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## Skillnets Mandate

Skillnets' role is to act as an enterprise-led support body dedicated to the promotion and facilitation of enterprise training and workplace and workforce learning, as key elements in sustaining national competitiveness.

Skillnets has operated under a series of mandates since 1999 and is currently mandated by the Department of Education and Skills (DES). Skillnets was furnished with a new mandate in 2011 that reflects the new strategic direction of the organisation. In summary:

- The primary aim of Skillnets should be to increase participation in enterprise training by firms to improve competitiveness and provide improved access for workers to skills' development.
- Skillnets should continue 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 and enhanced workplace and workforce retention/activation-related learning.
- Skillnets should also aim to provide appropriate up-skilling or re-skilling training to those in the workforce who have been made redundant or who are employed on a part-time basis, on a networked, regional or local basis by engaging in the first instance with firms, sectors, social partnerships or trade associations.

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# Chairman's Message

## Domhnall MacDomhnail

I am pleased to present Skillnets Annual Report for 2012 and an overview of developments at a strategic and network level. This report focuses on our work with the employed and unemployed through our three main programmes: the Training Networks Programme (TNP), Finuas Networks Programme (Finuas) and a new pilot initiative under the Action Plan for Jobs 2012, ManagementWorks.

### Skillnets enterprise-led model - relevance and effectiveness

Skillnets is actively supporting and working with businesses and industry to address their current and future skills needs by developing and delivering up-to-date, relevant training solutions for both employees and job-seekers. In doing this, Skillnets is constantly adapting to the challenges of economic recovery. The Board is particularly pleased with the impact of Skillnets' support for job-seekers in creating employment opportunities while simultaneously meeting real skill needs of enterprises. This was endorsed by an independent Circa Group report published in 2012, which stated that there was a return of investment in excess of 250% for the Exchequer based on the number of people taken off the live register as a direct result of Skillnets training.

In 2012 we placed further emphasis on the national jobs challenge through our training interventions. *Employer* needs were addressed through both the *preservation* and *growth* of jobs, focusing on skills to maintain businesses and protect jobs as well as the enhancement of new skills to create new jobs. *Job-seeker* needs were addressed through *activation* and *conversion* by focusing on integrated training with employees and dedicated conversion courses and work placement in areas of employment potential.

€23.9m was invested in training over 44,000 employees and job-seekers with Skillnets investing €13m and industry investing €10.9m. 239,110 training days were delivered to employed and unemployed people and over 10,000 companies participated in our training programmes. Preliminary findings of a survey of member companies by independent evaluators in 2012 indicate

that 86% of companies surveyed agreed that Skillnets training addressed skills gaps in their businesses with 84% of companies reporting that training is likely to enhance the long-term performance of their businesses.

These findings reinforce Skillnets' enterprise-led model of operation which promotes flexible, industry-specific training in partnership with Irish companies.

### Training network community maintains SME engagement

I want to recognise the work of our network community across the country. Whilst there appears to be some progression in the economy, the business climate still remains difficult. With this backdrop I would like to commend our networks in delivering significant increases versus targets in trainees (+10%) and training days (+17%). Increases were also noted in our supports for job-seekers with over 7,000 job-seekers engaging in training, an increase of 1,137 on 2011 figures. Job-seeker trainees undertook 53,381 training days, an increase of 12,149 training days on 2011 figures.

In 2012 the high potential growth sectors identified by the Expert Group on Future Skills Needs (EGFSN) - biopharma, pharmachem, green economy, food and beverage, medical devices and ICT also remained a key focus, with networks developing and piloting new programmes in these areas. The Finuas Networks Programme also developed new industry-led programmes in the employment growth areas of green finance, Islamic finance and aircraft leasing.



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## €23.9m total network investment

of which €13m was invested by Skillnets in grant support and €10.9m was invested by member companies

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## Over 10,000 member companies

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## 44,000 people trained

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## 239,110 training days delivered

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## 94% of member companies are SMEs

### Boosting management capability of SMEs

Further endorsement of our work came in early 2012 with the announcement that Skillnets had been chosen to implement a new pilot Management Development Programme for SMEs under the Action Plan for Jobs 2012. ManagementWorks began implementing new innovative programmes from September 2012.

### Stakeholder engagement

Skillnets continues to work in partnership with our parent department, the Department of Education and Skills (DES) and I would like to acknowledge our appreciation for their continued support in 2012 and that we look forward to working in unison with the department in addressing labour market needs. Minister for Education and Skills, Mr. Ruairi Quinn T.D. and Minister of State for Training and Skills, Mr. Ciarán Cannon T.D. continued to support our work as did many other ministers representing various sectors. We further developed a robust working relationship with the Department of Social Protection (DSP) in 2012 to ensure better awareness of our training supports in the job-seeker community.

I would like to extend my gratitude to my fellow Board members and acknowledge their contribution and hard work. It is with great regret that I acknowledge the passing of Mr. Sexton Cahill, who served as an industry representative on the Board since Skillnets' inception in 1999 and who made an outstanding contribution to the organisation.

I would like to conclude by expressing my sincere thanks and acknowledgement to our Chief Executive, management and staff members for their continued dedication and commitment to the education and training of our workforce.

