷ is a collaborative effort by Government, the education and training system, and industry to meet Ireland’s high-level ICT skills needs. The plan, which was launched in February 2019, identifies a number of priority actions to be undertaken in the four-year period 2019-2022, with the objective of meeting the demands for high-level ICT skillsets in the Irish economy. It sets out to provide appropriate education and training pathways for people to train, learn and upskill in a range of high-level ICT skills which are required by industry. The plan targets to deliver up to an additional 5,000 relevant ICT graduates per annum by 2020, primarily through new graduate output from the indigenous education and training system, with the remainder serviced by inward migration.

The Technology Skills 2025 plan notes the following re Skillnet Ireland:

“Skillnet Ireland has demonstrated a strong capacity to work closely with its business learning networks, responding flexibly and in innovative ways to meet specific ICT skill needs. Specific technology and ICT focussed Skillnets include animation, robotics, green tech, internet of medical things, medtech, electronic systems, ICT and software. The Technology Ireland ICT Skillnet, in collaboration with University of Limerick, also launched Ireland’s first Master’s degree in Artificial Intelligence (AI) in early 2018, in response to a growing demand by industry for AI skills in Ireland. Continued expansion and development of Skillnet Ireland networks through programmes aligned with the National Framework of Qualifications can encourage professionals to remain in the wider ICT sector. These will be supported by clear career pathways which highlight opportunities for companies and individuals in employment.”⁸

⁷ ‘Technology Skills 2022 – Ireland’s Third ICT Skills Action Plan’, prepared by Department of Education and Skills. See: <https://www.education.ie/en/Publications/Policy-Reports/technology-skills-2022.pdf>.

⁸ Ibid., page 18.

Skillnet Ireland is tasked to lead on the delivery of outcomes under Actions 3 and 5:

- Action 3 – “Skillnet Ireland networks to deliver targeted ICT technical and management programmes to industry:
 - Deliver Skillnet Ireland ICT conversion programmes focusing specifically on software engineering;
 - Delivery of Skillnet Ireland ICT conversion courses focused on hardware and infrastructure skills and job role as well as in IT service functions;
 - Target areas for investment should be high demand areas as evidenced by the EGFSN Skills Forecasting: Data Analytics, Artificial Intelligence/Cognitive Systems, Robotics, Animation, Gaming, Blockchain, Internet of Things, 3D Printing, Augmented and Virtual Reality, Cybersecurity/Next Generation Security;
 - Conduct review of delivery against priority areas;
 - Continue and monitor the outcomes of the Skillnet Ireland Women ReBOOT programme.”

- Action 5 – “Promote the new diversity of education and skills provision to the public and industry:
 - Deliver comprehensive skills development information to employers including the new ways employers can access funding supports and training opportunities.”

Skillnet Ireland is currently working to achieve the above actions and associated deliverables under Technology Skills 2022, which the plan has scheduled for delivery during 2019.

Digital Europe programme 2021-2027

In the wider context of Technology Skills 2022, Skillnet Ireland is also contributing to EU policy in this area, including through the development of the *Digital Europe Programme 2021-2027*.⁹ This programme will build the strategic digital capacities of the EU and will boost investment in supercomputing, artificial intelligence, cybersecurity, advanced digital skills, and in ensuring a wider use of digital technologies. Skillnet Ireland is currently active in these areas and plans to further strengthen its involvement in the years ahead.

⁹ European Commission, Digital Europe Programme. See: <https://ec.europa.eu/digital-single-market/en/news/digital-europe-programme-proposed-eu92-billion-funding-2021-2027>.

Ireland for Finance 2025

'Ireland for Finance 2025' is the Government's new strategy for the development of Ireland's international financial services sector to 2025.¹⁰ The strategy builds on the achievements of its predecessor, the 'Government Strategy for Ireland's International Financial Services Sector – IFS2020', and is aligned with other Government strategies, including the aforementioned Future Jobs Ireland. It sets out an overall vision for Ireland to be a top-tier location of choice for specialist international financial services and to enhance and protect Ireland's future competitiveness in this area. The principal objective of this strategy is to "move Ireland further up the value chain and to continue growing the sectors Ireland already has in place, to ensure they can capitalise on changes and opportunities that arise. In parallel, Ireland will need to develop new and alternative business lines in order to adapt to the changing environment, to capture more IFS investment from new geographical markets, and to ensure that Ireland's offering remains relevant in light of technological and market shifts." The achievement of the strategy's objectives will be supported by action measures which are set across four pillars, namely:

- ❑ Operational environment;
- ❑ Technology and innovation;
- ❑ Talent; and
- ❑ Communications and promotion.

In relation to talent development, the strategy indicates that a key requirement for success in achieving its goals will be "the availability of sufficient numbers of people with the skills needed – in quantity and quality – for the sector to continue growing and moving up the value chain. Part of this process will be to encourage ongoing learning and development. The retraining and upskilling needs of the sector will be continually reviewed over the course of the strategy." The strategy notes that Skillnet Ireland learning networks will contribute to implementing IFS workforce initiatives that align with the strategy. Specifically, the organisation is identified in the strategy as having a lead or joint role in relation to the following action measures for 2019:

- ❑ Action 11: "Deliver and IFS Legal Brexit Summit" (Skillnet Ireland along with Council of the Bar, Law Societies of Europe, and Insurance Ireland).
- ❑ Action 37: "Deliver and develop sector specific training programmes:
 - Deliver training programmes in sustainable finance and responsible investment supported by Sustainability Skillnet;
 - Deliver the Postgraduate Diploma in International Financial Services Law; and
 - Develop and deliver and MSc in Applied Blockchain (Distributed Ledger Technologies)."
- ❑ Action 38: "Undertake a deep sector analysis of future sustainable finance and responsible investment skills and talent requirements."

Skillnet Ireland is currently working to deliver on the above actions during 2019.

¹⁰ Ireland for Finance – The Strategy for the Development of Ireland's International Financial Services Sector to 2025. Department of Finance, April 2019. See: <https://assets.gov.ie/24482/278893738e764db79c43eada83c030e3.pdf>.

Food Wise 2025

Food Wise 2025¹¹ is the Government’s ten-year vision for the growth of the Irish agri-food industry out to 2025. The strategy sets out a number of actions required to ensure that the agri-food sector maximises its contribution to economic growth and exports in an environmentally sustainable manner over the period, which build on the progress achieved under Food Harvest 2020.

One of the key actions under Food Wise 2025 involving Skillnet Ireland is as follows:

“Explore formal opportunities to transfer learnings from food and drink production to new sector entrants via mentoring, training and skills transfer by Industry, Skillnets, universities, schools and Agri Aware.” (page 49)

Skillnet Ireland continues to fund a number of learning networks supporting the agri-business sector and these networks have been active across a number of different initiatives during and since 2018. This includes the following new FSP programmes developed on behalf of the agri-food sector:

- Diploma in Brewing Management online Programme;
- Farm Perform (Whole Herd Nutrition) Programme;
- Herd/Flock Health Mentor Programme;
- Livestock handling and management (online);
- Mart Management Development Programme; and
- Tractor driving and machinery maintenance (online).

The Taste4Success Skillnet has piloted an innovative new initiative relating to digital badges (micro-credentials) for the food and beverage sector. This initiative is profiled in the case study presented overleaf. In addition, Taste4Success Skillnet, Food Drink Ireland Skillnet and Midland Border East Skillnet, are currently researching the opportunities and challenges of multicultural diversity within the food and beverage sector (with a particular focus on the meat industry). This work was funded through the FSP Research and Innovation Programme 2018.

2.5.2 Case study – Taste 4 Success ‘Digital Badge’ initiative for agri-food sector

A case study example of Skillnet Ireland’s role in supporting collaborative innovations at a sectoral level is presented overleaf. This relates to the Taste 4 Success Skillnet ‘Digital Badge’ initiative for the agri-food sector.

¹¹ Food Wise 2025, Department of Agriculture, Food and the Marine, 2015. See: <https://www.agriculture.gov.ie/foodwise2025/>.

Box 2.1: Case Study – Taste 4 Success Skillnet ‘Digital Badge’ Initiative for Agri-food Industry**Introduction**

With the mission to drive increased participation and learning, Taste 4 Success Skillnet identified an opportunity to further develop, enhance and recognise the learning and upskilling of employees in food and agri-food sector. An assessment of the potential impact and value of Digital Badge credentials from a third-level academic institution was undertaken by Taste 4 Success Skillnet in collaboration with the Food Industry Training Unit (FITU) at University College Cork (UCC).

Digital Badge

Digital Badge is an indicator of accomplishment in the form of an image or an icon and the award can be made after a programme that meets certain verified criteria. Digital Badges offer a unique way of upskilling the workforce in a sector, better assessment of potential employees, and monitoring of internal employee development. A Digital Badge is characterised in a manner that makes it suitable to support individualised pathways for learning and reflect trends in adult education. The badges earned by employees act as a tangible evidence of the competencies and skills for potential employers, while simultaneously signalling skill acquisition in areas that may have not been covered to a desired level during a primary degree or other formal qualification. Although, a relatively new concept, Digital Badges are gaining attention in the Irish third-level sector with around 30% of third-level institutions currently providing Digital Badges.

Taste 4 Success Skillnet programmes

Taste 4 Success Skillnet provides sector-specific, subsidised education and training to businesses participating within the Skillnet. In collaboration with UCC, it identified the two most appropriate programmes, viz. Food Processing Engineering Principles and Speciality/Artisan Food Marketing- A Focus on Digital Marketing. These programmes were attended by a total of 53 learners, representing 43 different companies in the food and agri-food sector in Ireland. The first course ‘Food Processing Engineering Principles’ targeted technical, quality and marketing managers, production staff and plot operators, quality assurance personnel, product developers and R&D personnel and food retailers. On the other hand, the second programme ‘Speciality/Artisan Food Making- A Focus on Digital Marketing’ targeted those who considered establishing their own speciality food business and those who had already set-up a speciality food business in order to get better understanding of how to market their product within the speciality food sector. The study assessed the potential of Digital Badge and found that the majority of enterprises (70%) were positive about the concept of Digital Badges, which is significant given the very recent emergence of this new learning approach in Ireland.

Benefit for Agri-Food Sector in Ireland

The food and agri-food sector in Ireland represent a highly competent and dynamic industry, and as the need arises it should be responsive to changes in key global processes, technologies, and manufacturing. Many companies in the food sector have demonstrated a willingness to embrace new learning methods and adapt to advanced learning technologies. Hence, Digital Badge micro-credentials benefit employees via increased employability and mobility, and benefit employers through providing assurance regarding the demonstrable skills acquired by workers within the sector. Taste4Success Skillnet and UCC have also committed to raising awareness of the potential for Digital Badges and how their use can be replicated in other sectors.

Source: Indecon, based on inputs from Skillnet Ireland

Sustainable Development Goals National Implementation Plan 2018-2020

Ireland's Sustainable Development Goals National Implementation Plan was launched by the Government in April 2018. The plan is designed to demonstrate Ireland's ongoing commitment to the United Nations' 2030 Agenda for Sustainable Development and provides for a whole-of-government approach to implementing the Sustainable Development Goals (SDGs) within this agenda. The Plan sets out an ambitious vision for how Ireland will fully achieve the SDGs at home by 2030 and support their implementation internationally.

While Skillnet Ireland is not referenced explicitly in the National Implementation Plan, it is important to highlight the organisation's alignment with the plan, including in relation to how networks are contributing to following goals:

- Goal 2: Sustainable agriculture, e.g., National Organic Training Skillnet;
- Goal 6: Sustainable management of water, e.g., Lean and Green Skillnet;
- Goal 7: Access to modern energy, e.g., Green Tech Skillnet; and
- Goal 12: Ensure sustainable production patterns (multiple networks).

2.6 Role in Promoting Future Skills Agenda

In addition to its core remit in supporting existing workforce development, Skillnet Ireland plays an active role in both shaping and responding to the Government's future skills agenda, and in maintaining a supply of new and future skills. This role is supported through development of new training and education programmes as part of the Future Skills Programme (FSP), as well as through the organisation's support of training programmes in new growth sectors such as aviation, FinTech, Artificial Intelligence and other specific areas. These activities are facilitated through collaboration between businesses participating in Skillnet networks, higher education institutions and industry training providers.

Skillnet Ireland's achievements during 2018 in contributing to the future skills agenda are evidenced by the extent of new FSP initiatives developed. These initiatives are summarised in Table 2.9. A total of 46 new FSP initiatives were launched during 2018, across a diverse range of areas. These include the new Master's in Artificial Intelligence (AI) (see further below), as well as other innovative programmes in areas such of Blockchain, Internet of Things (IoT) Sustainable Finance, Animation, Software Product Management, Fintech, Cyber Security and Design Engineering for medical technologies.

Table 2.9: New Skillnet Ireland Future Skills Programme Initiatives Developed in 2018

Acadamh na Meáin Programme (Cross Platform Irish Language blended learning programme in TV production)
Advanced Robotics Systems Integration Programme
Agri Academy (online training initiative)
Business Dairy Programme
Certificate in Digital Learning Technologies
Certificate in Social Media Marketing (Retail sector)
Competency Development Model for Medical Technologies
Competencies Framework for the ICT sector
Consultancy Skills for L&D Professionals Programme
Creative Leadership Programme (Animation sector)
Customer Service Online Module (Retail sector)
Data Analytics (Radio)
Design Business Mentoring Programme
Digital for Radio Programme
Digital Image & Photography Module (Retail sector)
Digital Leadership Women Programme
Diploma in Brewing Management online Programme
Diploma in Hairdressing Management
EAP Cyber Security Programme
Engineering for Radio
Executive Management Diploma Programme (Design sector)
Farm Perform (Whole Herd Nutrition) Programme
Health & Safety Online Module (Retail sector)
Herd/Flock Health Mentor Programme
Information Security Programme
Introduction to the use of satellite SAR data
Language and Intercultural Training Programme - New Markets, New skills
Leadership Programme (Accountants)
Level 7 Diploma in Energy Efficiency Using Behavioural Change
Livestock handling and management (online)
Management & Innovation Leadership Programme
Mart Management Development Programme
MSc in Artificial Intelligence
MSc in Blockchain programme
People/HR Analytics Programme
Person Centred Dementia Care
Polymer Materials (Level 8) Programme
Producing the producer Programme (Radio)
Professional Certificate for Open BIM Standardisation (Roll out in 2019)
Project Management for design and creatives
Re-cycling of Polymers (Level 7) Programme
Sales & Marketing Process Model for the Medical Technology Sector
Sales Coaching - Win Without Pitching (Design sector)
Tractor driving and machinery maintenance (online)
Women in Technology Leadership' programme
Source: Skillnet Ireland

2.6.1 Case study – MSc in Artificial Intelligence

The new MSc in Artificial Intelligence, which is Ireland’s first Level 9 programme in this growing area, represents a strong example of an innovative new programme developed collaboratively with Skillnet Ireland funding. An overview of the programme is presented in the case study below.

Box 2.2: Case Study – MSc in Artificial Intelligence

Introduction

Artificial Intelligence (AI) is gaining pace in Ireland. As a result, there is a need to address the imminent skills challenge in this area. The application of AI across industries and sectors have increased in recent years and is likely to increase manifolds in years to come, hence Ireland’s standing as a Centre of Excellence in AI is anticipated to have positive impacts for the wider economy. Therefore, investment in AI human resource development will have long-term implications with regards to developing cohort of highly capable experts for this strategically important technology.

Innovation and Collaboration

Ireland developed its first Master’s in AI as a result of collaboration between Skillnet Ireland, the IDA, Technology Ireland ICT Skillnet, Government and other industry stakeholders. The design of the programme was led by a number of businesses under the aegis of Technology Ireland ICT Skillnet and the University of Limerick. These businesses included Accenture, Analog, Citibank, Ericsson, Fujitsu, GM, Google, IBM, Microsoft, Movidius, Nokia Bell Labs, Pramerica, SAP and Valeo. The Master’s course received its funding from Skillnet Ireland through the Future Skills Programme and by participating companies within the Technology Ireland ICT Skillnet.

Industry Demand

The M.Sc. in AI was launched in 2018 by the Minister for Business, Enterprise and Innovation. The programme commenced in the University of Limerick in September 2018 with over 70 learners, demonstrating very strong industry demand. The programme targets existing information technology professionals, those migrating from associated disciplines and appropriately qualified recent graduates who are interested in pursuing a career in AI. Technology Ireland ICT Skillnet aims to deliver M.Sc. in AI to over 300 individuals in next five years. The MSc runs over two-years part-time and is delivered primarily online with intensive Problem Based Learning (PBL) workshops taking place on the Limerick campus. The programme modules include:

- ❑ Artificial Intelligence and Machine Learning
- ❑ Data Analytics
- ❑ Advanced Topic Seminars and Project Identification
- ❑ Research Methods and Project Specification
- ❑ Risk, Ethics, Governance and Artificial Intelligence
- ❑ Machine Vision
- ❑ Machine Learning Applications
- ❑ Deep Learning
- ❑ Data Science
- ❑ Theory and Practice of Advanced AI Ecosystems.

Source: Indecon, based on inputs from Skillnet Ireland

2.6.2 Case study - Digital Customer Service Transformation and Cx Professionals

A further example of Skillnet Ireland's work in responding to the future skills agenda is presented in the case study below, which relate to the collaborative research undertaken by the ICBE Advanced Productivity Skillnet in the area of digital customer service transformation and the implications for customer experience (Cx) professionals.

Box 2.3: Case Study – Digital Customer Service Transformation and Cx Professionals

Introduction

Ireland has increased its position as a customer solutions hub for the global customer experience (Cx) sector. With increasing developments in Artificial Intelligence (AI), Robotic Process Automation (RPA), online self-service solutions and other day-to-day improvements in automation, the future and strategy of Cx needs to be addressed. This is essential given the potential impact of automation on not just Cx strategy and business model, but also on the needs and experiences of Cx employees.

Cx employees are prevalent in multi-national corporations (MNCs) in finance, information communications system (ICT), telecoms, insurance and other similar sectors, typically providing customer solutions for large global customers. Cx employees are therefore defined as any employee engaged in desk-based, knowledge intensive Cx work, either for internal or external customers.

Collaborative Research to Examine Impact of Digital Transformation and Automation within Cx Roles

Previous research has provided some insights on the impact of digital transformation on Ireland's workforce; however, there is lack of evidence on the nature of Cx work and the skills requirement for Cx employees, post-digital transformation. The Irish Centre for Business Excellence (ICBE) and their Advanced Productivity Skillnet conducted a collaborative study with Kemmy Business School, University of Limerick to examine the impact of digital transformation and automation within Cx roles. The study also aimed to identify the skills required for these roles as digital transformation continues and explore a talent acquisition and development roadmap for Cx employees to help policy-makers, agencies, organisations and individuals. The study was undertaken at five sites and eight business domains in two MNCs with one in the financial service sector and the other in ICT. The study suggests that Cx professional career is evident regardless of the stage of business development and Cx employees are undergoing significant transformation in their work, moving away from high-volume, single service transactions towards more complex, value-adding customer solutions. As a result, it appears that almost 80% of the routine aspects of standard service work is getting automated. Moreover, there is an identified need for continued innovation in Cx employee attraction and development.

Future Direction

In addressing the strong potential to position Ireland's Cx professionals at the forefront of upcoming automated and digitally transformed customer solutions offering, it is recommended that partnership between Irish organisations and government agencies is continued to facilitate bottom-up digital transformation strategies. Furthermore, the concept of skill dexterity and understanding of skill-sets of Cx employees needs to be developed by Human Resource Management (HRM) functions within organisations.

Source: Indecon, based on inputs from Skillnet Ireland

2.7 Summary of Findings

A key issue concerns the contribution which Skillnet Ireland makes to the achievement of Government policy objectives. This section examined role of Skillnet Ireland and its consistency with government policy, including in relation to workforce development and supporting the future skills agenda. The key findings from this review were as follows:

- ❑ Skillnet Ireland receives public funding from the National Training Fund (NTF) via the Department of Education and Skills. Skillnet Ireland adheres to the high-level goals of the NTF as it is a programme specifically aimed at upskilling of individuals in employment, while the organisation also provides a targeted support for the unemployed.
- ❑ Skillnet Ireland's alignment with the objectives of the NTF is evidenced by the organisation's training outcomes. During 2018, Skillnet Ireland supported a total of 56,182 learners, exceeding the overall annual target set by the Department of Education and Skills by 3%, and implying an annual increase of 14.1% compared to 2017. The Department's target for training days were exceeded by 28%, to reach an overall level of 441,846 training days delivered in 2018, and representing a 15.7% increase on the outcome in 2017. Skillnet Ireland also surpassed the training days targets for both in-employment and jobseeker training, by 26% and 46% respectively, during 2018.
- ❑ A key overall indicator of Skillnet Ireland's success in contributing to wider Government policy on workforce development has been the growth of its enterprise participation base across the organisation's networks. Skillnet Ireland worked with a total of 16,462 participating enterprises during 2018, representing a growth of 9.7% on the number of enterprises in 2017, and a 28% increase compared to its base in 2015. The enterprise base is focused on meeting the training needs of SME firms, which now represent 95% of the overall participation base.
- ❑ Skillnet Ireland launched a total of five new networks during 2018, exceeding the target of four new learning networks set out in the Government's 'Action Plan for Education for 2018'. These new networks cover a diversity of sectors and skill needs, including the areas of robotic and automation technologies, micro- and nano-technologies, and professional development in the recruitment and hospitality sectors, amongst others.
- ❑ In addition to the overarching National Skills Strategy and the Action Plan for Education, Skillnet Ireland is playing an ongoing role in delivering objectives on a number of wider Government strategies and policies, including responding to the skill needs arising from Brexit, and the Future Jobs Ireland, Technology Skills 2022, Ireland for Finance 2025 and Food Wise 2025 frameworks. The organisation is also aligned with a number of goals under the Government's 'Sustainable Development Goals National Implementation Plan 2018-2020', while it is also contributing to EU policy on the digital economy through the development of the Digital Europe programme.
- ❑ Skillnet Ireland also plays an active role in both shaping and responding to the Government's future skills agenda, and in maintaining a supply of new and future skills. This role is supported through development of new training and education programmes as part of the Future Skills Programme, as well as through the organisation's support of training programmes in specific growth sectors. A total of 46 new FSP initiatives were launched during 2018 across a diverse range of areas. These include the innovative Master's in Artificial Intelligence, which is Ireland's first postgraduate programme in this growing area.

3 Assessment of Impacts on Enterprises

3.1 Introduction

This section evaluates the impact of Skillnet Ireland on its enterprise base. The evaluation commences with an overview of the profile of participating enterprises. This is followed by an examination of the evidence from Indecon's new primary research in relation to enterprise perspectives on the responsiveness, benefits and impacts of Skillnet Ireland networks.

3.2 Profile of Enterprise Participation

This section discusses the profile of enterprise participation in relation to the trend over recent years as well as the size, structure, and geographical distribution of participating enterprises.

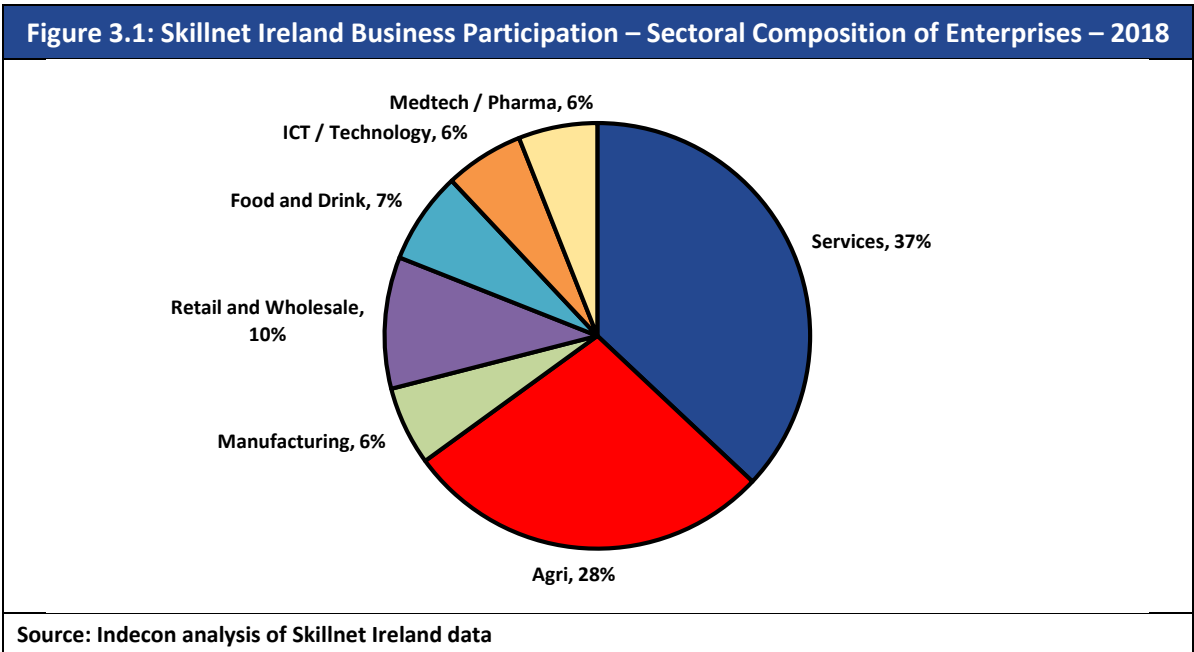
Focus on supporting SMEs

Of Skillnet Ireland's overall enterprise base of 16,462 firms in 2018, the key focus is on SMEs, which account for at least 95% of the overall total of participating businesses (see table below).

Table 3.1: Skillnet Ireland Business Participation – Size Breakdown of Enterprises – 2018		
Size Category	2018	
	Number of Enterprises	%
Micro	9,219	56%
Small	4,280	26%
Medium	2,140	13%
Large	823	5%
Total	16,462	100%
Source: Indecon analysis of Skillnet Ireland data		

Sectoral composition

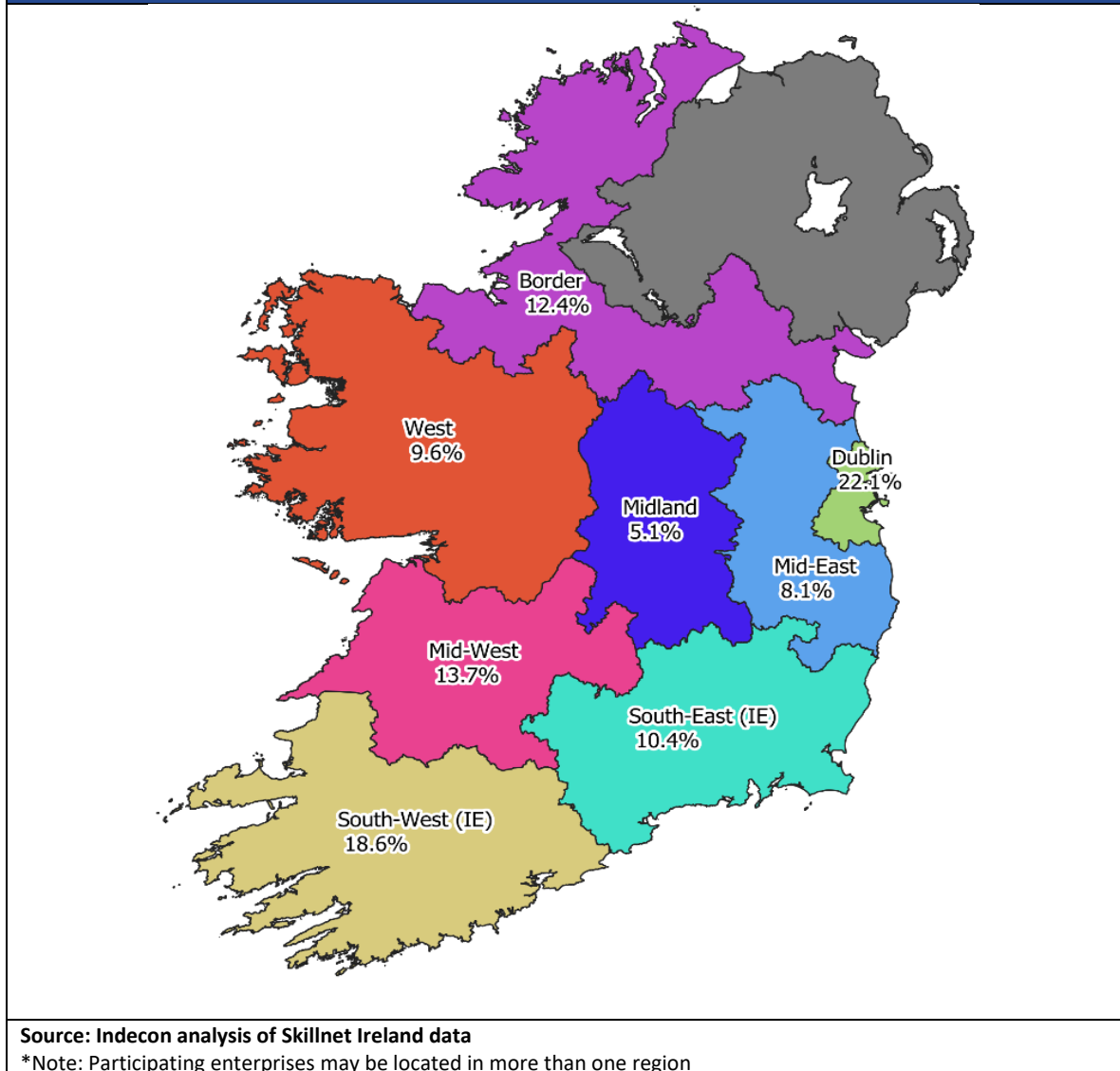
The sectoral breakdown of participating enterprises is described in Figure 3.1. In terms of numbers of enterprises, the Services and Agricultural sectors constitute the largest concentrations, at 37% and 28%, respectively, of all participating enterprises, while the Retail and Wholesale sector comprises 10% of the overall enterprise base. Other important sectors which indicate the diversity of the organisation's participating firms include Food and Drink (7% of firms), ICT/technology (6%) and Medtech/Pharma (6%).



Geographic spread of Business Participation

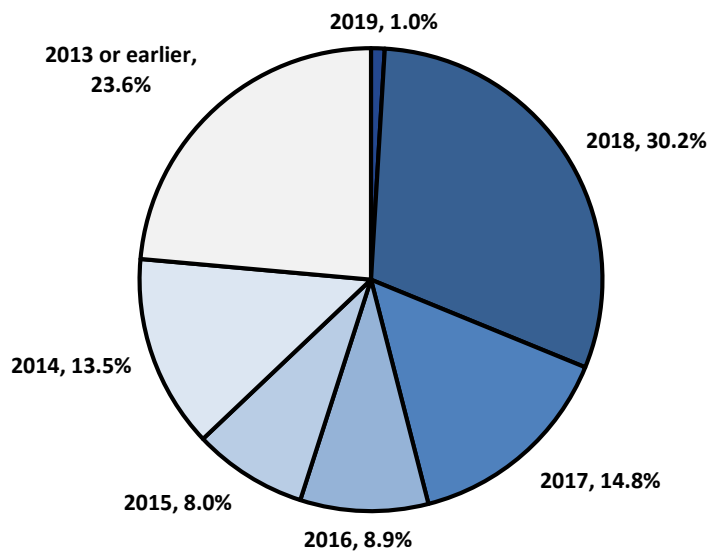
The regional location of participating firms is shown in Figure 3.2, and highlights the wide geographical spread and reach of Skillnet Ireland’s enterprise base and delivery of its training activities. The regional pattern of activity reflects in part the concentration of economic activity in and surrounding the main urban centres of Dublin, Cork, Galway and Limerick, and also the presence of large sectoral networks in different locations. By contrast, regions which account for low proportions of overall enterprise participation, notably the Mid-East and Midlands, highlight the need to ensure that these regions are not under-represented in Skillnet Ireland’s efforts to maximise reach and penetration among the SME community across Ireland.

Figure 3.2: Skillnet Ireland Business Participation – Regional Spread of Enterprise Participation – 2018



Duration of participation by businesses within Skillnet networks

As part of Indecon’s survey research among participating enterprises, organisations were asked to indicate the first year in which they participated in a Skillnet Ireland network/programme. The findings from the research, summarised in the chart overleaf, indicate that 31% of firms participated in a Skillnet Ireland network since 2018, while 69% of firms responding to our survey indicated that they were participants in a Skillnet network prior to 2018. Of the latter cohort, it is noteworthy that 23.6% had participated for the first time in 2013 or earlier. Important objectives of Skillnet Ireland include continuing to expand overall reach by attracting new enterprises, while also maximising retention through building strong and lasting relationships with existing enterprises.

Figure 3.3: Skillnet Ireland-supported Enterprises – % of Firms by First Year of Participation with Skillnet Ireland

Source: Indecon Confidential Survey of Skillnet Ireland Participating Businesses in 2018

Expected future growth in enterprise participation

It is also instructive to consider the expected future growth in enterprise participation levels. Indecon's research found that 86.3% of network managers indicated that they believe that enterprise participation levels will increase in 2019, while 62.7% were of the view that co-operation among firms to identify training needs would increase. Over 78% of network managers projected that the number of training days delivered by their network would increase in 2019 (see table below).

Table 3.2: Skillnet Ireland Network Managers Views on Likely Changes in Network Activity Levels in 2019

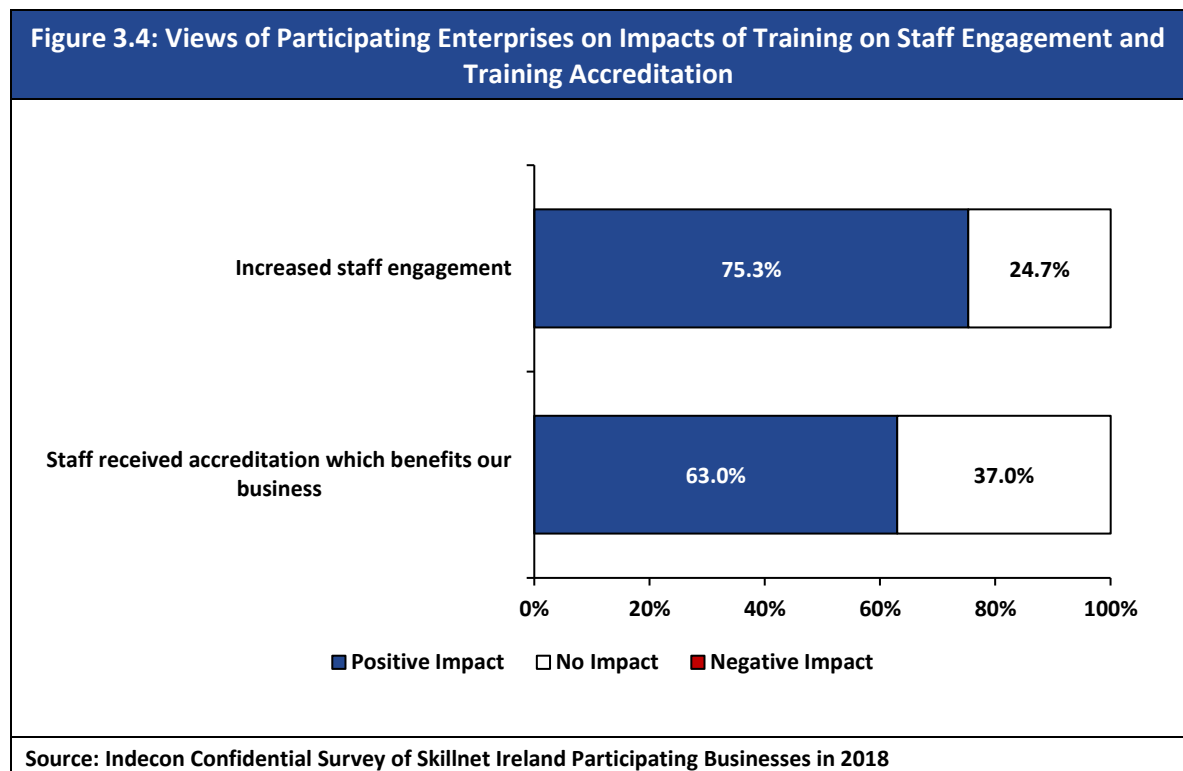
Views on what you would anticipate is likely to happen in the following areas during 2019:	Increase	Stay the Same	Decrease
Business participation within Skillnet networks	86.3%	9.8%	3.9%
Employers co-operating to identify training needs	80.4%	17.6%	2.0%
Training being delivered (number of training days)	78.4%	19.6%	2.0%
Employers co-operating on non-training issues as a result of the network	62.7%	37.3%	0.0%

Source: Indecon Confidential Survey of Skillnet Ireland Network Managers

3.3 Impact of Skillnet Ireland Participation on Business

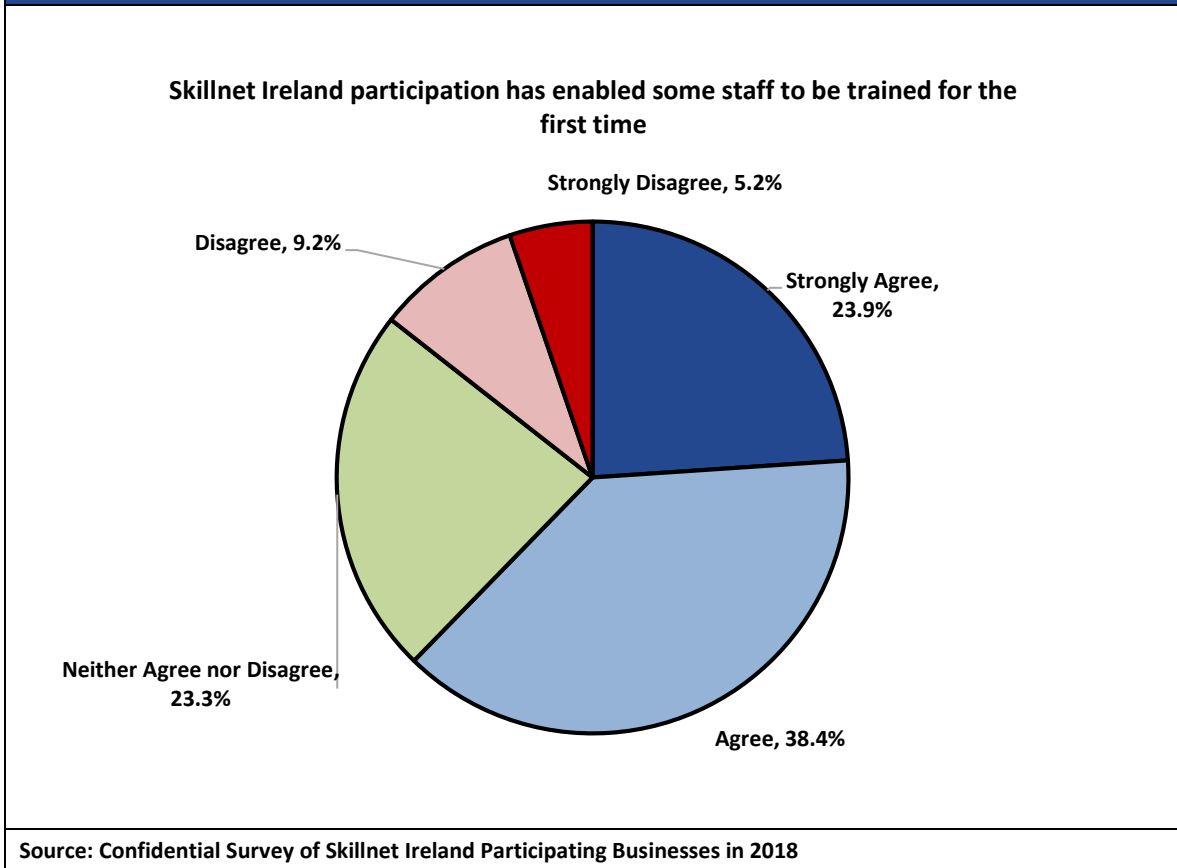
This section discusses primary evidence on the impact of Skillnet training for enterprises included in Indecon’s confidential survey. The responses represent important metrics to assess success of the programme in achieving its primary objective of upskilling the workforce of participating businesses.

It is noteworthy that around 75% of enterprises in Skillnet Ireland’s core training programme indicated that there was a positive impact of participation in terms of increased staff engagement, while 63% indicated that there is a positive impact from staff receiving accreditation (see figure below).



It is also notable that 62.3% of businesses indicated their agreement that their participation in a Skillnet Ireland network had enabled some staff to be trained for the first time (see figure overleaf).

Figure 3.5: Views of Participating Enterprises on Impact of Skillnet Participation on Extent of Staff Training for the First Time

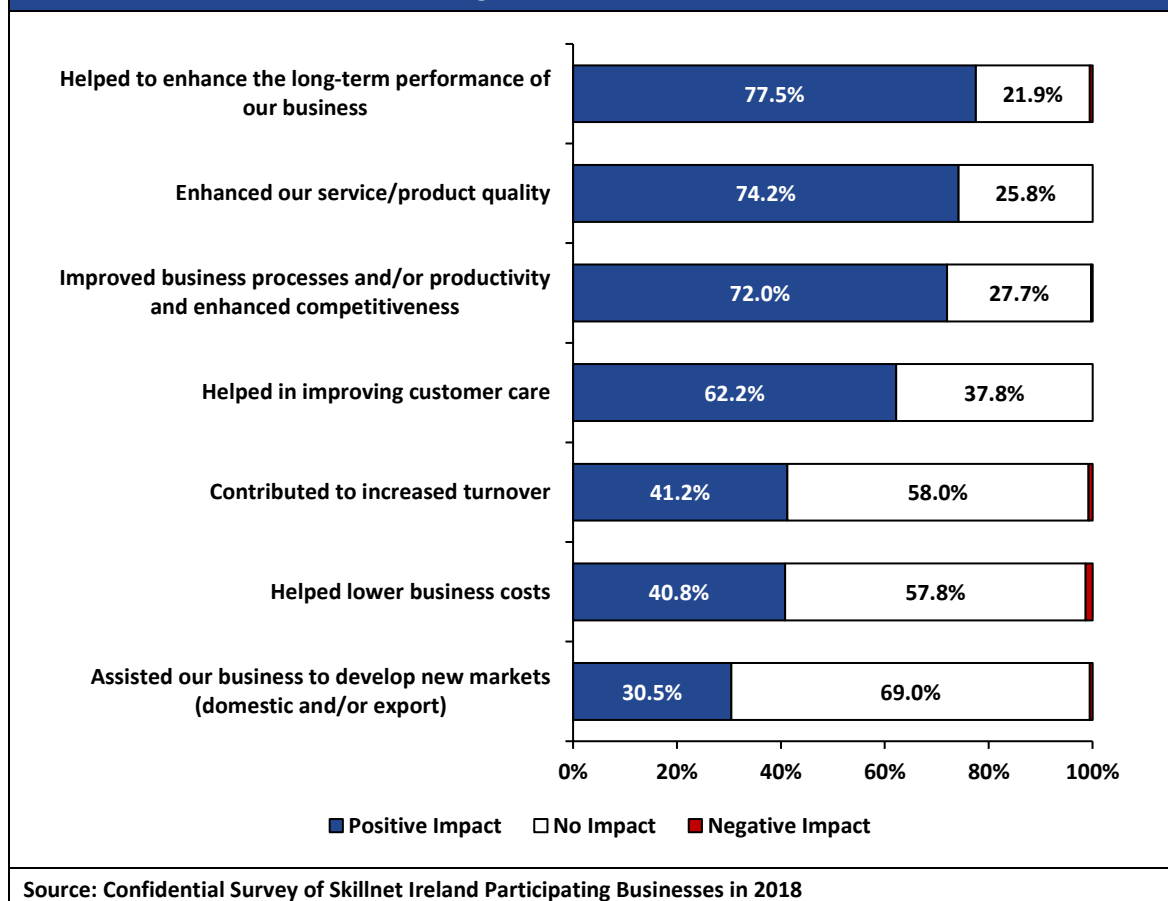


Impacts of Skillnet Ireland training on aspects of business performance

The survey research also captures the views of Skillnet Ireland’s supported businesses on a range of potential direct and indirect impacts in terms of whether staff training has helped achieve specific benefits for their business.

It is notable that over three-quarters of enterprises responding to Indecon’s research indicated that they believed their Skillnet Ireland training has had a positive impact in terms of enhancing the long-term performance of their business, while 74.2% of firms were of the view that training helped to enhance their product/service quality. 72% of enterprises also considered that Skillnet Ireland training has a positive impact in delivering improved business processes and/or enhancing productivity and competitiveness, while 62.2% indicated that training had a positive impact in helping to improve customer care. These as well as other business impacts are profiled in Figure 3.6.

Figure 3.6: Skillnet Ireland Participating Businesses – Views on Impacts of Skillnet Ireland Training on Business Performance

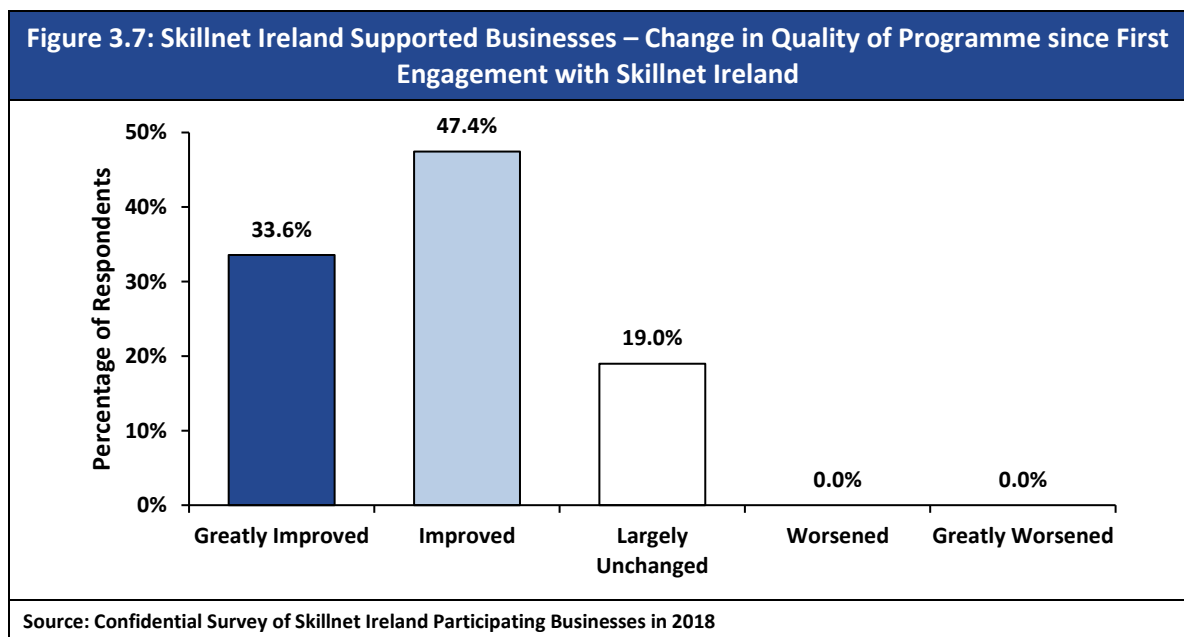


The findings of Indecon’s research in relation to enterprises’ overall satisfaction levels with different aspects of Skillnet Ireland training are presented in Table 3.3. Of importance is that 94% of participating enterprises indicated that they were very satisfied or satisfied that the training they received through their Skillnet Ireland network during 2018 had achieved their overall expectations and objectives to support the development of their business. The research also found that 92.7% of firms were very satisfied or satisfied with the value for money they achieved from the training delivered. 91.4% of firms were satisfied with the overall quality of training. While these findings must be interpreted within the context of the co-funding support which enterprises receive from Skillnet Ireland, they nonetheless highlight the very high levels of satisfaction among enterprises on key aspects of the training they accessed.

Table 3.3: Business Satisfaction with Aspects of Skillnet Ireland Training in 2018					
	Very Satisfied	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied	Very Dissatisfied
The training achieved our overall expectations and objectives to support the development of our business	60.6%	33.4%	5.0%	1.0%	0.0%
Value for Money of Training	48.6%	44.1%	6.8%	0.5%	0.0%
Quality of training (competence of trainers)	49.6%	41.8%	7.8%	0.8%	0.0%
Training was delivered at a convenient location	53.6%	37.2%	8.1%	1.0%	0.0%
Training was delivered in a flexible manner	52.2%	36.9%	9.9%	1.0%	0.0%

Source: Indecon analysis of Confidential Survey of Skillnet Ireland Participating Businesses

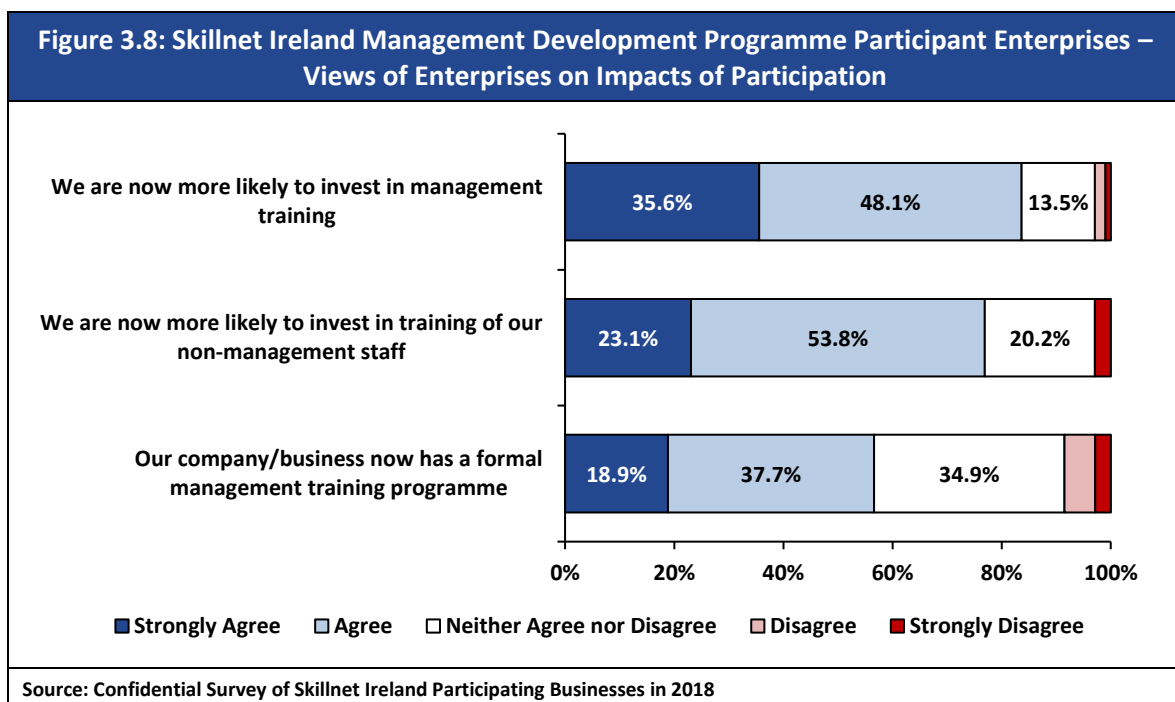
Indecon’s research also found that 81% of participating firms believed that the quality of the training they received had greatly improved or improved since their company had first engaged with Skillnet Ireland (see figure below).



Management Development Training

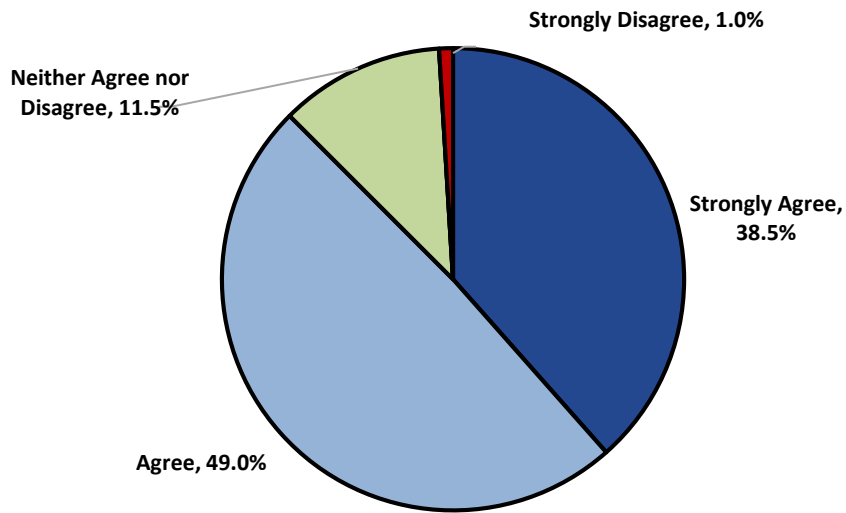
This sub-section provides insights into the experience and perspectives of enterprises that participated in Skillnet Ireland's Management Development training programme during 2018. Management Development (MD) can be defined as any training aimed at enhancing the ability of an executive/manager to undertake general management practices, e.g., strategic planning, business innovation, facilitate change, utilise resources, motivate staff, and achieve results.

Figure 3.8 below summarises the views of enterprises on different aspects in relation to their experience from undertaking Skillnet Ireland Management Development during 2018. Over 83% surveyed enterprises agreed that they were more likely to invest in management training, while around 77% respondents agree that they are more likely to invest in training of their non-management staff as well.



Indecon's research among Management Development programme participant enterprises also found that 87.5% of firms agreed that the programme activities were focused on the delivery of skills that were vital to drive growth and competitiveness in their business (see Figure 3.9).

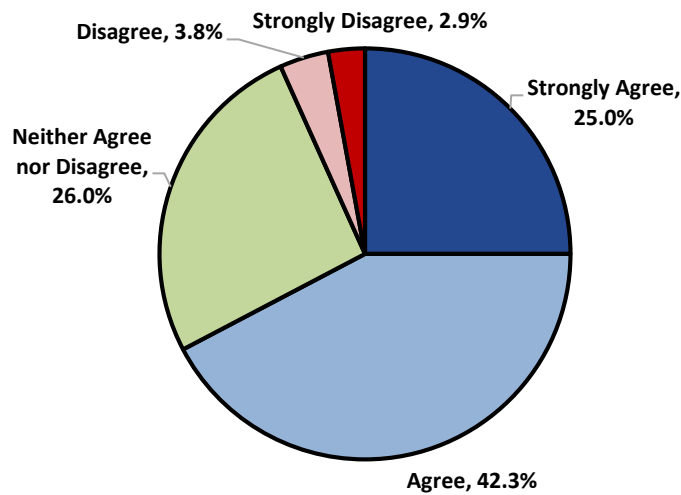
Figure 3.9: Skillnet Ireland Management Development Programme Participant Enterprises – Views on Focus of Programme Activities on Skills for Growth and Competitiveness



Source: Confidential Survey of Skillnet Ireland Participating Businesses in 2018

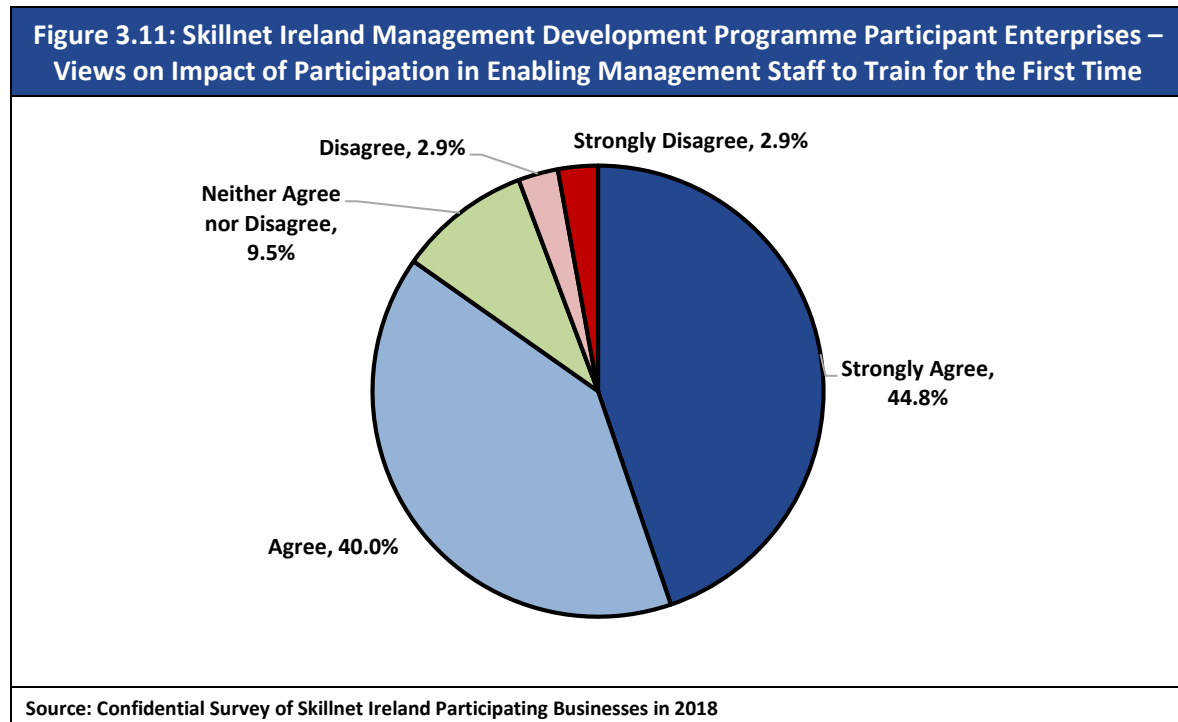
The research also indicated that just over two-thirds (67.3%) of Management Development programme participant enterprises either strongly agreed or agreed that they had the opportunity to influence the design of management training, reflecting the opportunity for collaboration and co-creation within a Skillnet Ireland network (see figure below).

Figure 3.10: Skillnet Ireland Management Development Programme Participant Enterprises – Views on Whether Firms were Given the Opportunity to Influence the Design of Management Training

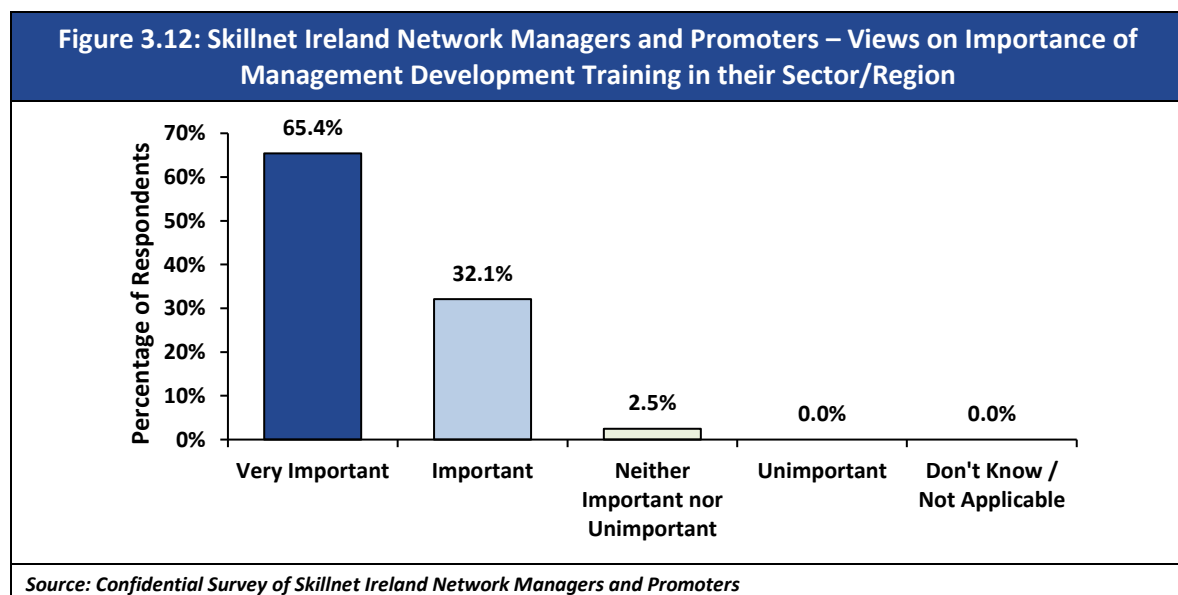


Source: Confidential Survey of Skillnet Ireland Participating Businesses in 2018

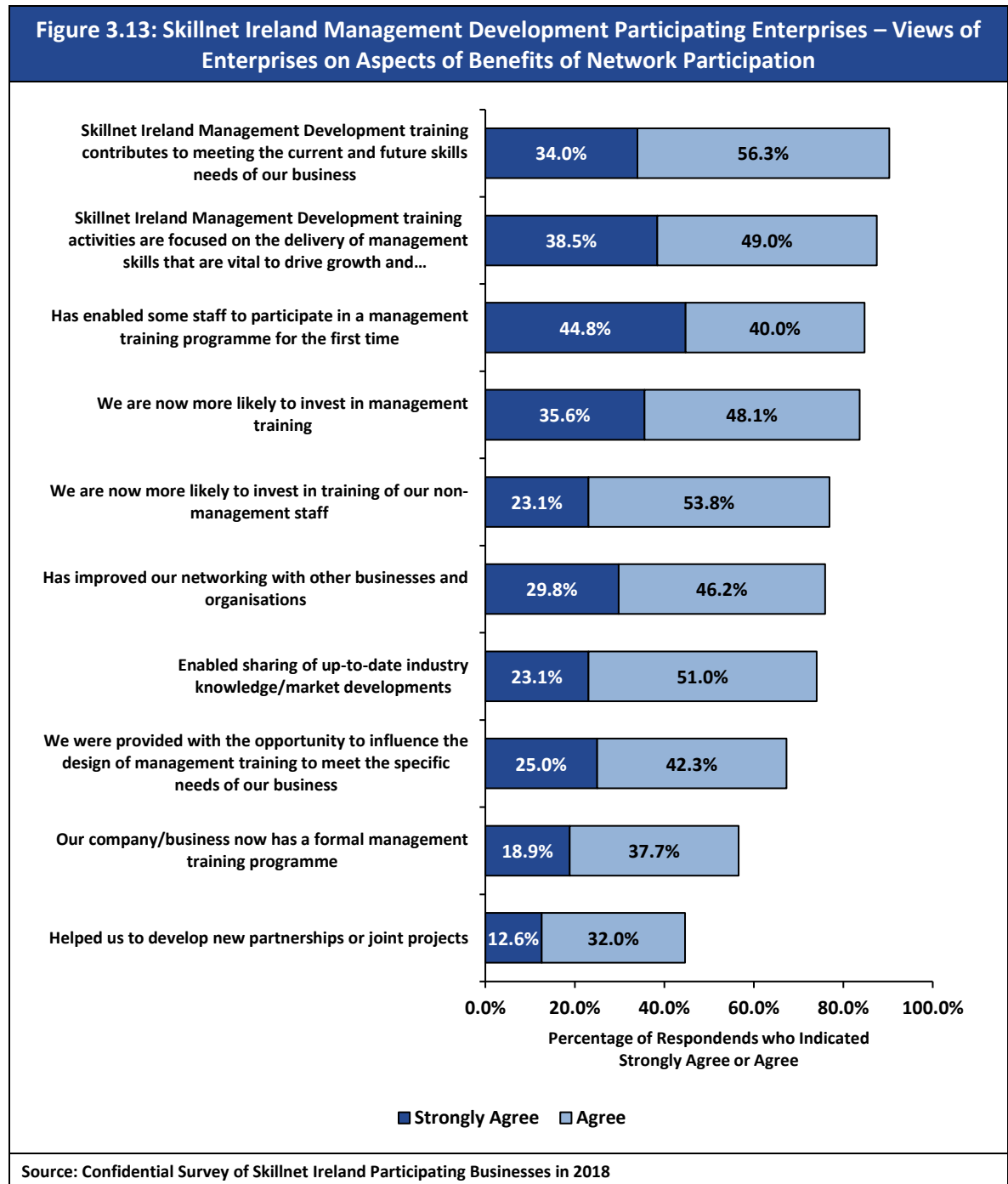
The findings of the research also indicated that the vast majority (84.8%) of firms that participated in management development training during 2018 strongly agreed (44.8%) or agreed (40%) that the training has enabled some staff to train for the first time (see figure below).



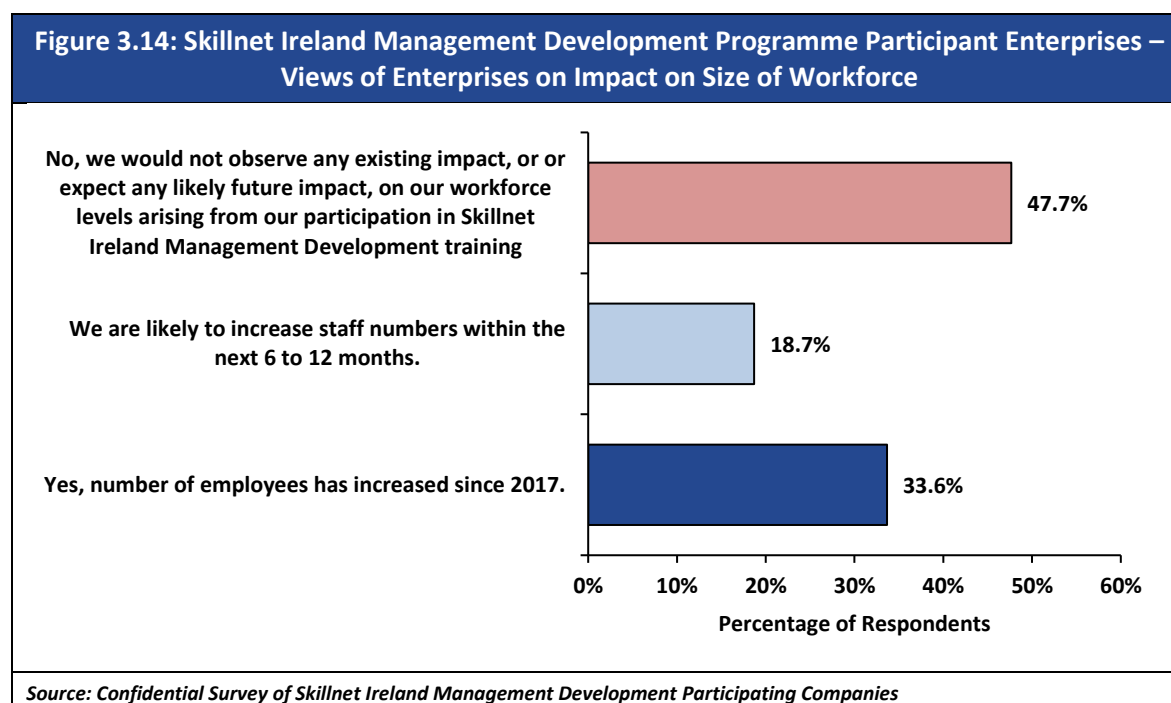
It is also instructive to consider the views of network promoters and managers in relation to the importance of management development training. Indecon's research found that 97.5% of network promoters and managers viewed management development training as a very important or important in the context of development of management capacity within SMEs, given the strategic challenges and opportunities facing their sector or region (see figure below).



In terms of the benefits of participation, the research noted that a majority of Management Development training participant enterprises strongly agreed or agreed that engagement delivered benefits in terms of meeting current and future skills needs (90.3%), and driving growth in the sector/region (87.5%), amongst strong impacts in other areas (see figure below).



In relation to the wider impacts of management development training, one important potential impact of an enterprise's involvement in Skillnet Ireland concerns the potential for this engagement to help stimulate employment creation. As part of Indecon's research, Management Development programme participant enterprises were asked to indicate whether their participation in Skillnet Ireland had directly or indirectly contributed to an increase in the size of their workforce. Indecon's research found that one-third of respondent firms indicated that they had increased their employee numbers since 2017 directly or indirectly as a result of their engagement with Skillnet Ireland management development training, while 18.7% stated that that they were likely to increase their staff numbers in the next 6-12 months (see figure below).



Of those participating enterprises which indicated that that they had increased their employee numbers since 2017 directly or indirectly as a result of their engagement with Skillnet Ireland management development training, the research found that average/median reported number of additional full-time employees in 2018 attributed directly or indirectly to management development training was six staff, while average of reported increases in part-time staff was one person (see table below).

Table 3.4: Management Development Participating Enterprises in 2018 - Approximate Number of Additional Persons Employed and Hours Worked

Measure	Additional <u>Number of Persons</u> since end of 2018 - Full Time Staff:	Additional <u>Number of Persons</u> since end of 2018 - Part Time Staff:
Median	6.0	1.0

Source: Indecon analysis of Confidential Survey of Skillnet Ireland Participating Businesses (Management Development participants)

3.3.1 Case study – ‘Clear Customs’ Initiative to Assist Businesses to Respond to Brexit

It is instructive to consider a concrete example of how Skillnet Ireland collaborative initiatives benefits its enterprise participation. With this objective in mind, we present below a case study example which highlights the role which Skillnet Ireland is playing in helping businesses to respond to the challenges presented by Brexit. This concerns the ‘Clear Customs’ initiative launched by the Irish Government in August 2018.

Box 3.1: Case Study – ‘Clear Customs’ Initiative to Assist Businesses to Respond to Brexit

Introduction

The *Clear Customs* initiative was launched by the Irish Government in August 2018 as a support measure to assist customs agents, intermediaries, and potentially affected Irish businesses to develop the capacity to deal with the additional customs requirements due to the UK’s departure from the EU.

According to early estimates, customs declarations are expected to increase rapidly from 1.6 million to 20 million per annum after Brexit. Hence, Clear Customs is an answer to the need of industries as they prepare for the new customs requirement post-Brexit.

Key Features

As a contingency initiative by the Government, this programme will provide an extra layer of preparedness in addition to the measures already taken to deal with risks associated with limited capacity of the customs agents’ sector in the period immediately following Brexit.

This initiative comprises two elements:

- Firstly, a training programme delivered nationwide over a period of 6 weeks providing the essential skills needed to make a compliant customs declaration;
- Secondly, eligible businesses can apply for a Customs Financial Support payment to assist with the costs of recruiting and assigning new staff to customs roles. Subject to terms and conditions for eligibility, this payment is up to €6,000 per employee that completes the training programme, up to maximum of 10 employees per company.

Collaborative Initiative

The *Clear Customs* initiative is supported by Skillnet Ireland together with Enterprise Ireland. The programme offering has been designed in close collaboration with key industry associations and will be delivered by the Chartered Institute of Logistics and Transport (CILT) Skillnet, in conjunction with the Irish Exporters Association and Irish International Freight Association.

Clear Customs represents a strong example of how Skillnet Ireland can support enterprise in responding and adapting to challenging business environments, and also highlights the impacts of effective inter-agency collaboration.

Source: Indecon, based on inputs from Skillnet Ireland

3.4 Relevance and Responsiveness to Enterprise Needs

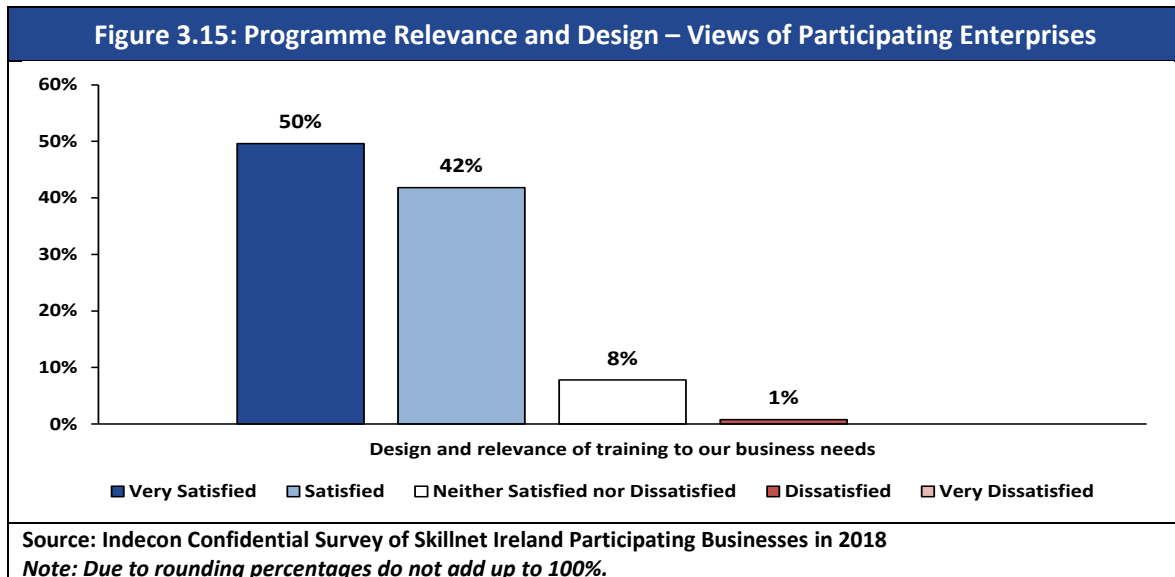
The alignment of Skillnet Ireland’s activities with the needs of the labour market has many important aspects. An important issue concerns the responsiveness of networks and programmes to ongoing workforce development needs.

The extent to which Skillnet Ireland’s activities remain relevant and responsive to the needs of industry is influenced by two stages of decision making. The first stage is the decision by Skillnet Ireland centrally as to which networks it supports/funds, and the level of funding to be provided to each. The second stage is the extent to which a network, once established, provides training that is relevant and responsive to the needs of participating firms. To help ensure that at network level training remains relevant to industry needs, Skillnet Ireland requires networks to conduct a diagnostic analysis of skills needs within the respective sector or region. This analysis provides information on the skills development requirements of business participating in each network, and is completed as part of the application to Skillnet Ireland for annual funding.

As part of Indecon’s primary research programme, we surveyed participating enterprises as to whether they agreed that the diagnostic analysis fully reflected the needs of their company/business. The findings of the research, summarised in Table 3.5, indicate that a majority, or 64.4%, of Skillnet participating enterprises stated that they strongly agreed or agreed that the analysis conducted by their Skillnet fully reflected the needs of their firm, while 30.74% of enterprises neither agreed nor disagreed.

Table 3.5: Alignment Between Diagnostic Skills Analysis and the Needs of Business					
	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Diagnostic analysis conducted by the Skillnet network fully reflected training needs of company/business	22.98%	41.42%	30.74%	4.21%	0.65%
Source: Indecon Confidential Survey of Skillnet Ireland Participating Businesses					

The views of participating enterprises concerning whether Skillnet Ireland is relevant and responsive to industry sectors is also worthy of consideration. Indecon surveyed enterprises to seek their views on the relevance and architecture of programmes in the wider context of their business needs. Figure 3.15 shows that the overwhelming majority (91.4%) of Skillnet enterprises were very satisfied or satisfied with the design/relevance of training to their business needs, with only 7.8% being neither satisfied nor dissatisfied.

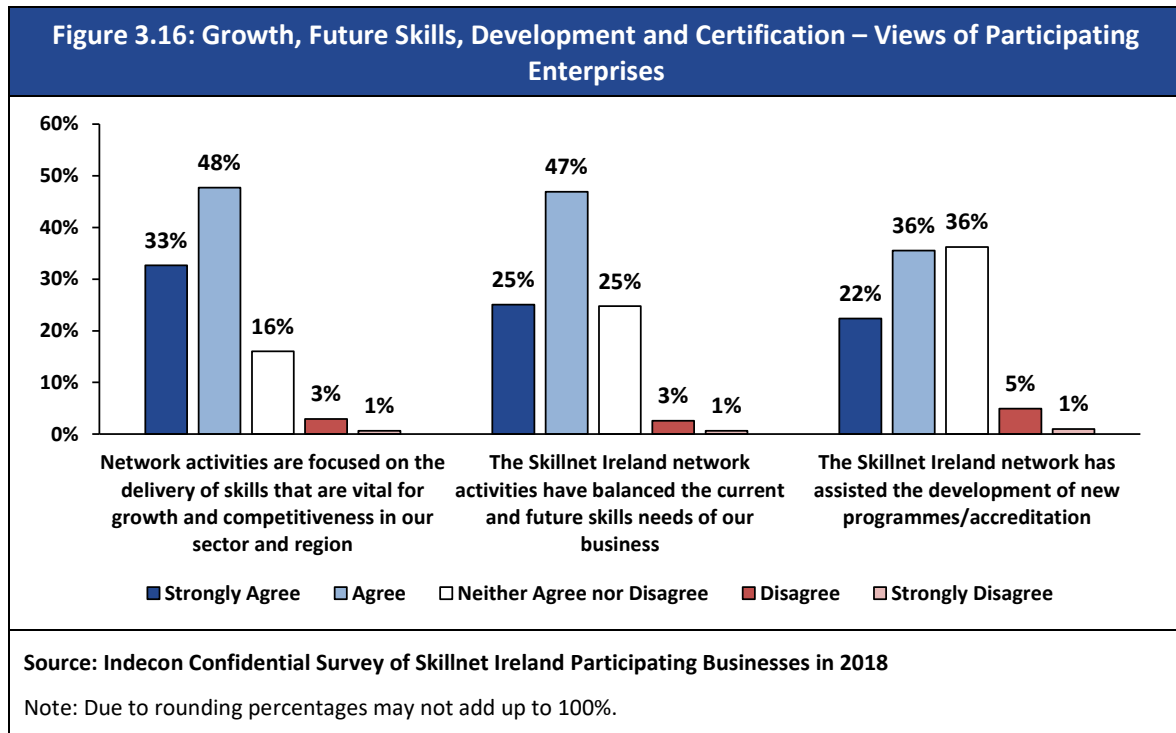


3.4.1 Role in Supplying Current and Future Skills

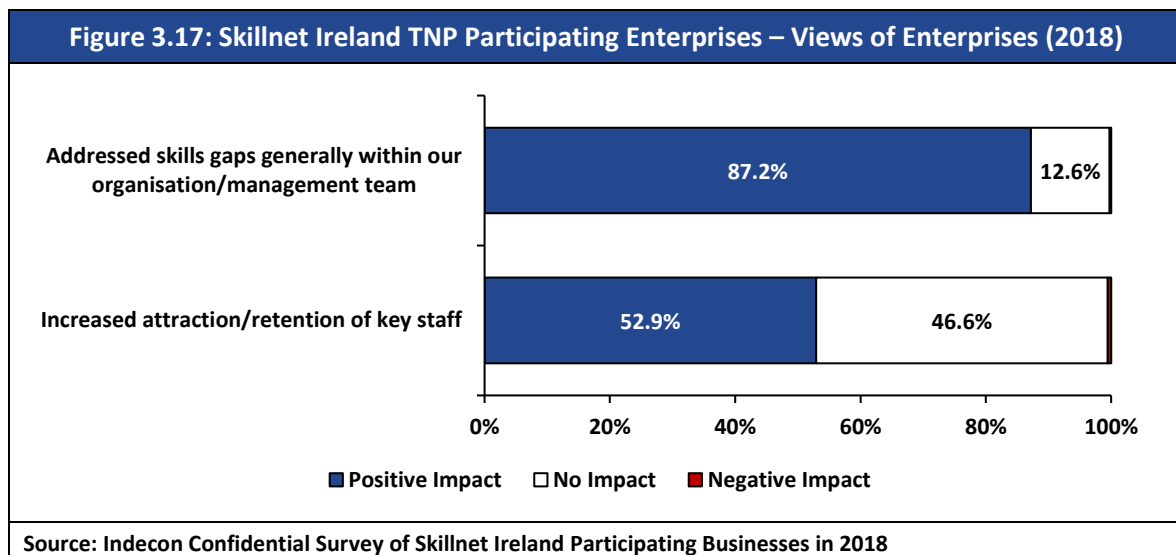
Skillnet Ireland’s Statement of Strategy 2016-2019 states that the maintenance of the supply of skills that impact the growth of potential Irish enterprise is one of its primary goals, as outlined in Table 3.6.

Table 3.6: Skillnet Ireland Statement of Strategy – Goal 2
<p>Goal Two:</p> <p>We will play a pivotal role in maintaining a supply of the specific skills and future skills that impact the growth potential of Irish enterprise.</p>
<p>Source: Skillnet Ireland</p>

In this context, as part of Indecon’s primary research programme, we surveyed participating firms as to the perceived impact of programme participation. The views of firms are summarised in the figure overleaf. A majority (81%) of enterprises responding to the research either strongly agreed or agreed that the activities of their network have been focused on the delivery of skills that are vital for growth and competitiveness in their sector or region. Additionally, a majority (72%) of firms were also of the view that the training provided by their Skillnet Ireland network during 2018 achieved an appropriate balance between addressing current skills requirements and anticipating future skills needs.



The research also sought the views of firms as to whether they believed participation within their Skillnet network has had positive impact on addressing gaps within their organisations and on increasing attraction and retention of key staff. Figure 3.17 shows that 87.2% of surveyed Skillnet businesses indicated that participation had a positive impact on the former, while 52.9% indicated that participation has had a positive impact on increasing attraction and retention of key staff.



3.5 Summary of Findings

This section evaluated a number of aspects of the impact of Skillnet Ireland on businesses that participate in Skillnet networks. The main findings were as follows:

- ❑ Over three-quarters of enterprises responding to Indecon's research indicated that they believed Skillnet Ireland training has had a positive impact in terms of enhancing the long-term performance of their business, while 74.2% of firms were of the view that training helped to enhance their product/service quality. 72% of enterprises also considered that Skillnet Ireland training has a positive impact in delivering improved business processes and/or enhancing productivity and competitiveness, while 62.2% indicated that training had a positive impact in helping to improve customer care.
- ❑ Of Skillnet Ireland's overall enterprise participation base of 16,462 firms in 2018, the key focus is on SMEs, which account for at least 95% of the overall base. Of these enterprises, firms in the Services and Agricultural sectors constitute the largest concentrations, at 37% and 28%, respectively, of all participating enterprises, while the Retail and Wholesale sector comprises 10% of the overall base. Other important sectors which indicate the diversity of the organisation's firms include Food and Drink (7% of firms), ICT/technology (6%) and Medtech/Pharma (6%). There is also a wide geographical spread and reach of Skillnet Ireland's participating enterprise base across Ireland.
- ❑ Important objectives of Skillnet Ireland include continuing to expand overall reach by attracting new enterprises while also maximising retention through building strong and lasting relationships with existing participating enterprises. In this context, Indecon's research found that 31% of firms participated in a Skillnet Ireland network for the first time in 2018, while 69% of firms were part of a network prior to 2018. Notably, 23.6% had participated for the first time in 2013 or earlier.
- ❑ A key overall measure of the effectiveness of Skillnet Ireland's industry-led network model is the quantum of training delivered. Of particular importance in the context of enterprise workforce development concerns the number of in-employment learners supported through the Skillnet Ireland programmes. Overall, the number of in-employment learners increased by 14.7% to 54,159 learners in 2018. There was an increase of 15% in the number of in-employment training days delivered during 2018, with 394,028 days provided to enterprise employees.
- ❑ The overwhelming majority (91.4%) of participating Skillnet enterprises responding to Indecon's research indicated that they were very satisfied or satisfied with the design and relevance of Skillnet Ireland training to their business needs.
- ❑ 94% of participating enterprises indicated that they were very satisfied or satisfied that the training they received through their Skillnet Ireland network during 2018 had achieved their overall expectations and objectives to support the development of their business. The research also found that 92.7% of firms were very satisfied or satisfied with the value for money they achieved from the training delivered. 91.4% of firms were satisfied with the overall quality of training. While these self-reported research findings must be interpreted within the context of the co-funding support which enterprises receive from Skillnet Ireland, they nonetheless highlight the very high levels of satisfaction among participating businesses on key aspects of the training they accessed.

4 Assessment of Impacts on Learners

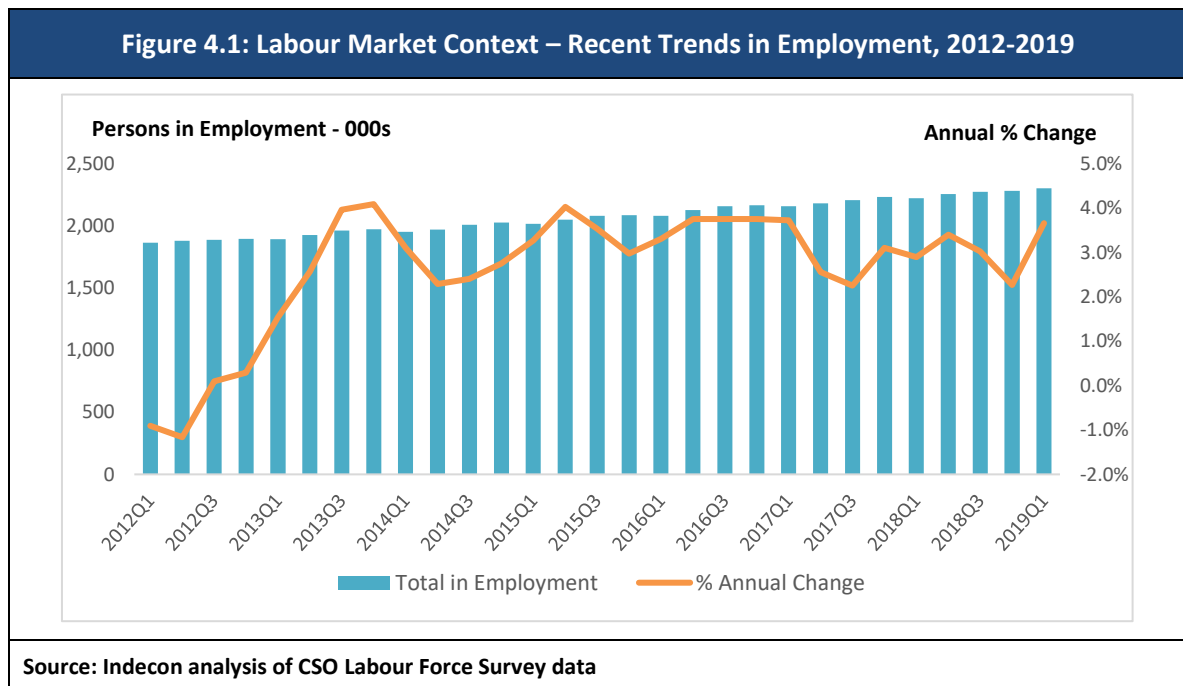
4.1 Introduction

This section assesses the alignment of Skillnet Ireland’s programmes and outputs with the evolving needs of Ireland’s labour market, and examines in particular the impacts of its learning programmes on the expanding group of learners, including in terms of the benefits of learning for personal career development and labour market progression.

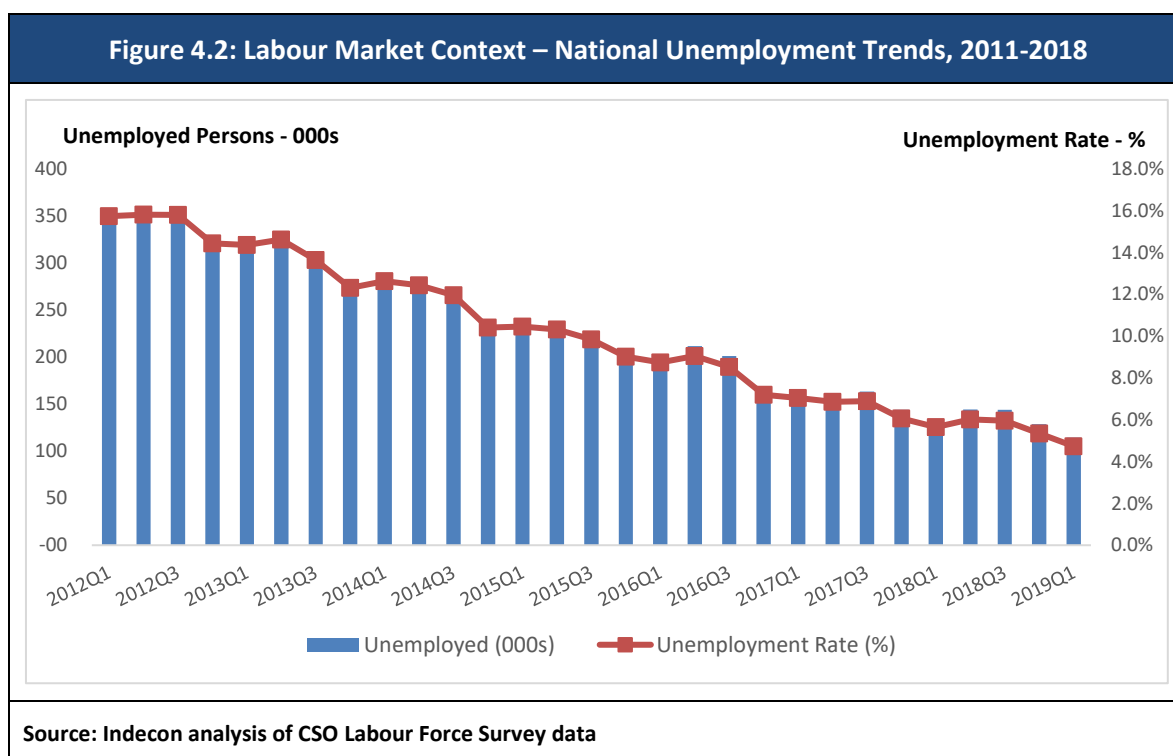
4.2 Alignment of Skillnet Ireland with Needs of Ireland’s Labour Market

4.2.1 Overview of Labour Market Context

In responding to its core mandate in relation to supporting business through the promotion of workforce skills development, an important issue is that the activities of Skillnet Ireland are aligned with the evolving and future needs of the Irish labour market. The overall level of demand for Skillnet Ireland workforce development programmes will be influenced in particular by the developments in employment and unemployment across the economy. The figure below highlights the developments since 2012 in the level and annual growth in the number of persons in employment, based on the CSO’s Labour Force Survey. Growth in employment levels accelerated during 2012-2013 as the economy recovered after the economic and financial crisis, and, since 2014, growth has averaged just over 3% per annum. By the end of 2018, there were almost 2.3 million persons at work across the Irish economy.



Following the sharp increase in unemployment levels after the economic and financial crisis, the economic recovery after 2012/13 saw unemployment rates start to decline, and the overall unemployment rate has fallen sharply since 2015/16. By the end of 2018, a total of 129,000 persons were unemployed, representing just 5.3% of the labour force. The unemployment rate has fallen below 5% in the first quarter of 2019, approaching levels which are generally accepted as representing full employment (see figure below). The dramatic changes in the Irish labour market since the post-crisis period have important implications for Skillnet Ireland strategy and, in particular, the appropriate division of resources between in-employment versus jobseeker learning. As highlighted in the summary of learning activity outcomes in Section 2.3, this is reflected in the position whereby in-employment training accounted for 96% of learners and 89% of overall training days delivered in 2018.



Emergence of sectoral/occupational skill shortages

The sharp decline in unemployment levels and the steady growth in the numbers at work mean that, at a sectoral level, some sectors of the Irish economy have started to experience skills shortages. It is instructive therefore to identify those sectors that currently face occupational shortages in order to fully comprehend the changing needs of industry. SOLAS's Skills and Labour Market Research Unit's (SLMRU) ongoing research examines skills supply and demand at a sectoral level across the Irish economy. The unit's 2018 National Skills Bulletin has highlighted the following occupational areas where labour shortages are increasingly being experienced:

- **Science:** incl. scientists (chemists, biochemists); engineers (electrical, chemical, automation, validation, mechanical, process, quality control, design); technicians (quality control, process (injection moulding/polymer), maintenance, extrusion).

- ❑ **ICT:** IT project managers; software developers/engineers; web developers, IT architects (systems, solutions, technical), test/systems/network/security engineers; technicians (technical support, systems/database administrators) with language skills.
- ❑ **Business and financial:** business intelligence/business analysts; financial analysts; data analysts; accountants with experience in legislation, regulation and compliance.
- ❑ **Healthcare:** medical practitioners (emergency medicine, anaesthetics, paediatric, orthopaedic, general practitioners); nurses (staff, registered, clinical nurse managers, advanced nurse practitioners); radiographers.
- ❑ **Construction:** professional (civil engineers, construction project managers, quantity surveyors); trades (shuttering carpenters, shift managers, glaziers, steel erectors, curtain wallers); operatives (scaffolders, pipe layers).
- ❑ **Other Craft:** welders (TIG/MIG), toolmakers, CNC programmers and fitters (e.g., mechanical/maintenance) in niche areas such as high-tech manufacturing.
- ❑ **Agriculture and Animal Care:** mushroom pickers, fruit pickers, dairy farmers.
- ❑ **Arts, Sports, Tourism:** chefs (executive, head chefs, sous chefs, chef de partie).
- ❑ **Transport and Logistics:** crane drivers, 360o/ Reach truck drivers, forklift (VNA) drivers, HGV drivers (relates to labour shortages).
- ❑ **Sales and Customer Service:** those with language skills in various occupations (account strategists, inside sales representatives, marketing specialists (including digital), contact centre agents, customer service representatives).

Training is offered by Skillnet Ireland networks in many of these occupations. One example is the Technology Ireland Software Skillnet Network, which aims to enhance skills in the ICT sector in Ireland.

4.3 Profile of Skillnet Ireland Learners

presents a summary breakdown of Skillnet Ireland learners by programme in 2018. A total of 572 management-level learners participated in the Management Development programme during 2018, while 129 learners participated in FSP-based learning. As previously noted, a total of 2,023 for-employment learners were supported via the Employment Action Programme (EAP).

Table 4.1: Breakdown of Skillnet Ireland In-Employment and For-Employment Learners by Programme, 2018	
Learner / Programme	2018
Total In-Employment, of which:	54,159
-TNP	53,458
-FSP	129
-Management Development	572
Total For-Employment	2,023
All Learners	56,182
Source: Skillnet Ireland data	

Age Profile of Learners

The age profile of Skillnet Ireland learners in 2018 is summarised in Table 4.2. The distribution in 2018 is very similar to that in 2017, with just over one-third of learners being aged 30-39, while 26% were aged 40-49.

Table 4.2: Skillnet Ireland Learners – Age Breakdown of Learners		
Age Group	2018	2017
< 20 years	1%	2%
20 to 29 years	21%	20%
30 to 39 years	34%	33%
40 to 49 years	26%	27%
50 to 59 years	14%	14%
> 60 years	4%	4%
All Learners	100%	100%
Source: Skillnet Ireland Data		

Occupational Grouping

Skillnet Ireland learners fall under several occupational categories, as shown in the next table. The table provides a comparison across 2017 and 2018 and it is evident that the occupational distribution is more or less consistent throughout 2017/18. Over one-third of the learners belong to the professional sector, followed by one-third within managerial, supervisory, or ownership roles. The remainder is constituted of semi-skilled, technicians, non-manual labourers, skilled manual labourers, and others.

Compared to the broader workforce, the National Skills Bulletin 2018 suggests just over 20% of workers classified as professionals, while 8.7% classified as managers.¹² Together, this constitutes around 29% of the total workforce and is less than half of the Skillnet Ireland learners belonging to these occupational groups (70% of the total in 2018).

Table 4.3: Skillnet Ireland Learners – Prior Occupational Category of Learners		
Occupational Category	2018	2017
Professional	35%	33%
Managerial / Supervisor	23%	21%
Owner / Manager	12%	13%
Semi-skilled	7%	8%
Technician	7%	8%
Non-Manual	1%	2%
Skilled Manual	7%	5%
Other	8%	10%
All Learners	100%	100%
Source: Skillnet Ireland Data		

Educational Attainment

It is important to ensure that the prior educational attainment of individuals is taken into account in the appropriate design and targeting of learning programmes. The Department of Education and Skills set out targets for Skillnet Ireland in relation to the education level of its learners, as well as the accreditation of learning outcomes. Table 4.4 describes the educational attainment profile of learners that participated Skillnet Ireland programmes, based on National Framework of Qualification (NFQ) levels. Almost half (48%) of learners held a Level 8 (honours degree-level) qualification or higher, prior to commencing their Skillnet Ireland training in 2018. In its Annual Allocation Letter, the Department of Education and Skills indicated that Skillnet Ireland should endeavour to provide up to 50% of its training days to those currently on Levels 1-5 of the NFQ. However, in 2018 only 27% of learners had a highest educational attainment Level of NFQ Level 5 or lower. However, it should be noted that while Skillnet Ireland encourages upskilling across all skill levels, participation is demand-driven and is based on the needs identified by businesses participating within Skillnet networks.

¹² National Skills Bulletin 2018. SOLAS. Retrieved from: <http://www.solas.ie/SkillsToAdvance/Documents/National%20Skills%20Bulletin%202018.pdf>

Table 4.4: Skillnet Ireland – Prior Educational Attainment Levels among Learners		
Prior Educational Attainment Level - NFQ	2018	2017
Levels 1 and 2	1%	1%
Level 3	4%	4%
Level 4	12%	12%
Level 5	10%	10%
Level 6	15%	16%
Level 7	10%	10%
Level 8	33%	32%
Levels 9 and 10	15%	15%
Total	100%	100%

Source: Indecon analysis of Skillnet Ireland data

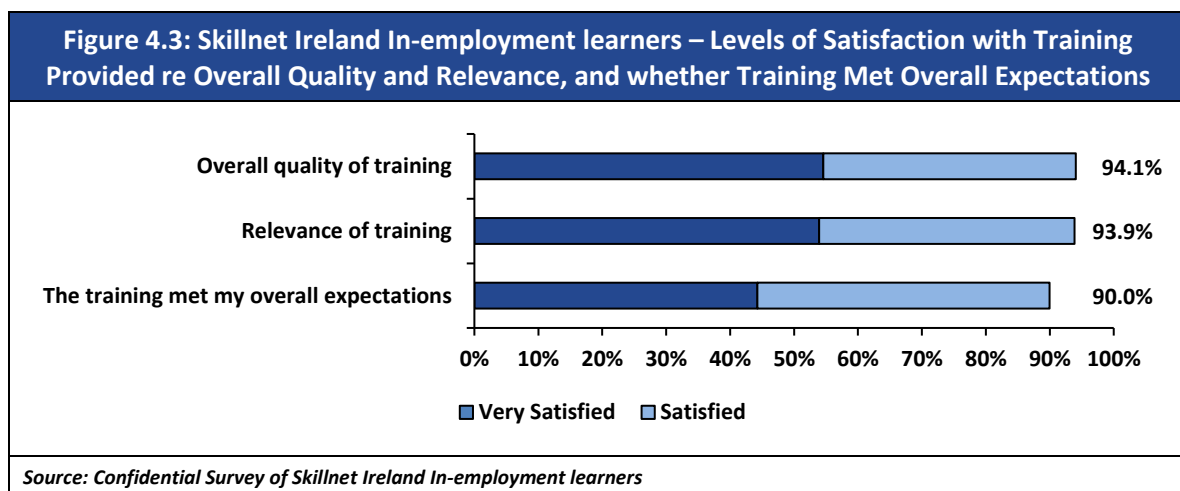
4.4 Impacts of Skillnet Ireland Training on Learners

4.4.1 Benefits and Impacts of Learning – In-Employment Learners

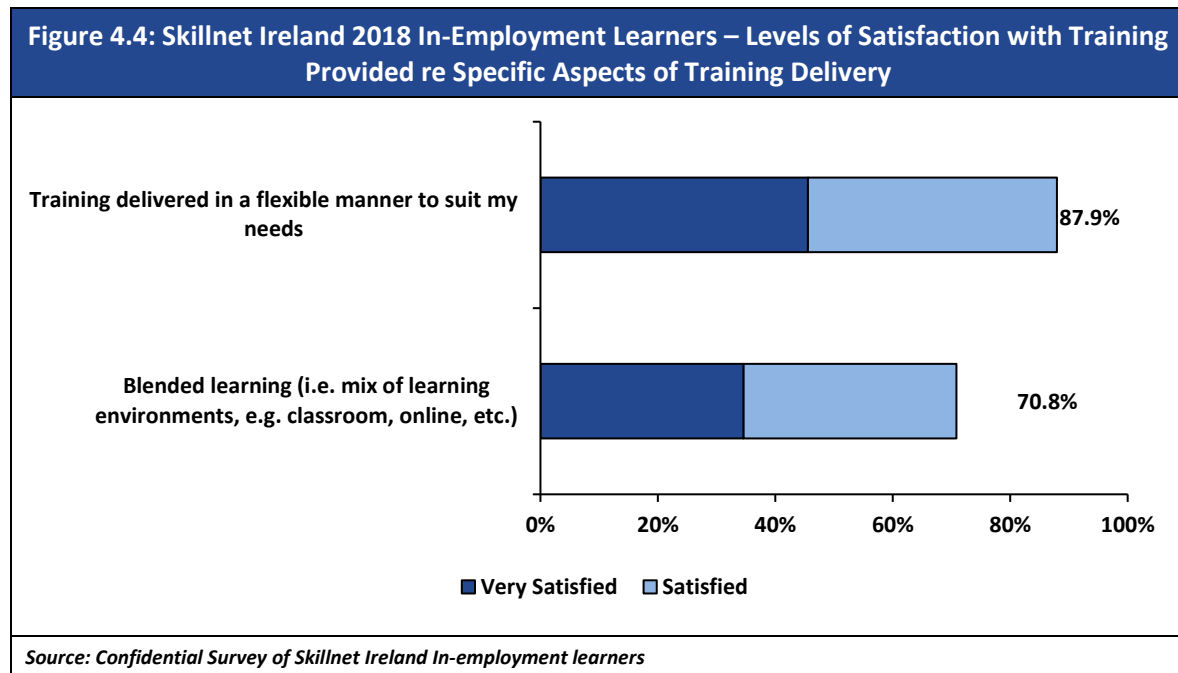
This section outlines the perceived quality and impact of Skillnet Ireland’s training for in-employment learners. The discussion is based on the findings from Indecon’s confidential survey of Skillnet in-employment learners.

Quality and Relevance of Training

Figure 4.3 provides an indication of the overall extent of satisfaction or otherwise of in-employment learners based on three measures, namely: the overall quality of training, the relevance of training, and whether the training provided met learners’ overall expectations. Overall, the survey findings point to the presence of generally very high levels of satisfaction among learners on these dimensions. In particular, 94.1% of in-employment learners indicated that they were either very satisfied or satisfied with the quality of training, with a similar proportion satisfied with the relevance of the training. 90% of in-employment learners who responded to Indecon’s survey indicated that the Skillnet Ireland training they received met their overall expectations.



In relation to specific aspects of training, Indecon’s research among in-employment learners found relatively high levels satisfaction among learners in relation to the extent to which training was delivered in a flexible manner which suited learners’ needs (88%), and in terms of the extent of application of blended training techniques (71%) (see figure below).



Labour Market Progression Outcomes

An important aspect of this evaluation of Skillnet Ireland concerns the assessment of labour market progression outcomes among learners since the completion of their training. Favourable outcomes may include obtaining a job role that is more favourable to the learner and aligns with their career aspirations, becoming self-employed or going on to further education and training.

Table 4.5 presents Indecon’s findings in relation to the current status of the 2018 in-employment learners, using evidence obtained from Indecon’s primary research survey. This indicates that there is a high level of full-time employment retention, with 98.6% of former learners still in employment as of May/June 2019. Additionally, the majority of these are employed in the same organisation in which they undertook their Skillnet Ireland training in either a full-time (74.3%) or part-time (4.8%) capacity. Almost 11% of learners that participated in Skillnet Ireland in-employment training in 2018 were self-employed in May/June 2019, while only 0.3% of learners indicated that they were unemployed.

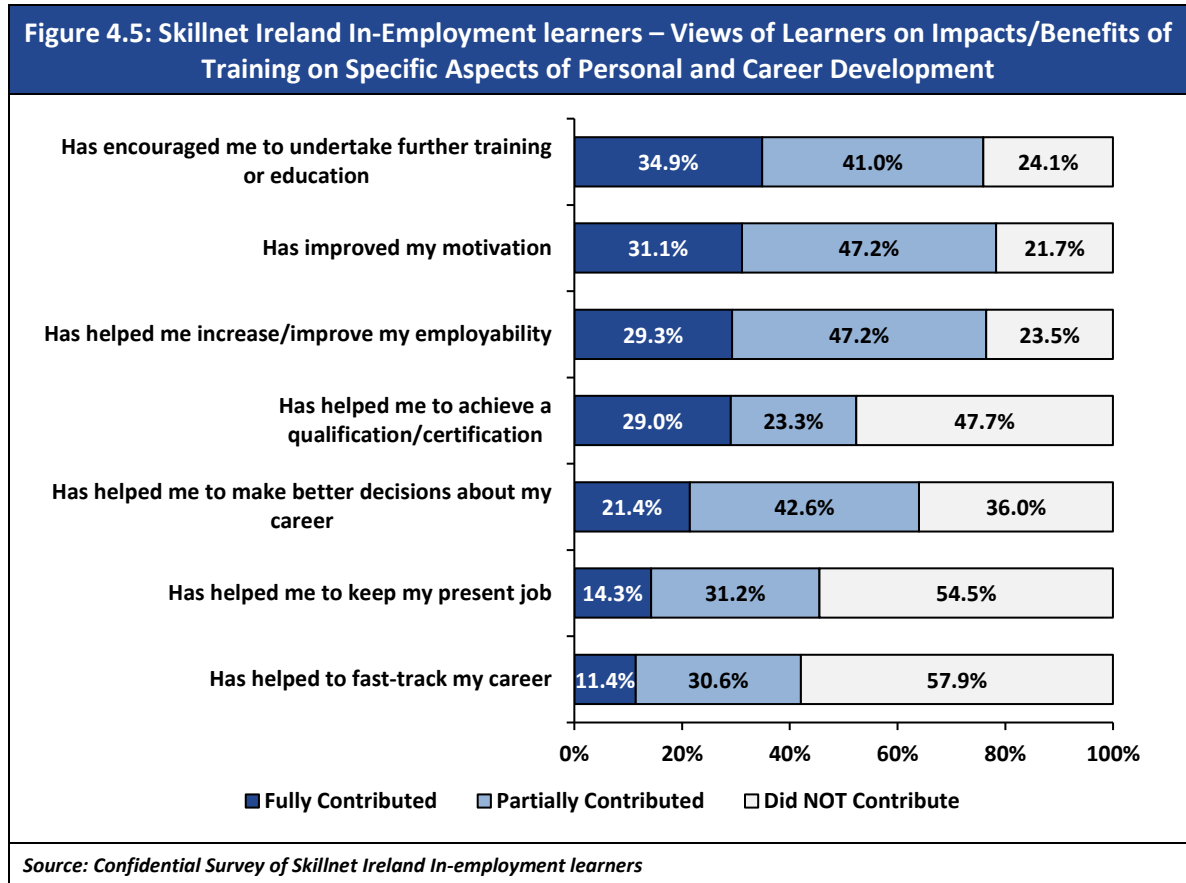
Table 4.5: In-Employment Learners - Current Status of 2018 Learners

What Best Describes your Current Situation	% of Respondents*
Employed full-time in the same company in which I undertook my Skillnet Ireland training	74.3%
Employed part-time in the same company in which I undertook my Skillnet Ireland training	4.8%
Employed full-time in another company	7.5%
Employed part-time in another company	1.3%
Self-employed	10.7%
Total in employment	98.6%
Pursuing further education or training	1.7%
Was employed on a short-term contract, which has now ended	0.9%
Unemployed (on Live Register)	0.3%
Have emigrated	0.2%
<i>Source: Indecon analysis of Confidential Survey of Skillnet Ireland In-employment learners</i>	
<i>*Note: Percentages sum to greater than 100% due to ability to choose more than one option</i>	

13.2% of in-employment learners surveyed by Indecon indicated that they have secured a promotion partially or primarily due to their Skillnet Ireland training, while 12.6% indicated that they had received a pay/salary increase either partially or primarily due to their training. Meanwhile, 10.1% indicated that they have moved to a more satisfactory job within their company (see table overleaf).

Table 4.6: Skillnet Ireland In-employment learners - Outcomes Attributable to Skillnet Training (2018)					
	Outcome has Not Occurred	Outcome has Occurred but Not Related to Skillnet Training	Outcome Partially Due to Skillnet Training	Outcome Primarily Due to Skillnet Training	Outcome is Likely to Occur in the Next 6-18 Months
I have received a pay/salary increase	63.1%	19.7%	10.4%	2.2%	4.7%
I have secured a promotion	70.0%	10.4%	10.2%	3.0%	6.4%
I have moved to a more satisfactory job within the company	79.0%	7.7%	7.3%	2.8%	3.2%
I have moved to a more satisfactory job outside the company	87.9%	4.5%	3.1%	1.8%	2.7%
I have become self-employed	93.7%	3.2%	1.8%	0.6%	0.7%
<i>Source: Confidential Survey of Skillnet Ireland In-employment learners</i>					

The next chart profiles the views of Skillnet Ireland learners in relation to specific impacts/benefits of learning in terms of career and personal development. Approximately 75% of in-employment learners responding to the research indicated that their Skillnet Ireland training had partially or fully contributed to encouraging them to undertake further training or education. Similarly, 78.3% of respondents were in agreement that their Skillnet Ireland learning had led to an increased level of personal motivation. Another important finding that emerges is related to the view towards improved employability, which is fully or partially attributed to Skillnet training by 76.5% of respondents.

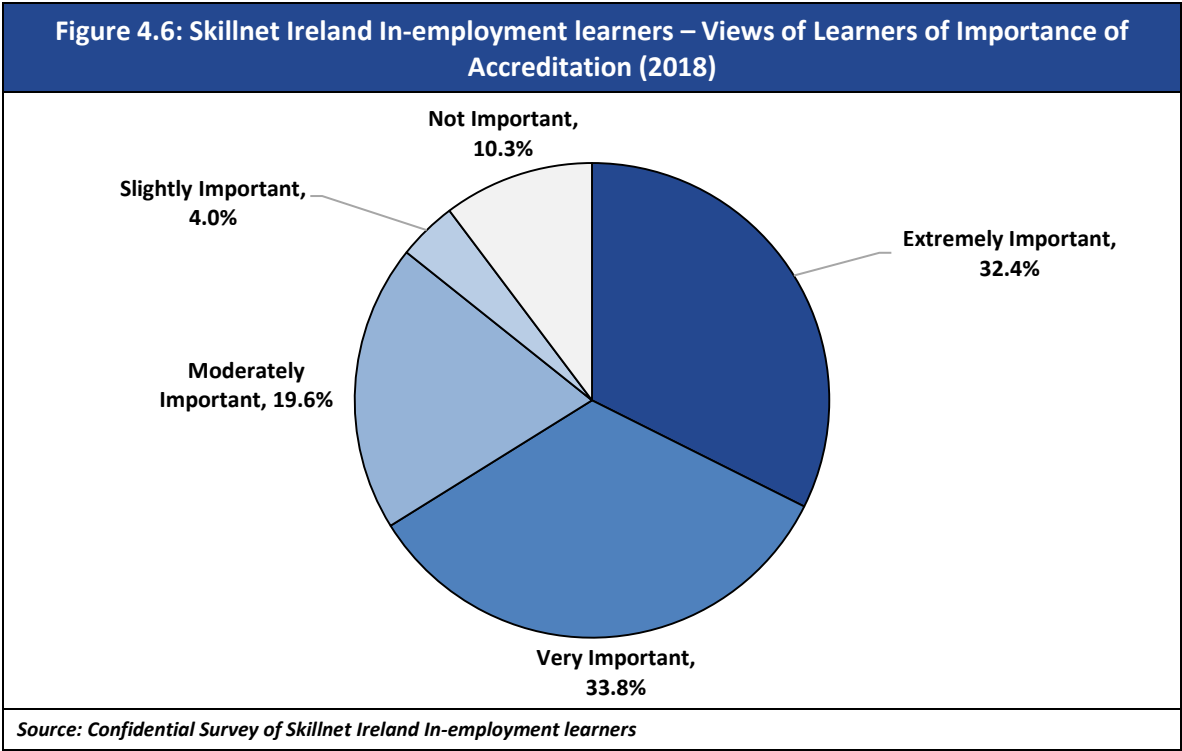


Facilitation of Access to Accredited Education and Training

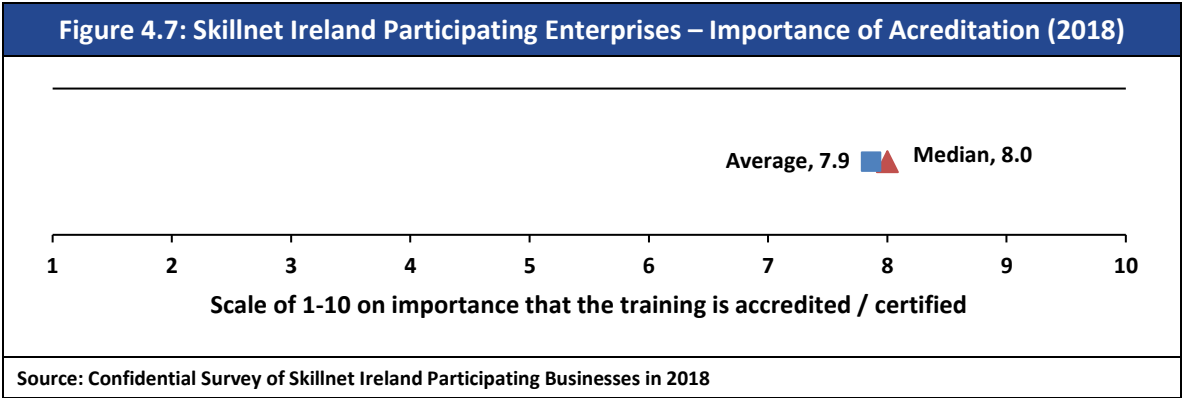
A potentially important signal for employers regarding the quality of training is the provision of upskilling activities that lead to an NFQ or industry-recognised accreditation. Furthermore, formal accreditation can be important to learners as it affords them the opportunity to get an industry wide recognised qualification. The OECD views a strong qualifications network as being necessary to ensure that the value of qualifications is appropriately understood and to assist in the translation of qualifications into employer’s training needs.¹³

The views of both learners and participating enterprises concerning accreditation were queried in Indecon’s primary research programme, the results of which are displayed in this section. The next figure indicates that accreditation of Skillnet Ireland courses was deemed important (33.8%) or very important (32.4%) by the majority (66.2%) of in-employment learners.

¹³ OECD Financial Incentives for Steering Education and Training Acquisition, 2017



The figure below summarises the findings of Indecon’s research among participating enterprises, which indicates a reported average score of 7.9 and a median score of 8, on a scale of 1-10, on the importance of the training being certified.



Targets for the percentage of training days that are certified by industry, as well as on the National Framework of Qualifications (NFQ), are set by the Department of Education and Skills. These targets are outlined in Table 4.7, along with the actual achieved percentages for 2018. In 2018, Skillnet Ireland met its overall DES target of 75%, and exceeded its target of 45% for NFQ certification (the first component of the overall target), but was below the DES target of 30% for industry certified training days (the second component of the overall target).

Table 4.7: Programme Overview - Certified Training Days 2018		
Certification Levels	Department of Education and Skills Target	Total Achieved in 2018
Overall NFQ Training Days	45%	52%
Overall Industry Training Days	30%	23%
Certified Training Days as % Total Training Days	75%	75%
<i>Source: Indecon analysis of Skillnet Ireland data and Department of Education and Skills Annual Allocation Letter</i>		

The next chart presents a disaggregation of the NFQ progression rates for employed Skillnet learners in 2018. It must be noted that the result is sourced from self-reported data and these should be interpreted with caution. Additionally, it must be stated that the data does not capture outcomes where certification is achieved by learners such that it does not result in upward progression in the NFQ. In 2018, 36.5% of in-employment learners who were educated to NFQ Levels 1 to 3 prior to commencing their Skillnet course reported that they had progressed to NFQ Levels of 4 or greater upon completion of their training. Of these, 11.6% progressed to NFQ Level 4 while 16.8% progressed to NFQ Level 5. For in-employment learners with NFQ Level 4 prior to commencing training, 14.1% and 5.8% progressed to Level 5 (linked to Leaving Certificate) or Level 6 (advanced/higher certificate).

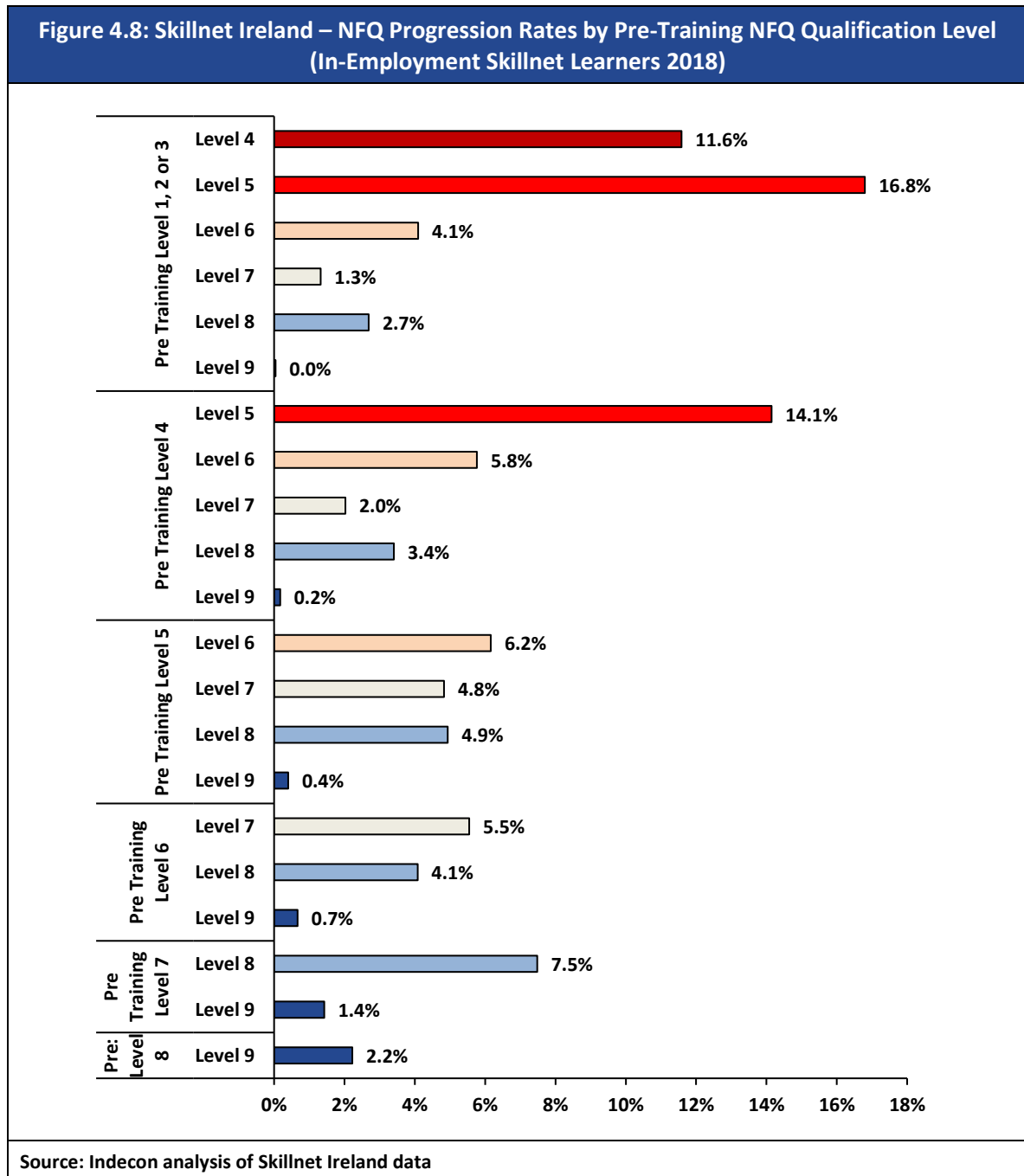


Table 4.8 presents the distribution of Skillnet Ireland events as per different NFQ levels. It can be inferred that of the total 2,757 events assigned to NFQ Levels (representing 39.8% of the total events), just under 40% were organised for NFQ Levels 1-5, whereas 55% events were allocated for NFQ Levels 6-8.

Table 4.8: Skillnet Ireland Events by NFQ Level			
Level of Award NFQ	Number of Events	Percentage of Events	Percentage of NFQ Level Accredited Events
1	21	0.3%	0.8%
2	115	1.7%	4.2%
3	157	2.3%	5.7%
4	111	1.6%	4.0%
5	683	9.9%	24.8%
6	657	9.5%	23.8%
7	306	4.4%	11.1%
8	549	7.9%	19.9%
9	156	2.3%	5.7%
10	2	0.0%	0.1%
All NFQ Levels	2,757	39.8%	100%
N/A	4164	60.2%	-
Total	6,921	100%	-

Source: Indecon analysis of Skillnet Ireland data

In terms of participants undertaking Skillnet Ireland training with an NFQ Award Level, of the total 30,564, over 40% of these learners belonged to NFQ Level 8. This was followed by Level 5 (21.8%), while Levels 1-3 had a lower rate of participation (around 6.3%), as shown in Table 4.9.

Table 4.9: Skillnet Ireland Participants by NFQ Level			
Level of Award NFQ	Number of Participants	Percentage of Participants	Percentage of NFQ Level Accredited Participants
1	196	0.3%	0.6%
2	790	1.0%	2.6%
3	943	1.2%	3.1%
4	894	1.2%	2.9%
5	6,654	8.6%	21.8%
6	4,452	5.8%	14.6%
7	3,358	4.4%	11.0%
8	12,322	16.0%	40.3%
9	952	1.2%	3.1%
10	3	0.0%	0.0%
All NFQ Levels	30,564	39.6%	100%
N/A	46,558	60.4%	-
Total	77,122	100%	-

Source: Indecon analysis of Skillnet Ireland data

Examined in terms of training days, the analysis presented in the table below indicates that of those training days devoted to events/courses between NFQ Levels 1-10, the vast majority (71.6%) of these were allocated to delivering awards at Levels 6 or above (see table overleaf).

Table 4.10: Skillnet Ireland Training Days by NFQ Level

Level of Award NFQ	Number of Training Days	Percentage of Training Days	Percentage of NFQ Level Accredited Training Days
1	1,186	0.3%	0.4%
2	5,506	1.2%	1.7%
3	2,670	0.6%	0.8%
4	7,731	1.7%	2.3%
5	56,802	12.9%	17.2%
6	39,769	9.0%	12.1%
7	80,218	18.2%	24.3%
8	63,668	14.4%	19.3%
9	51,069	11.6%	15.5%
10	70	0.0%	0.0%
Programmes identified as eligible for NFQ certification but no NFQ level recorded	20,771	4.7%	6.3%
All NFQ Levels	329,460	74.6%	100.0%
N/A	112,386	25.4%	-
Total	441,846	100.0%	-

Source: Indecon analysis of Skillnet Ireland data

4.4.2 Counterfactual research on returns to postgraduate education

Introduction and Data/Identification Constraints

As part of this evaluation, at the request of Skillnet Ireland, Indecon has investigated the possibility of undertaking a counterfactual impact evaluation to inform assessment of whether Skillnet Ireland's in-employment learning programmes are delivering a net benefit to enterprises, in terms of impacts on business performance, and/or learners, in terms of career progression-related benefits.

The completion of an appropriate counterfactual impact evaluation is consistent with best practice in the evaluation of publicly co-funded labour market programmes. However, such an evaluation requires access to appropriate micro-data on individual firms or on individual learners, including firms and learners that are not supported by Skillnet Ireland. This is necessary in particular to facilitate the identification of appropriate 'control groups' of non-participating enterprises or learners (i.e., who are not supported by Skillnet Ireland), against which the outcomes of the 'treatment group' (Skillnet-supported enterprises or learners) can be compared. Such datasets are not presently available.

In addition to these data-related requirements, a key issue in the context of Skillnet Ireland's activities concerns the characteristics of learning activities, which, in the main are (a) highly varied in terms of focus, and (b) typically of short duration. These two aspects mean that, in practice, reliable identification of impacts on participating enterprises' performance, or on individual learner progression outcomes, is not feasible.

Previous Indecon research on value of qualifications

Given these data- and identification-related constraints, Indecon has examined our existing research in relation to the value of educational qualifications at national level. This includes Indecon’s most recent research for the Irish Universities Association on the socio-economic contribution of Ireland’s universities, which *inter alia* completed an econometric counterfactual analysis of the lifetime income returns to university education.¹⁴ This involved an analysis of the CSO’s Survey on Income and Living Conditions (SILC) dataset. To measure the economic benefits to higher education, we estimated the labour market value associated with third-level qualifications, rather than simply assessing the labour market outcomes achieved by individuals in possession of a higher education qualification. To achieve this, the approach is to undertake a standard econometric analysis where the ‘treatment’ group consists of those individuals in possession of the qualification of interest, and the ‘counterfactual’ group consists of those individuals with comparable personal and socioeconomic characteristics but with the next highest level of qualification. The variables included in the university analysis are listed in the following table.

Table 4.11: Variables Included in Modelling of Wage Premium	
Description	
Survey year	
Household and Individual weight	
ID number of household. Members of the same household will have the same ID number	
ID number of person in household.	
National equivalence scale	
Urban or rural area	
Gender	
Nationality	
Country of birth	
NUTS2 region of household	
Age category 2	
Principal economic status	
Employment type	
Occupation	
Economic status (employed, unemployed, not seeking work, etc)	
Full-time/part-time	
If employee or self-employed	
Highest level of education attained	
Managerial position	
Total individual’s annual employee income	
Marital status	
The NACE code economic sector of primary work	
number of persons in the local unit	
Hours worked main job	
Hours worked other jobs	
Source: Indecon	

¹⁴ ‘Indecon Independent Assessment of the Economic and Social Impact of the Irish Universities’. Report prepared for the Irish Universities Association, April 2019. See: https://www.iaa.ie/publication/view/indecon-independent-assessment-of-the-economic-and-social-impact-of-the-irish-universities_full-report/. See Section 4 on ‘

Indecon's modelling for the IUA study found that, at a national level, those with a third-level undergraduate qualification in general were likely to earn 21-30% more than similar individuals who possessed a second-level qualification. This was then translated to a lifetime earnings premium. The following was the methodology undertaken to identify the undergraduate premium. A similar methodology (adjusted to reflect the CSO research on the differential between the earnings of those with undergraduate, postgraduate and PhD level qualifications) was applied to estimate the earnings premia for postgraduate over and above undergraduate qualifications.

1. We estimated the employment-adjusted annual earnings achieved by individuals in the counterfactual groups (i.e., completed secondary education).
2. We adjusted these baseline or counterfactual earnings using the earnings premiums and employment probabilities estimated in the preceding chapter.
3. We adjusted these age-earnings profiles to account for the fact that earnings would be expected to increase in real terms over time.
4. Based on the earnings profiles generated by qualification holders, and income tax, PRSI, USC and allowances for the relevant academic year, we computed the future stream of net earnings (i.e., post-tax). It should be noted that the analysis assumed fiscal neutrality, i.e., it is asserted that the earnings tax, PRSI and USC bands grow at the same rate of annual earnings growth.
5. Foregone earnings were adjusted to reflect the proportion of students who work during their studies both during term time and between terms. Our analysis assumed that these students make the minimum wage and we base the proportion of students who work and the average hours worked on evidence from the 2016 HEA Eurostudent survey.
6. We calculated the discounted stream of additional (employment-adjusted) future earnings compared to the relevant counterfactual group (using a standard discount rate of 4% for the first 30 years and 3.5% thereafter), and the discounted stream of foregone earnings during qualification attainment, to generate a present value figure. We thus arrived at the gross graduate premium.

For the purposes of our research for the IUA, Indecon assumed that an individual undergraduate student is undertaking their studies in 2018 and will complete a course of an average length of 3.8 years. We assumed that this undergraduate student is aged 18 years and will work until age 65. It is this span of time between ages 18 and 65 over which we appraised the net benefits of third-level education to the individual. The table overleaf shows the estimated net lifetime graduate premium for undergraduates, who are estimated to earn an additional €106,000 after tax in discounted lifetime income compared to a similar cohort whose highest level of education is secondary level. Indecon's research also allowed the estimation of the lifetime premium of completing a Master's degree. The table shows that the estimated lifetime additional income for individuals holding a Master's degree over and above those holding an undergraduate degree is approximately €40,000 after tax.

Table 4.12: Estimated Net Lifetime Earnings Premia from University Undergraduate and Postgraduate Qualifications	
	Net Lifetime Earnings Premium after Tax – Present Value - €
Undergraduate Premium (versus 2 nd level education)	106,000
Master's Premium (versus undergraduate education)	40,000
Source: Indecon analysis for 'Indecon Independent Assessment of the Economic and Social Impact of the Irish Universities'. Report prepared for the Irish Universities Association	
Note: Estimates are presented in 2018 prices, discounted to reflect net present values, and rounded to the nearest €1,000. The estimates are based on an average age at graduation of 22 for students undertaking undergraduate qualifications.	

Adjusted modelling for Skillnet Ireland

Based on the above modelling framework applied in this research, Indecon has developed an adjusted version of this national qualifications model. Specifically, this adjusts our previous IUA research to better match the profile of individuals in the dataset with that of Skillnet Ireland learners. This is designed to take into account the focus on Skillnet Ireland in-employment learners, as well as the age profile of these learners. Individuals' employment status has a substantial impact on the modelling, since Skillnet Ireland in-employment learners are assumed to undertake their courses on a part-time basis and are not foregoing earnings during their learning programme (whereas in the previous IUA model, an upfront cost of foregone earnings among full-time university students was assumed). In addition, we also adjust the lifetime earnings impacts to reflect the case that Skillnet Ireland learners do not incur tuition costs, which instead are borne by their employer. Thus, learners do not have the upfront cost of paying for the qualification.

Applying the above adjustments Indecon has developed an indicative adjusted set of national estimates of the lifetime earnings benefits of achieving a Level 9 postgraduate qualification compared to the earnings profile predicted for individuals holding a Level 8/Bachelor's degree-equivalent qualification. These estimates also assume that there are no spells of unemployment amongst either the Level 8 or Level 9 cohorts. Whilst this may be unlikely, the differences in employment levels between those with a Level 8 and Level 9 degree are minimal. Indecon's estimates from the IUA study show that those with a Bachelor's degree had a 95% probability of being in employment, compared to 95.8% of those with a Master's degree.

Using the above assumptions, the following premia were estimated, for various ages to show the diverse age range of Skillnet Ireland learners, of a Level 9 postgraduate qualification versus a Level 8 qualification. The estimates demonstrate that the younger the learner upon completion of their Level 9 degree, the greater their lifetime benefit, given that they have more years of working life ahead of them to reap the rewards of their higher qualifications. Overall, the indicative estimates suggest that a typical individual in the Irish labour force who is aged 30, is in employment and holds a Level 9 postgraduate degree could expect on average to earn a net additional lifetime income premium over their remaining career of €60,400 after tax in discounted present value terms compared to a similar individual with a Level 8 undergraduate degree.

Table 4.13: Value of a Post-Graduate Qualification – Estimated Additional Lifetime Earnings Premium of a Level 9 Qualification versus a Level 8 Qualification

Age Upon Completion of Qualification	Net Lifetime Earnings Premium after Tax – Present Value - €
25	71,000
30	60,400
35	50,800
40	42,100
45	34,200
50	27,100
55	18,500
60	9,700

Source: Indecon analysis

In interpreting the above estimates, Indecon would emphasise that these adjusted national earnings premia estimates are indicative only, and are based on previous research conducted by Indecon. While our existing modelling has been adjusted to attempt to better match with the cohort of learners undertaking Skillnet Ireland Level 9 courses, data was not available to facilitate a true counterfactual impact assessment of the specific impact of Skillnet Ireland courses. Furthermore, it is important to highlight that there may be deadweight associated with these values, as some of the learners may have undergone these courses anyway outside of Skillnet Ireland. Indecon’s survey of learners found that a number of respondents indicated that they would not have found it difficult to obtain similar training in the absence of Skillnet Ireland, so to attribute the full premium to being the impact of Skillnet Ireland would likely be an over-estimation of the impact of Skillnet Ireland on the lifetime income of the trainee.

4.4.3 Skillnet Ireland role in Labour Market Activation

Skillnet Ireland’s mandate has traditionally focussed on in-employment training, but in response to rapidly declining labour market conditions in the recent economic recession, the organisation assisted with the Government’s Action Plan for Jobs through introducing the dedicated Employment Activation Programme (EAP) in 2010, and offering training to jobseekers through the main TNP programme.

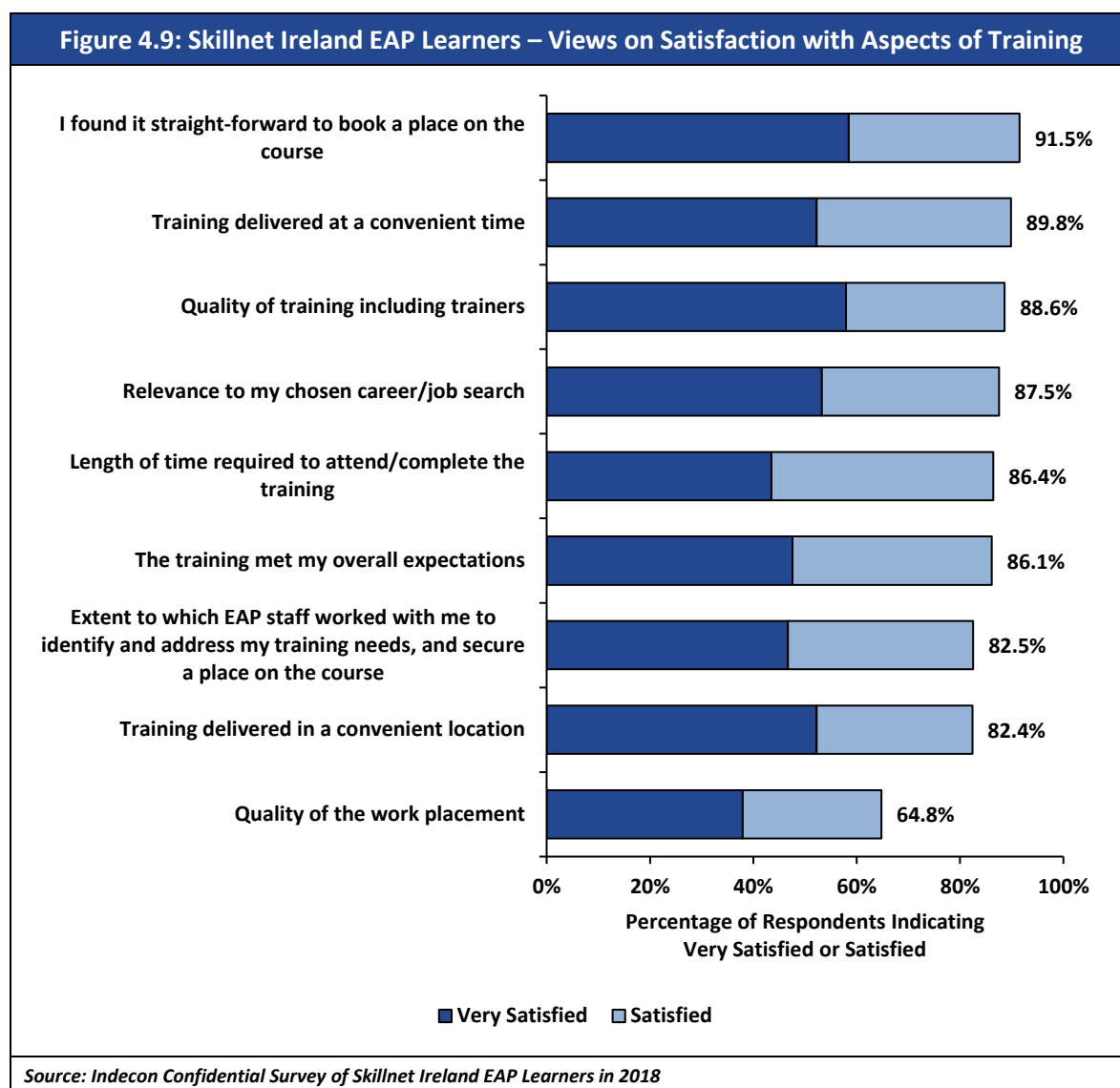
Following the dramatic changes in the Irish labour market since 2013/14, the balance between Skillnet Ireland’s in-employment and for-employment training has evolved, and this is reflected in the position whereby in-employment training accounted for 96% of learners and 89% of overall training days delivered in 2018. The number of learners in jobseeker training declined from almost 6,000 in 2016 to just over 2,000 in 2018. The DES target for training days to be provided to for-employment learners, of almost 33,000 days was substantially exceeded, with almost 48,000 training days being provided in 2018 (see table below).

Table 4.14: Skillnet Ireland For-Employment Training Activity Outcomes – 2016-2018			
Programme	2018	2017	2016
Number of Learners	2,023	3,705	5,915
Number of Training Days	47,818	56,310	66,733
Source: Skillnet Ireland Data			

4.4.4 Benefits and impacts of for-employment learning

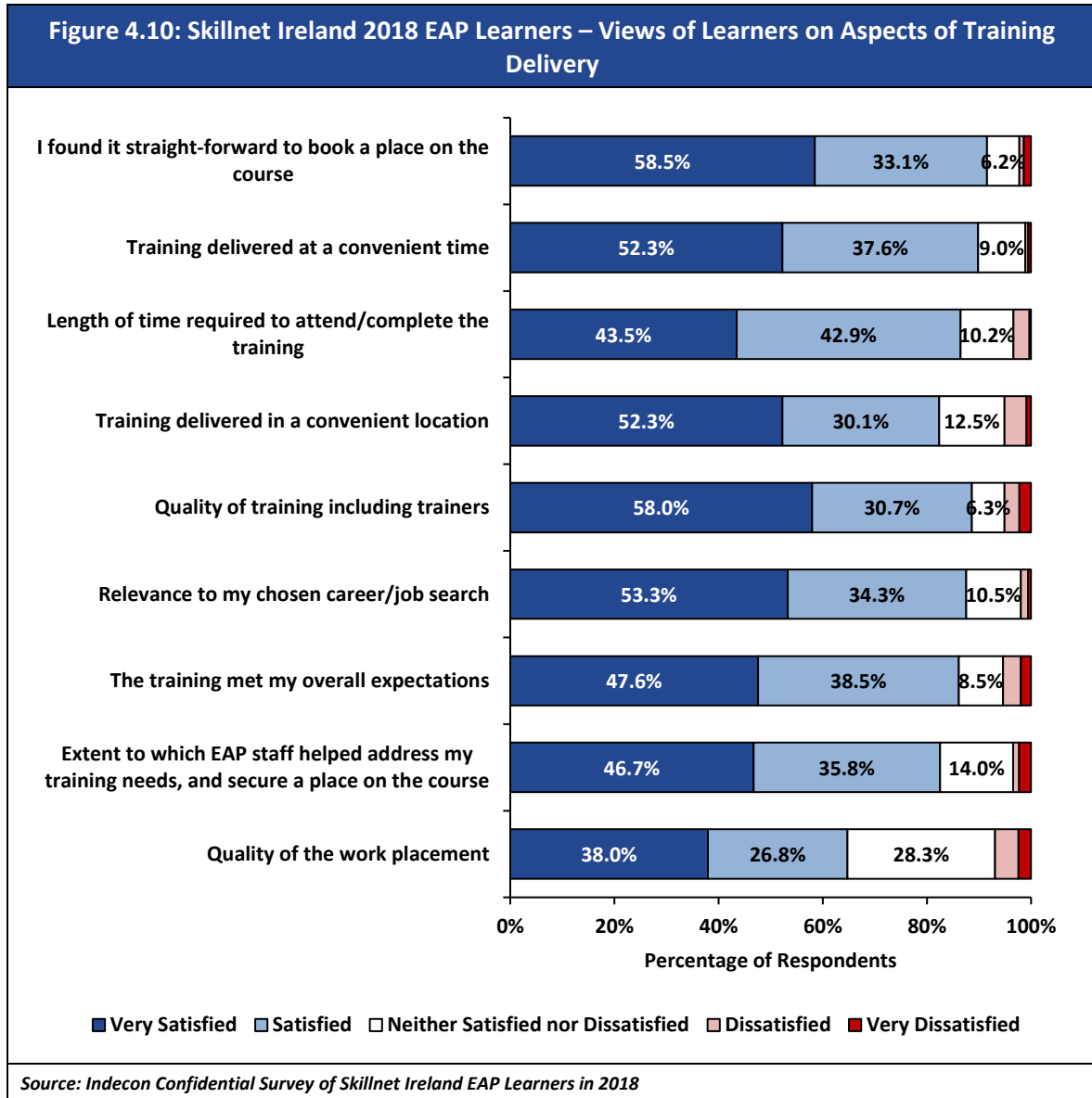
In this section, the perceived quality and impact of Skillnet Ireland’s training for jobseekers in 2018 is outlined. This is based on evidence obtained from Indecon’s survey of Skillnet EAP learners.

Indecon conducted primary research to understand the views in relation to the Employment Activation Programme (EAP). Some interesting findings emerge, as shown in Figure 4.9, where a relatively high proportion of respondents (above 85%) responded with ‘very satisfied’ or ‘satisfied’ in terms of: ease of booking a place on the course (91.5%); the convenience of the delivery time (89.8%); quality of training and trainers (88.6%); relevance to chosen career (87.5%); duration to complete the course (86.4%); and meeting all other expectation (86.1%). It should be noted that compared to the responses in other categories, relatively fewer participants were satisfied with the quality of the work placement from the programme.



Training Quality

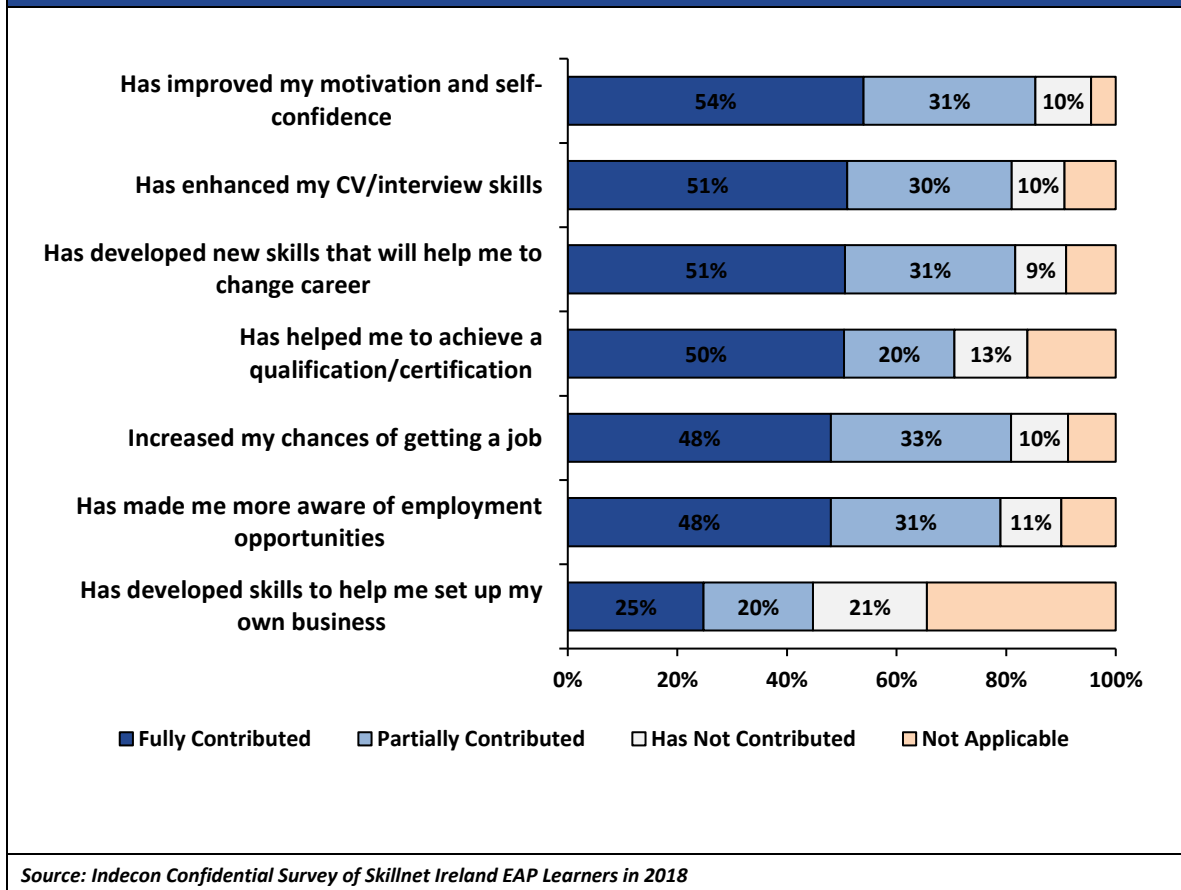
The views of EAP learners across different aspects of the quality of their training are shown in the next chart. A significantly higher proportion of EAP learners indicated that they were 'satisfied' or 'very satisfied' with the ease of booking the course (91.5%), and the extent to which EAP staff assisted in training needs as well securing place on the course (82.5%). Moreover, about 82%-89% of respondents were satisfied/very satisfied with the training being delivered at a convenient time, location, and length of time required to complete the training respectively. Lastly, in terms of the primary outcome related to quality assessment of training, the results indicate that 88.6% of respondents were satisfied with the quality of training including trainers; 87.5% of respondents were satisfied with the relevance of training to the chosen career; and about 86% of respondents stated to have met satisfactorily their overall expectation from the course. Contrary to these outcomes, there were fewer satisfactory positive responses in terms of the quality of the work placement (64.8%).



Impacts and Benefits of Training

The evidence from Indecon’s research in relation to the reported impacts and benefits of EAP training across a range of dimensions is profiled in the next chart. The research found that a majority (54%) of EAP learners considered their training course to have fully contributed to improving their motivation and self-confidence, with a further 51% indicating that the course fully contributed to enhancing their CV/interview skills. 50% of respondents stated that their EAP training had fully contributed to achieving a qualification or certification.

Figure 4.11: Skillnet Ireland EAP Learners – Views of Learners on Impact of Training on Specific Areas

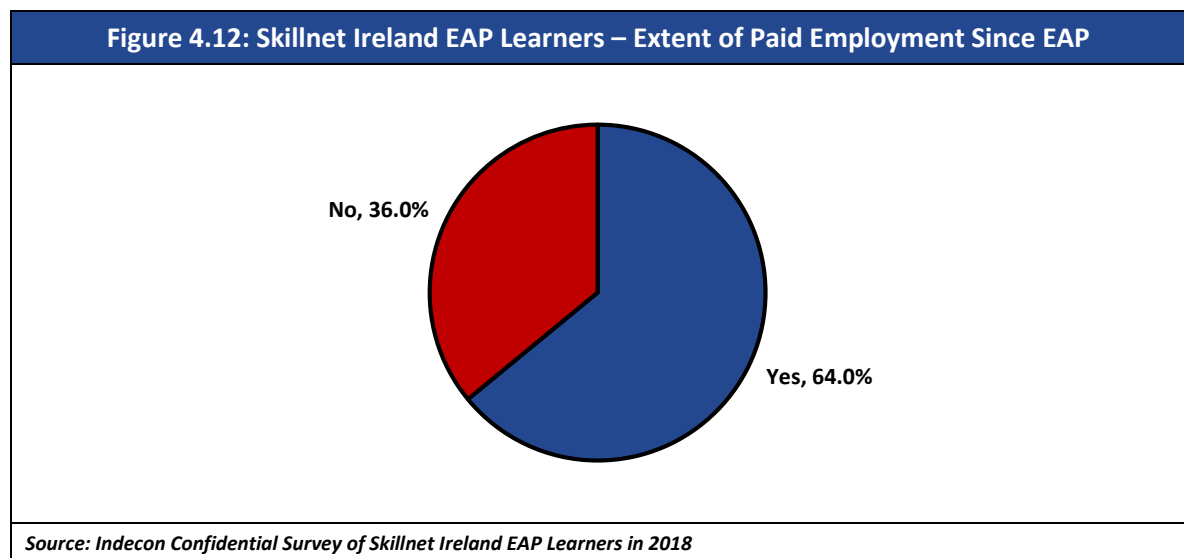


Labour Market Progression Outcomes of EAP Learners

Table 4.15 provides insights into Indecon’s research among 2018 EAP learners regarding the current status of EAP learners. It is notable that 60.3% of 2018 EAP learners who responded to Indecon’s research were in employment as of May/June 2019 (when this research was conducted).

Table 4.15: 2018 EAP Learners – Current Labour Market Status at at May-June 2019	
Current Situation (May-June 2019)	% of Respondents
Employed full-time in the same company in which I undertook my EAP training/work placement	15.9%
Employed part-time in the same company in which I undertook my EAP training/work placement	8.8%
Employed full-time in another company	16.5%
Employed part-time in another company	9.7%
Self-employed	10.3%
Currently Employed	61.2%
Was employed on a short-term contract, which has now ended	5.3%
Unemployed (on Live Register)	20.0%
Pursuing further education or training	15.0%
On another employment activation scheme (e.g. Community Employment scheme, Tús, Gateway)	4.4%
Have emigrated	0.9%
Source: Indecon analysis of Confidential Survey of Skillnet Ireland EAP Learners	

It is also notable that 64% of 2018 EAP learners responding to the research indicated that they had been in some form of paid employment since completing their training (see figure below).

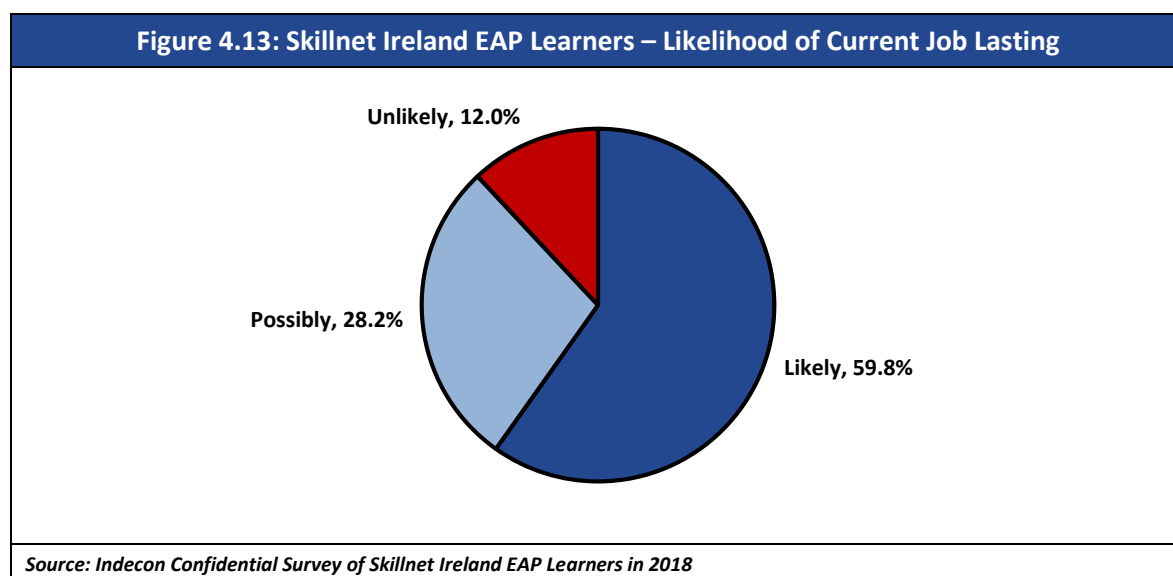


Of those respondents who had secured paid employment, 26.4% indicated that they were employed for between three and five months, while 24.5% were in employment for between six and eight months at the time of survey completion. It is also notable that 17.8% stated that they had been in employment for 12 months or more (see table below).

Table 4.16: EAP Learners – Duration of Employment since EAP Completion	
Number of Months	Percentage of Respondents
0-2	23.1%
3-5	26.4%
6-8	24.5%
9-11	8.2%
12 Months or More	17.8%

Source: Indecon Confidential Information Request Issued to Skillnet Ireland EAP Learners

Moreover, around 60% of respondents indicated that they felt their current employment would last (see figure below).



Source: Indecon Confidential Survey of Skillnet Ireland EAP Learners in 2018

4.5 Summary of Findings

This section assessed the alignment of Skillnet Ireland’s programmes and outputs with the evolving needs of Ireland’s labour market, in addition to the impacts of its learning programmes on the expanding group of learners, including in terms of the benefits of learning for personal career development and labour market progression. The key findings were as follows:

- The overall level of demand for Skillnet Ireland workforce development programmes will be influenced in particular by the developments in employment and unemployment across the economy. Growth in employment levels accelerated during 2012-2013 as the economy recovered after the economic and financial crisis, and, since 2014, growth has averaged just over 3% per annum. By the end of 2018, there were almost 2.3 million persons at work across the Irish economy.

- ❑ Unemployment levels in the Irish labour market have fallen dramatically since 2012/13, and by the end of 2018 a total of 129,000 persons were unemployed, representing just 5.3% of labour force. The unemployment rate has fallen below 5% in the first quarter of 2019, approaching levels which are generally accepted as representing full employment. The dramatic changes in the Irish labour market since the post-crisis period have important implications for Skillnet Ireland strategy and, in particular, the appropriate division of resources between in-employment versus jobseeker learning.
- ❑ Indecon’s research among Skillnet Ireland in-employment learners found generally very high levels of satisfaction on a number of aspects of their learning experience. Notably, 94.1% of in-employment learners indicated that they were either very satisfied or satisfied with the quality of training, with a similar proportion satisfied with the relevance of the training. 90% of in-employment learners who responded to Indecon’s survey indicated that the Skillnet Ireland training they received met their overall expectations.
- ❑ There is an evidently high level of employment retention, with 98.6% of former in-employment learners still in employment as of May/June 2019. The majority of these are employed in the same organisation in which they undertook their Skillnet Ireland training.
- ❑ Approximately 75% of in-employment learners responding to the research indicated that their Skillnet Ireland training had partially or fully contributed to encouraging them to undertake further training or education. Similarly, 78.3% of respondents were in agreement that their Skillnet Ireland learning had led to an increased level of personal motivation.
- ❑ Targets for the percentage of training days that are certified by industry, as well as on the National Framework of Qualifications (NFQ), are set by the Department of Education and Skills. In 2018, Skillnet Ireland met its DES target of 75%, and exceeded its target of 45% for NFQ certification.
- ❑ Skillnet Ireland has expanded its role in delivering accredited education and training up to NFQ Levels 8 and 9. In relation to the benefits of qualifications, indicative estimates developed by Indecon based on updating previous national research suggest that a typical individual in the Irish labour force who is aged 30, is in employment and possesses a Level 9 postgraduate degree, could expect on average to earn an additional after tax lifetime income premium over their remaining career of €60,400 in discounted present value terms compared to a similar individual with a Level 8 undergraduate degree.
- ❑ Although Irish unemployment levels have fallen dramatically over the last 3-4 years, Skillnet Ireland continues to play a role in supporting the Government’s labour market activation policies in encouraging participation in the labour force and assisting jobseekers to find sustainable paid employment. During 2018, through the Employment Activation Programme, Skillnet Ireland delivered a total of 47,818 training days to 2,023 for-employment learners. The evidence from Indecon’s research among EAP learners suggests that the programme has delivered a number of immediate labour market progression as well as career and personal development benefits to these individuals. Notably, 60.3% of 2018 EAP learners who responded to Indecon’s research were in employment as of May/June 2019.

5 Assessment of Effectiveness and Efficiency

5.1 Introduction

This section examines the effectiveness and efficiency of Skillnet Ireland 2018. The assessment is in context with specific objectives including:

- ❑ Financial Inputs and Performance;
- ❑ Assessment of Cost-Effectiveness and Value for Money; and
- ❑ Network Management.

5.2 Assessment of Financial Inputs and Funding Leverage

Overall financial inputs and performance

Table 5.1 summarises the key financial performance of Skillnet Ireland in 2018 and compares the financial outcomes to the budgeted values.

Table 5.1: Financial Overview – Summary of Skillnet Ireland Income and Expenditure Outcomes versus Budget (2018)			
	2018 – Actual - €	2018 – Budget - €	Actual as % of Budget
Funding Received from DES (National Training Fund) allocated as follows:			
Grant Funding to Networks	€17,703,802	€18,157,109	97.5%
Costs*	€3,785,009	€3,570,370	106.0%
Total Skillnet Ireland Expenditure	€21,488,811	€21,727,479	98.9%
Network Income			
Grant Funding to Networks	€17,703,802	€18,157,109	97.5%
Financial Contribution from Participating Enterprises	€18,572,909	€16,868,937	110.1%
Total Network Funding	€36,276,711	€35,026,046	103.6%
<i>Enterprise Contribution - % of Total</i>	<i>51.2%</i>	<i>48.2%</i>	
Network Cost Type			
Network Management Costs	€7,163,027	€7,219,287	99.2%
Network Training Cost	€29,113,684	€27,806,759	104.7%
Management and Training Expenditure	€36,276,711	€35,026,046	103.6%
<i>Network Management Costs - % of Total</i>	<i>19.7%</i>	<i>20.6%</i>	
Source: Skillnet Ireland			
*Includes operating/overhead and programme development/capex-related costs.			

Skillnet Ireland operated a total of 65 networks during 2018 (see Table 5.2). These networks achieved a combined overall income of €36.3 million, comprising grant funding of €17.7 million from NTF and a financial contribution from businesses of €18.6 million. Enterprise funding accounted for 51.2% of network funding, and was slightly ahead of budget. Network management costs represented 19.7% of overall management and training expenditure, and were slightly below budgeted levels, while other costs exceeded the budgetary levels due to strong demand, with expenditure in excess of budgeted levels being fully funded by enterprise. Total management and training expenditure amounted to €36.3 million in 2018, and was close to the budgeted level.

Table 5.2 presents financial overview in relation to expenditure by programme and funding source for 2018. The Training Network Programme (TNP) remains the core delivery channel for Skillnet Ireland, accounting for €32 million or 88.3% of overall expenditure in 2018. TNP includes spending on the Future Skills Programme (FSP), which facilitates innovation and collaboration in new programme design and industry-based research on the future of work and learning. 54.2% of TNP expenditure can be attributed to the financial contribution from participating businesses, while the remaining amount is from public grants. The remaining €4.2 million of expenditure (11.7%) was divided between the Employment Activation Programme and Management Development training – amounting to €2.2 and €2.1 million, respectively.

Table 5.2: Financial Overview – Expenditure by Programme and Funding Source in 2018					
Programme	No. of Networks	Actual Expenditure	Grant Funding	Contribution from Participating Enterprises	Enterprise Contribution - % of Expenditure
TNP*	64	€32,046,056	€14,674,224	€17,371,832	54.2%
EAP	33	€2,157,677	€1,961,530	€196,147	9.1%
Management Development	1	€2,072,978	€1,068,048	€1,004,930	48.5%
All Networks	65	€36,276,711	€17,703,802	€18,572,909	51.2%
<i>Total excl. EAP</i>	-	€34,119,034	€15,742,272	€18,376,762	53.9%
Source: Indecon analysis of Skillnet Ireland data					
Notes: * TNP includes FSP and FSP Research. 29 Networks received grant funding in respect of FSP Funding and 8 Networks received grant funding in respect of FSP Research Funding					

Funding Leverage

Indecon has also examined the important issue of the degree of funding leverage achieved through the organisation's dual public/private funding model. This has direct implication for value-for-money in the disbursement of public funds. The results in Table 5.3 show that of the total expenditure of €34.1 million, excluding the EAP expenses to accurately assess the extent of funding leverage in the organisation's core co-funded programmes, Skillnet Ireland achieved an overall company matching funding rate of €18.4 million against public funding of €15.7 million. In other words, this means that for every €1 of public/NTF funding allocated during 2018, participating enterprises provided €1.17 of matching funding.

Table 5.3: Funding Leverage – Financial Contribution from Enterprise per €1 of Exchequer Funding, 2015-2018				
	2018	2017	2016	2015
Funding Leverage of Skillnet Ireland - Level of Enterprise Contribution for Every €1 of Exchequer Funding (excl. EAP)	€1.17	€1.25	€1.14	€1.04
Source: Indecon analysis of Skillnet Ireland data				

5.3 Assessment of Cost-Effectiveness and Value for Money

This section examines the cost effectiveness of the programme and therefore discusses unit costs of training programme activity and the extent of programme deadweight.

Unit Costs of Training Programme Activity

An important measure of cost-effectiveness is the unit cost of training delivery. Table 5.4 presents overall annual unit costs with respect to number of learners.

Table 5.4: Cost-Effectiveness of Skillnet Ireland Programmes – Recent Movements in Annual Unit Costs per Trainee (2016-2018)					
Programme	Actual Expenditure -2018	Number of Learners - 2018	Cost per Trainee 2018	Cost per Trainee 2017	Cost per Trainee 2016
TNP (incl. FSP)	€32,046,056	53,587	€598	€552	€448
EAP / JSSP	€2,157,677	2,023	€1,067	€959*	€738
Management Development	€2,072,978	572	€3,624	€2,202	€2,281
Source: Indecon analysis of Skillnet Ireland data and previous Skillnet Ireland Evaluations					
* This figure is revised in line with the updated total unemployed trainee figure of 1,991 for 2017.					

There has been an upward movement in unit costs since 2016 when measured on a per trainee basis. However, this may reflect a range of factors, including the changing composition of programmes in terms of nature of interaction, delivery, duration and other drivers of cost. When unit costs are examined on the basis of costs per training day (see next table), the analysis indicates that unit costs have remained more or less constant for Skillnet Ireland's core programmes, although Management Development training unit costs appear to have increased significantly by 43% in 2018. Again, this may reflect the evolving nature of management development training since this area of Skillnet Ireland's remit was reformed in 2017/18.

Table 5.5: Cost-Effectiveness of Skillnet Ireland Programmes – Recent Movements in Annual Unit Costs per Training Day Delivered (2016-2018)

Programme	Actual Expenditure -2018	Number of Training Days - 2018	Cost per Training Day 2018	Cost per Training Day 2017	Cost per Training Day 2016
TNP (incl. FSP)	€32,046,056	394,028	€81	€80	€79
EAP / JSSP	€2,157,677	47,818	€45	€47	€47
Management Development	€2,072,978	11,755	€176	€123	€112

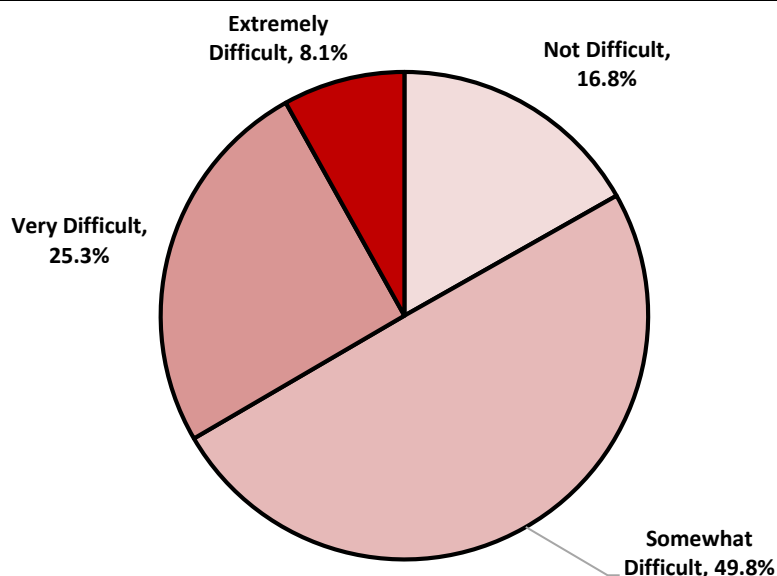
Source: Indecon analysis of Skillnet Ireland data and previous Skillnet Ireland Evaluations

Programme Deadweight

An estimate of deadweight associated with a programme is critical in ensuring that a policy has addressed an unmet need. At the same time, it also suggests if the concerned programme is incentivising an outcome that would have not occurred otherwise. In order to formally estimate deadweight, empirical assessment using econometric analysis that compares outcomes to a counterfactual position would be required. This is not feasible due to identification issues and data constraints. As with previous evaluations, Indecon has examined a number of survey-based indicators of deadweight.

The findings from Indecon's survey research, shown in Figure 5.1, indicate that 33.4% of in-employment learners stated that it would be extremely difficult or very difficult to find training of a similar quality elsewhere in the absence of Skillnet Ireland training. Just under 50% indicated that it would be somewhat difficult, with the remaining 16.8% indicating that it would not be difficult to find training of a similar quality. This suggests a relatively larger proportion of respondents crediting Skillnet Ireland for the availability of training courses. These results have improved as compared to the survey results in 2017, where almost 20% of respondents believed that it would not be difficult to find training of a similar quality.

Figure 5.1: Skillnet Ireland In-employment learners – Ability to Access Similar Training Elsewhere (2018)



Source: Confidential Survey of Skillnet Ireland In-employment learners

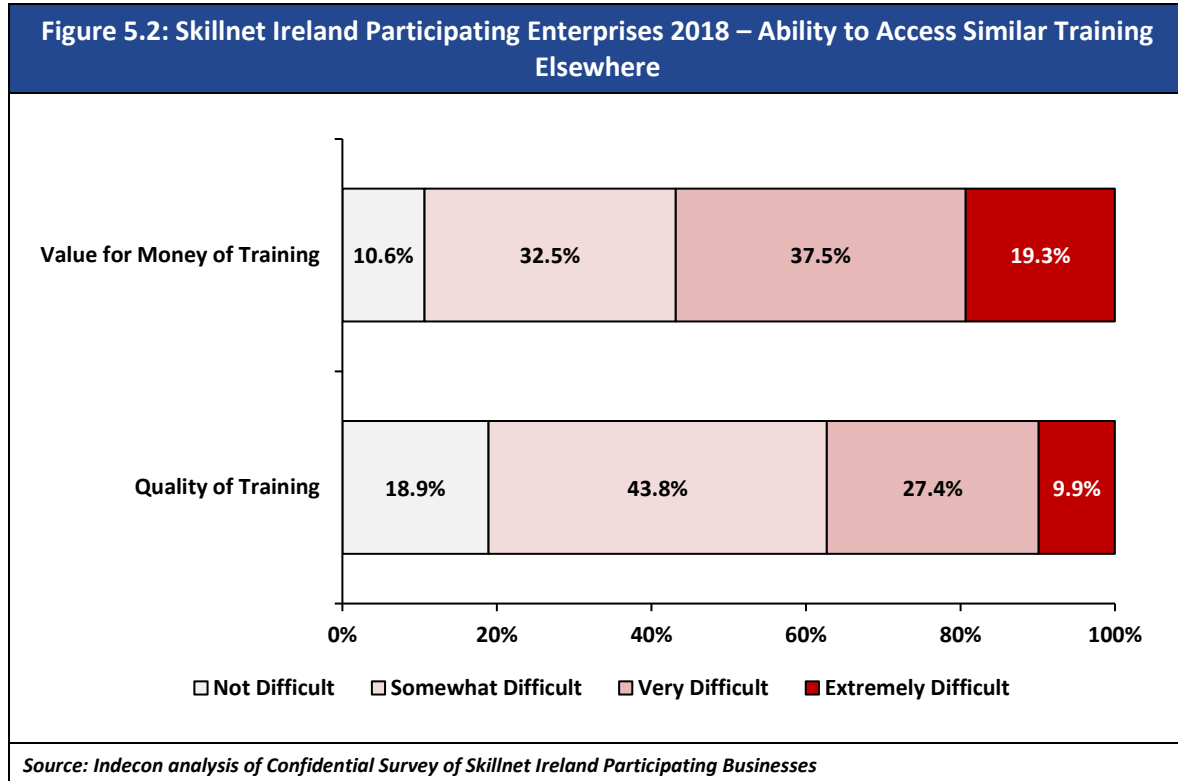
The views of participating enterprises are summarised in the table below. Just over 16% of participating enterprises indicated that if Skillnet Ireland did not exist, they would have not arranged training at all. 12.8% of responding firms stated that they would have organised training but at a later date, while 40.5% indicated that they would have arranged alternative training but to a lesser degree. Just under a third of respondents (30.4%) stated they would have arranged alternative external training no different to that received through Skillnet Ireland, indicating a degree of deadweight, but not at a level of concern to Indecon for training programmes of this type.

Table 5.6: Participating Enterprises 2018 - Programme Deadweight as Measured by Ability to Access Similar Training Elsewhere (2018)

	% of Respondents
We would have arranged alternative external training no different to that received through Skillnet Ireland	30.4%
We would have arranged alternative training but to a lesser degree (e.g. through shorter courses and/or offered to fewer people)	40.5%
We would have arranged alternative training but at a later date	12.8%
We would not have arranged any training at all	16.2%

Source: Indecon analysis of Confidential Survey of Skillnet Ireland Participating Businesses

The research also indicated that 9.9% of participating enterprises would have found it very difficult or extremely difficult to access training of a similar quality elsewhere, with 27.4% indicating they would find it very difficult. Moreover, over half of respondents indicated that it would be either very difficult or extremely difficult to find similar value for money in training sourced elsewhere (see figure below).

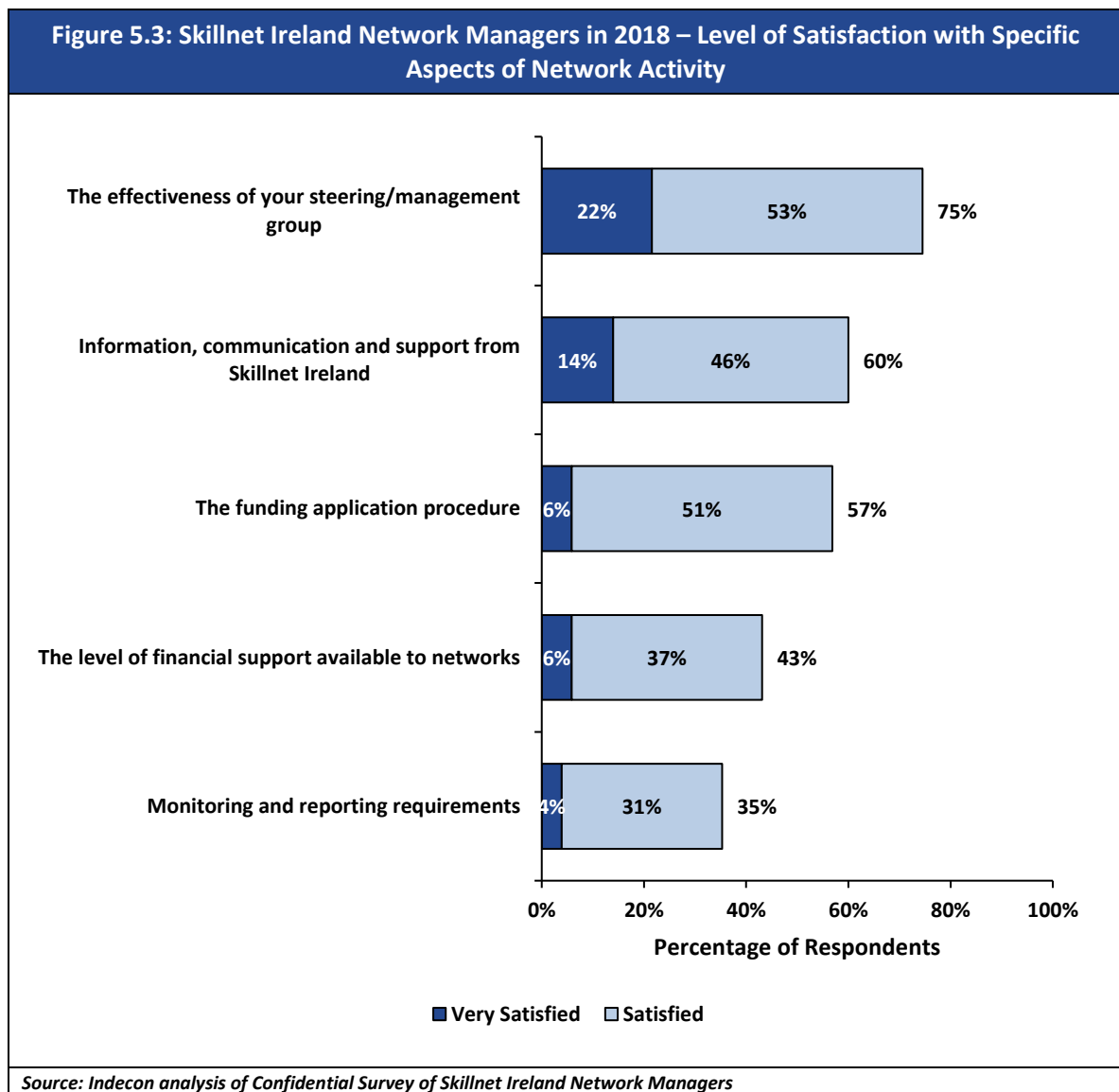


5.4 Network Management

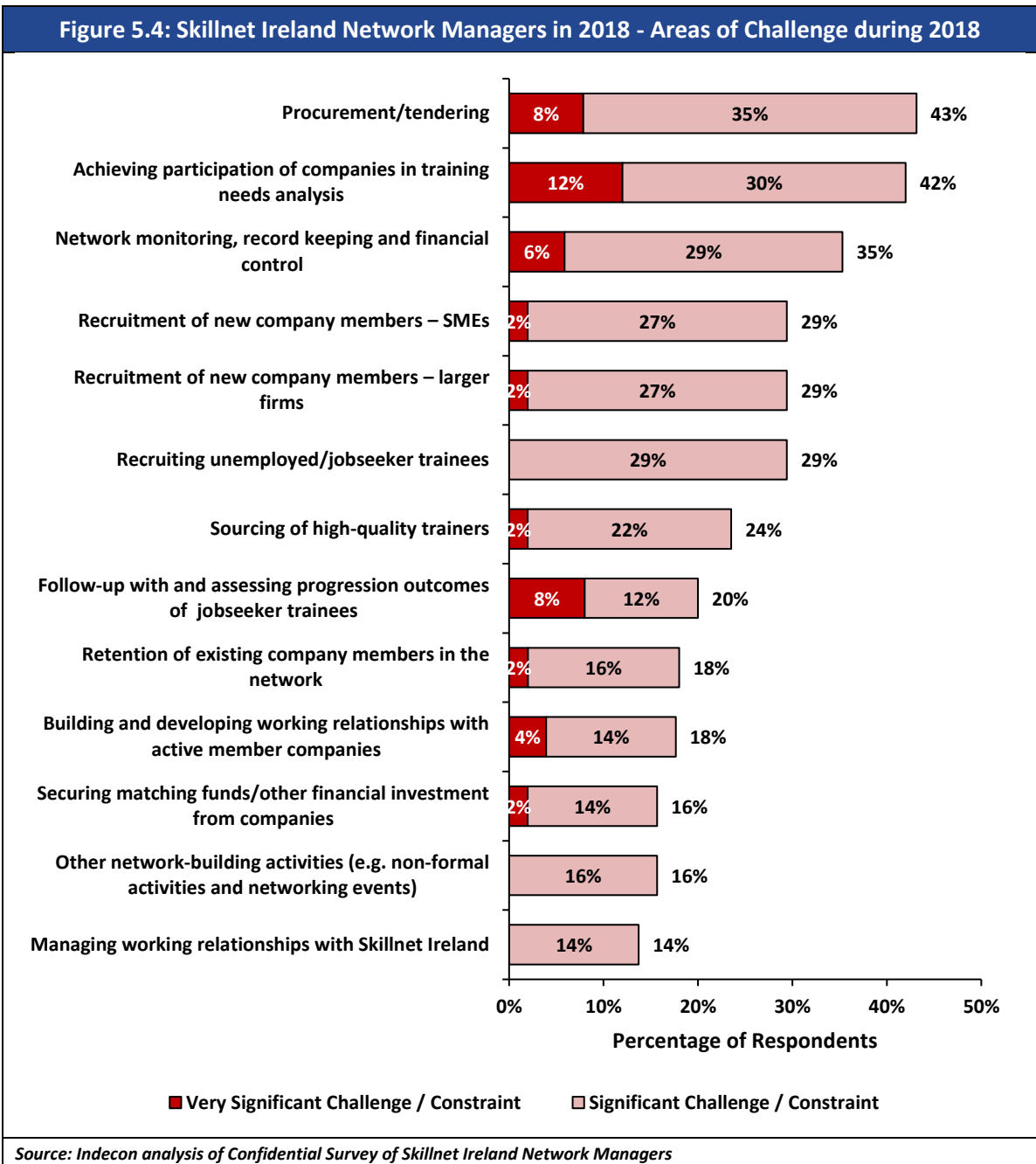
An important overall driver of the effectiveness and efficiency of Skillnet Ireland concerns the operation and administration of each of the large number of networks through which the organisation delivers its programmes. A detailed examination of network management and governance was outside the scope of this evaluation. However, in this section we present selected findings from Indecon’s research among network managers in relation to aspects of network administration and enterprise engagement during 2018.

Views on Network Administration and Engagement

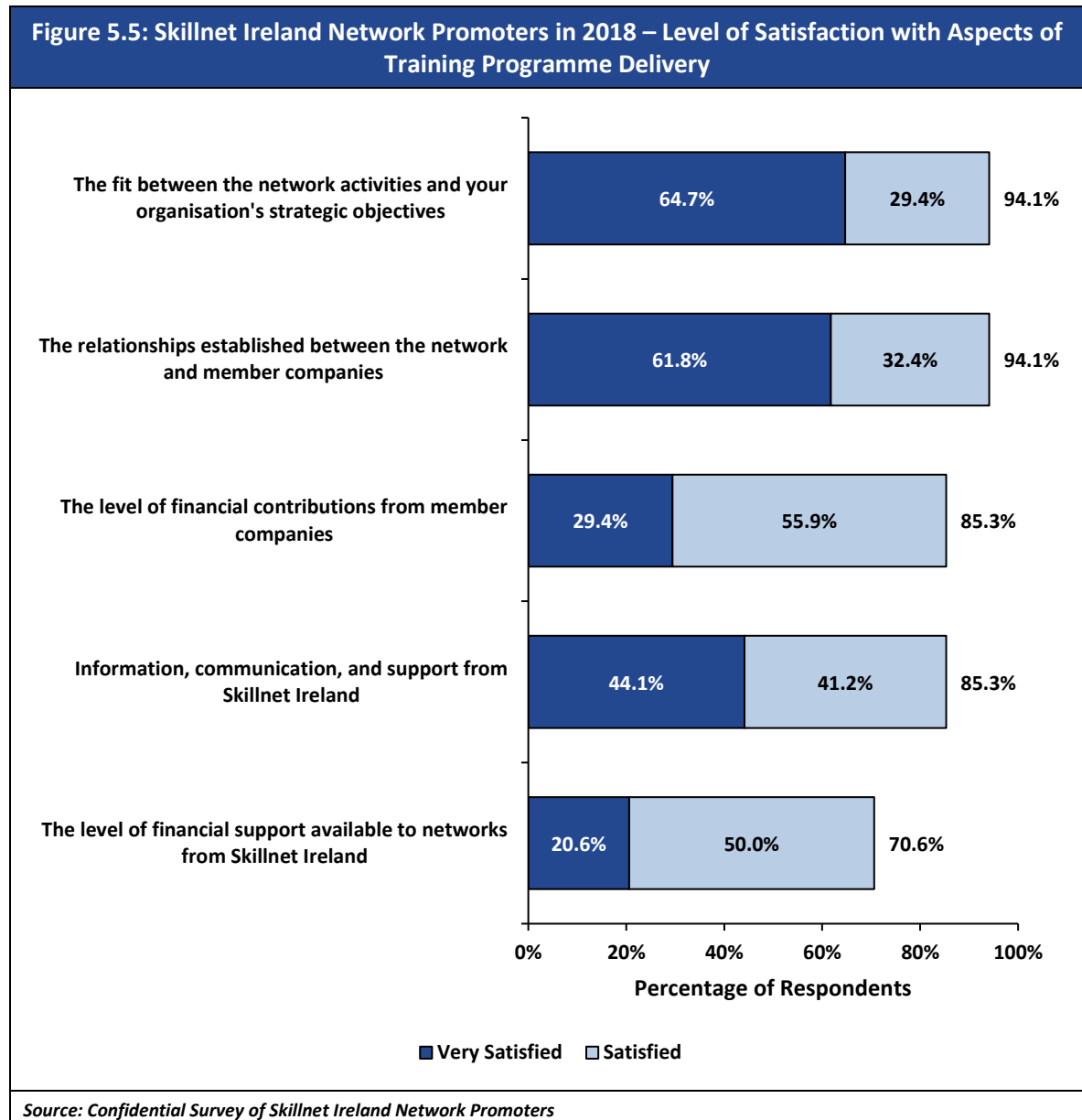
The survey of Network Managers and Promoters in terms of the administrative aspects feed into Indecon's assessment of the effectiveness and efficiency of Skillnet Ireland activities. As shown in the figure below, a high proportion (75%) of managers were satisfied or very satisfied with the effectiveness of their management group, while 60% of the respondents were satisfied or very satisfied with Skillnet Ireland for information, communication and support. However, fewer than half of Network Managers report satisfaction with the level of financial support available to networks (43%) and the monitoring and reporting requirements (35%), indicating some potential room for improvement in these areas.



The Indecon survey also recorded views on areas of challenge faced by Network managers and promoters, as summarised in the chart below. Across different items, procurement/tendering and achieving participation of enterprises in training needs analysis were identified as amongst the most significant challenges/constraints in 2018 as viewed by 43% and 42% respondents, respectively. Other minor challenges were identified in the form of recruitment of new enterprises and sourcing of high-quality trainers, while very few respondents viewed securing matching funds, network building activities and making work relationships as a challenge in Network Management.



The views of Network Promoters on a range of aspects of their networks' training programme delivery are shown in the next figure. The results indicate that the vast majority of network promoters were either very satisfied (64.7%) or satisfied (29.4%) with the fit between their network's activities and their strategic objectives, with similar levels very satisfied (61.8%) or satisfied (32.4%) with the relationships established between the network and participating enterprises.



5.5 Summary of Findings

This section examined a number of aspects of the effectiveness and efficiency of Skillnet Ireland in 2018, including in relation to financial inputs and funding leverage, cost-effectiveness and value for money, and aspects of the effectiveness of network management. The main findings were as follows:

- ❑ A total of 65 networks during 2018 were operated by Skillnet Ireland, with total income of €36.3 million, comprising grant funding of €17.7 million from NTF and financial contribution from participating businesses of €18.6 million. Enterprise funding accounted for 51.2% of network funding, and this contribution from enterprises was slightly ahead of budget.
- ❑ The Training Network Programme (TNP) is the core delivery channel for Skillnet Ireland, and accounted for €32 million or 88.3% of overall expenditure in 2018. The remaining €4.2 million of expenditure (11.7%) was divided between the Employment Activation Programme and Management Development training – amounting to €2.2 and €2.1 million, respectively.
- ❑ In relation to funding leverage and maximising the efficient deployment of NTF funding, it is notable that for every €1 of public/NTF funding allocated during 2018, participating enterprises provided €1.17 of matching funding.
- ❑ There has been an upward movement in overall unit costs of Skillnet Ireland’s training programme delivery since 2016, when measured on a per trainee basis. However, this may reflect a range of factors, including the changing composition of programmes in terms of nature of interaction, delivery, duration and other drivers of cost. When examined on the basis of costs per training day delivered, overall unit costs have remained stable over the three-year period from 2016 to 2018. At programme level, an exception has been in relation to Management Development, for which unit costs increased significantly in 2018. However, this may reflect the evolving nature of management development training since this area of Skillnet Ireland’s remit was reformed in 2017/18.
- ❑ All training programmes will exhibit some level of deadweight, whereby some of the participation levels and learning outcomes observed are likely to occur in the absence of the programme. Indecon’s research found that 16% of Skillnet Ireland participating firms indicated that if Skillnet Ireland did not exist, they would have not arranged training at all; 12.8% would have organised training but at a later date; while 40.5% indicated that they would have arranged alternative training but to a lesser degree. Just under a third of respondents (30.4%) stated they would have arranged alternative external training no different to that received through Skillnet Ireland, indicating a degree of deadweight, but not at a level of concern to Indecon for training programmes of this type.

6 Conclusions and Recommendations

6.1 Conclusions from Evaluation

This evaluation examined Skillnet Ireland’s training programmes in 2018, focussing on the following theme:

- Consistency with Government Policy;
- Impacts on Businesses;
- Impacts on Learners; and
- Effectiveness and Efficiency.

The key conclusions from the evaluation of the above themes are set out below.

Assessment of Consistency with Government Policy

Skillnet Ireland receives public funding from the National Training Fund (NTF) via the Department of Education and Skills. Skillnet Ireland adheres to the high-level goals of the NTF as it is a programme specifically aimed at upskilling of individuals in employment, while the organisation also continues to provide targeted support for individuals seeking employment.

Skillnet Ireland’s alignment with the objectives of the NTF is evidenced by the organisation’s training outcomes. During 2018, Skillnet Ireland delivered a total of 441,846 training days to 56,182 learners, exceeding the overall annual targets set by the Department of Education and Skills. Skillnet Ireland also surpassed the training days targets for both in-employment and jobseeker training, by 26% and 46% respectively, during 2018.

A key overall indicator of Skillnet Ireland’s success in contributing to wider Government policy on enterprise capacity building workforce development has been the growth of its enterprise base across the organisation’s networks. Skillnet Ireland worked with a total of 16,462 enterprises during 2018, representing a growth of 9.7% on the number of enterprises in 2017, and a 28% increase compared to the base in 2015. The organisation’s SME base represents approximately 5.2% of the overall population of SMEs in Ireland (based on 2017 data). This compares with 4% of SMEs in 2013 and demonstrates the achievements of Skillnet Ireland in growing its base and reach among SMEs, particularly given the scale of the challenge. The enterprise base is focussed on meeting the training needs of SME firms, which now represent at least 95% of the overall base of participating businesses.

Skillnet Ireland launched a total of five new networks during 2018, exceeding the target of four new learning networks set out in the Government’s ‘Action Plan for Education for 2018’. These new networks cover a diversity of sectors and skills needs, including the areas of robotic and automation technologies, micro- and nano-technologies, talent management and professional development in the recruitment and hospitality sector, among others.

In addition to the overarching National Skills Strategy and the Action Plan for Education, Skillnet Ireland is playing an ongoing role in delivering objectives on a number of wider Government strategies and polices, including responding to the skills needs arising from Brexit, and the Future Jobs Ireland, Technology Skills 2022, Ireland for Finance 2025 and Food Wise 2025 frameworks. The organisation is also aligned with a number of goals under the Government’s ‘Sustainable

Development Goals National Implementation Plan 2018-2020', while it is also contributing to EU policy on the digital economy through the development of the Digital Europe programme.

Skillnet Ireland also plays an active role in both shaping and responding to the Government's future skills agenda, and in maintaining a supply of new and future skills. This role is supported through development of new training and education programmes as part of the Future Skills Programme, as well as through the organisation's support of training programmes in specific growth sectors. A total of 46 new FSP initiatives were launched during 2018, across a diverse range of areas. These include the innovative Master's in Artificial Intelligence, which is Ireland's first postgraduate programme in this growing area.

Assessment of Impacts on Enterprises

A key overall objective for Skillnet Ireland concerns the ongoing expansion of its overall reach through attracting additional businesses, while also maximising retention through building strong and lasting relationships with existing enterprises participating within Skillnet networks. In this context, Indecon's research found that 31% of firms participated in a Skillnet Ireland network for the first time in 2018, while 69% of firms had participated in Skillnet network prior to 2018. Notably, 23.6% had participated for the first time in 2013 or earlier.

A key overall measure of the effectiveness of Skillnet Ireland's industry-led network model is the quantum of training delivered. An important issue in the context of enterprise workforce development concerns the number of in-employment learners supported through the Skillnet Ireland programmes. Overall, the number of in-employment learners increased by 14.7% to 54,159 learners in 2018. There was an increase of 15% in the number of in-employment training days delivered during 2018, with 394,028 days provided to enterprise employees.

The overwhelming majority (91.4%) of businesses responding to Indecon's research indicated that they were very satisfied or satisfied with the design and relevance of Skillnet Ireland training to their business needs.

Over three-quarters of participating enterprises responding to Indecon's research indicated that they believed Skillnet Ireland training has had a positive impact in terms of enhancing the long-term performance of their business, while 74.2% of firms were of the view that training helped to enhance their product/service quality. 72% of enterprises also considered that Skillnet Ireland training has a positive impact in delivering improved business processes and/or enhancing productivity and competitiveness, while 62.2% indicated that training had a positive impact in helping to improve customer care.

94% of participating businesses indicated that they were very satisfied or satisfied that the training they received through their Skillnet Ireland network during 2018 had achieved their overall expectations and objectives to support the development of their business. The research also found that 92.7% of participating firms were very satisfied or satisfied with the value for money they achieved from the training delivered. 91.4% of firms were satisfied with the overall quality of training. While these self-reported research findings must be interpreted within the context of the co-funding support which enterprises receive from Skillnet Ireland, they nonetheless highlight the very high levels of satisfaction among enterprises on key aspects of the training they accessed.

Assessment of Impacts on Learners

Indecon assessed the alignment of Skillnet Ireland's programmes and outputs with the evolving needs of Ireland's labour market, in addition to the impacts of its learning programmes on the expanding group of learners, including in terms of the benefits of learning for personal career development and labour market progression.

Alignment with needs of the labour market

The overall level of demand for Skillnet Ireland workforce development programmes will be influenced in particular by the developments in employment and unemployment across the economy.

Since 2014, employment growth has averaged just over 3% per annum, and by the end of 2018 there were almost 2.3 million persons at work across the Irish economy. Unemployment has fallen sharply to below 5% in the first quarter of 2019, approaching levels which are generally accepted as representing full employment.

The dramatic changes in the Irish labour market since the post-crisis period have important implications for Skillnet Ireland's strategy and, in particular, the appropriate division of resources between in-employment versus jobseeker learning.

Impacts on learners

Indecon's research among Skillnet Ireland in-employment learners found generally very high levels of satisfaction among learners on a number of aspects of their learning experience. Notably, 94.1% of in-employment learners indicated that they were either very satisfied or satisfied with the quality of training, with a similar proportion satisfied with the relevance of the training. 90% of in-employment learners who responded to Indecon's survey indicated that the Skillnet Ireland training they received met their overall expectations.

Skillnet Ireland has expanded its role in delivering accredited education and training up to NFQ Levels 8 and 9. In relation to the benefits of qualifications, indicative estimates developed by Indecon based on previous national research suggest that a typical individual in the Irish labour force who is aged 30, is in employment and possesses a Level 9 postgraduate degree, could expect on average to earn an income premium over their remaining career of €60,400 in discounted present value terms compared to a similar individual with a Level 8 undergraduate degree.

Although Irish unemployment levels have fallen dramatically over the last 3-4 years, Skillnet Ireland continues to play a role in supporting the Government's labour market activation policies in encouraging participation in the labour force and assisting jobseekers to find sustainable paid employment. During 2018, through the Employment Activation Programme, Skillnet Ireland delivered a total of 47,818 training days to 2,023 for-employment learners. The evidence from Indecon's research among EAP learners suggests that the programme has delivered a number of immediate labour market progression as well as career and personal development benefits to these individuals. Notably, 60.3% of 2018 EAP learners who responded to Indecon's research were in employment as of May/June 2019.

Assessment of Effectiveness and Efficiency

As part of the evaluation, Indecon also examined a number of aspects of the effectiveness and efficiency of Skillnet Ireland in 2018, including in relation to financial inputs and funding leverage, cost-effectiveness and value for money, and aspects of the effectiveness of network management.

Financial inputs and funding leverage

A total of 65 networks during 2018 were operated by Skillnet Ireland, with total income of €36.3 million, comprising grant funding of €17.7 million from NTF and financial contributions from participating businesses of €18.6 million. Enterprise funding accounted for 51.2% of network funding, and this contribution from enterprises was slightly ahead of budget.

In relation to funding leverage and maximising the efficient deployment of NTF funding, it is notable that for every €1 of public/NTF funding allocated during 2018, participating enterprises contributed €1.17 through Skillnet Ireland's cost-sharing model.

Cost effectiveness and value for money

There has been an upward movement in overall unit costs of Skillnet Ireland's training programme delivery since 2016, when measured on a per trainee basis. However, this may reflect a range of factors, including the changing composition of programmes in terms of nature of interaction, delivery, duration and other drivers of cost. When examined on the basis of costs per training day delivered, overall unit costs have remained stable over the three-year period from 2016 to 2018. At programme level, an exception has been in relation to Management Development, for which unit costs increased significantly in 2018. However, this may reflect the evolving nature of management development training since this area of Skillnet Ireland's remit was reformed in 2017/18.

All training programmes will exhibit some level of deadweight, whereby some of the participation levels and learning outcomes observed are likely to occur in the absence of the programme. Indecon's research found that 16% of Skillnet Ireland participating firms indicated that if Skillnet Ireland did not exist, they would have not arranged training at all; 12.8% would have organised training but at a later date; while 40.5% indicated that they would have arranged alternative training but to a lesser degree. Just under a third of respondents (30.4%) stated they would have arranged alternative external training no different to that received through Skillnet Ireland, indicating a degree of deadweight, but not at a level of concern to Indecon for training programmes of this type.

6.2 Recommendations

Based on the detailed evaluation and conclusions, a number of recommendations designed to further enhance the effectiveness and impacts of Skillnet Ireland programmes have been identified by Indecon. These are set out in the table overleaf.

Table 6.1: Recommendations arising from Evaluation

No.	Recommendation
1.	Given its role at the interface between business, Government and the education and training sector, Skillnet Ireland to further support economic development by placing skills and talent at the forefront of Ireland's value proposition, building on existing collaboration with the IDA Ireland and other agencies.
2.	Given that SME productivity is a key challenge highlighted at a national and international level, Skillnet Ireland to increase its focus on initiatives to drive productivity growth and innovation among SMEs. This should include exploration and instigation of additional workforce planning and development activities that drive SME growth and competitiveness.
3.	Increased emphasis should be placed and investment undertaken by Skillnet Ireland in the promotion of the benefits of workforce development, in order to engage enterprises that are not investing sufficiently in their workforce and are vulnerable to economic shocks. This is also important in the context of the ongoing need to drive further enhancement of Skillnet Ireland's reach among SMEs.
4.	The potential for Skillnet Ireland to disperse more frequent calls for proposals should be examined, with the objective of addressing government goals in the areas of workforce development, research and innovation. This may include dedicated theme-based calls (e.g. in the area of digital transformation).
5.	To maximise leverage and value for money through the deployment of NTF funds, Skillnet Ireland to examine the potential to access European Commission and other international funding programmes to complement NTF funding and to further advance workforce development and innovation in Ireland.
6.	Priority should be given by Skillnet Ireland to initiatives which address the digital skills gap, including in relation to preparing business across multiple sectors for digital transformation and maximising the use of technology to improve innovation capacity.
7.	Skillnet Ireland to encourage greater uptake of e-learning by business and explore the utilisation of immersive technologies within its workforce development initiatives.
8.	Skillnet Ireland to leverage its enterprise network model to build on their existing innovation capacity by promoting greater collaboration between Skillnet networks and partnerships with industry bodies, clusters, agencies and other stakeholders.
9.	Skillnet Ireland to continue to further develop and disseminate the outputs from its future skills research programme, including research in the areas of disruptive technologies and other developments to transform the workplace, while strengthening academic-industry links.
10.	Skillnet Ireland to undertake a feasibility assessment of the costs and benefits of options to enhance its data gathering processes to inform future counterfactual evaluation of its programmes.
Source: Indecon	

6.3 Overall Conclusion

Indecon's evaluation of Skillnet Ireland's programmes in 2018 has found that the organisation has continued to meet its objectives, both in terms of achievement of its targets under the National Training Fund, and in relation to demonstrating broad alignment with and contribution to meeting government policy goals.

There has been continued growth in Skillnet Ireland's enterprise base, which reached a total of 16,462 businesses during 2018, while the organisation delivered a total of 441,846 training days to 56,182 learners. Skillnet Ireland also continues to deliver overall value for money in the deployment of NTF funding, as evidenced by the continued high level of leverage of enterprise funding.

The organisation has demonstrated its ability and flexibility to respond effectively to immediate challenges faced by SMEs, including in relation to Brexit. It has also further expanded its programmes to address future skills challenges through effective collaborations with industry, state agencies and higher education institutions, creating specialised programmes that address emerging workforce and sectoral needs, and providing a wider range of learning opportunities for businesses in Ireland.

The evaluation has also highlighted continued positive feedback from both enterprises and learners on a range of aspects, including the impact on business productivity, turnover and long-term performance, as well as career and personal development benefits for Skillnet Ireland-supported learners.

Looking to the future, Skillnet Ireland now has the opportunity to leverage its role at the interface between business, government and the education and training sector to position skills and talent at the forefront of Ireland's value proposition, promote the benefits of workforce development, and drive productivity growth and innovation among SMEs. This will, however, require a range of initiatives and measures, a number of which have been identified in this evaluation. It will also require the organisation to maintain an ongoing focus on developing its reach among SMEs, ensuring responsiveness to demand, and continuing to demonstrate value for money in the utilisation of NTF funds.