**Domhnall MacDomhnaill,**  
Chairman

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# CEO's Introduction

## Alan Nuzum

In my report as CEO, I reflect on a year that was challenging but very outcome-driven for the organisation as a whole. At the end of 2011 we were delighted to find out that our funding was secure for 2012. We commenced the year with 53 training networks operating in the Training Networks Programme (TNP) and three networks in the Finuas Networks Programme (Finuas).

### Policy and supporting SMEs

In 2012 Skillnets developed a Statement of Strategy 2012-2015. We further positioned ourselves to address the jobs challenge by strategically identifying where the organisation fits into the national economic picture. Through Skillnets' core focus on enterprise needs linked to the demands of job-seekers, we are uniquely placed to fill a pivotal role in the jobs challenge for the Irish workforce. We also kept a keen focus on developing programmes in high potential growth sectors and the advancement of new certified development in areas where there are gaps and demands from enterprise.

Networks continued to be very busy with a variety of events in addition to traditional training interventions, some of which you can view on pages 17-19. These included bringing businesses together at sector-specific conferences such as the *Food & Drink Skills* conference, leadership events, business speed-dating events, award ceremonies and many more.

A new but very welcome challenge came our way through the Action Plan for Jobs in early 2012. The management and implementation function for a new pilot Management Development Programme for SMEs was allocated to Skillnets. This new training programme for owner-managers is aimed at boosting job creation in small and medium-sized businesses.

Skillnets' focus has always been on ensuring continued competitiveness and offering relevant up-skilling opportunities for SMEs and their employees and we know we are doing this in a cost-effective manner. 2012 saw the publication of the Circa Group independent evaluation of our programmes in 2011 which reported a return on investment of 258% to the exchequer, as well as

significant achievements in relation to removing people from the live register and creating new jobs.

At the end of 2012, following confirmation of our funding levels for 2013, we commenced preparation for the launch of a new fund for the development of new training networks in sectors and regions where gaps had been identified.

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### Supporting job-seekers - filling skill gaps and labour market activation

Skillnets' focus has widened in recent years. Whereas in the past our training networks were focused solely on those in employment, the training of job-seekers now comprises a significant proportion of our work.

Over 7,000 job-seekers were supported through our main programmes and our Job-seekers Support Programme (JSSP) in 2012. Feedback from companies that are members of our training networks has been very positive, in that they are reporting that the calibre of job-seekers trained through Skillnets is extremely high.

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up-skilling  
competitiveness  
**jobs challenge**  
action plan for jobs  
**statement of strategy**  
**2012-2013**  
future supporting SMEs  
skills and employees  
jobs supporting job-seekers  
**growth**



You can read some case studies on the outcomes of JSSP, our training and work placement programme, on pages 41-42. Many of the programmes retrained job-seekers for employment in growth sectors such as ICT, food and beverage, private healthcare, and the medical technology sector. Some of these programmes also delivered training within sectors known to be contracting such as the manufacturing sector.

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At the end of 2012, we commenced a review of our job-seeker programmes to identify those courses that have produced the strongest employment outcomes, with early findings suggesting conversion rates ranging from 70% - 90%. Our findings will inform our work in the years to come.

Skillnets piloted a jobs fair in Galway in October that attracted over 1,000 job-seekers who availed of the opportunity to meet with local companies, who had over 500 job vacancies available. The genesis of this event came about to further harness the unique Skillnets-SME relationship model, to identify and fill job opportunities and to help to address the regional unemployment problem. We also attended other jobs fair events throughout the year.

Sincere thanks to everyone involved, namely our Chairman and Board of Directors, the Department of Education and Skills (DES), our staff, network managers and enterprises across the country.

A handwritten signature in blue ink, appearing to read 'Alan Nuzum', with a circular flourish at the end.

**Alan Nuzum,**  
Chief Executive Officer

# Skillnets Strategy

Our mandate with the Department of Education and Skills (DES) determines our strategic focus.

## We work through an enterprise-led approach:

Companies and their employees are directly involved in the identification, design, delivery and evaluation of training, either as lead bodies or in partnership with other organisations.

- **Industry specific**
  - training is designed to meet business needs
- **Flexible**
  - allows companies to identify their own needs
- **Co-funded**
  - enterprises contribute financially both in terms of cash and resources
- **Innovative**
  - new concepts and ideas add to the body of knowledge, bringing new ideas to enterprise
- **Partnership**
  - wide range of potential partners, and owners/managers and employees coming together

## Four themes form the basis of our strategy and inform our programme of activity.

### These themes focus on:

#### 1. Transferability of individual trainee skills

to increase mobility and employability across sectors and regions and include the delivery of transversal skills training for the employed and unemployed.

#### 2. Company diversification or transferability

within a sector or from one sector to another and include the provision of industry-specific training for the employed and unemployed.

#### 3. Prioritisation of sectors

on which training and up-skilling is focused including sectors with high potential growth or where there are identified skills deficits.

#### 4. Key competencies for lifelong learning

with an emphasis on particular competency training for both the employed and unemployed individuals, who may be at an educational disadvantage, such as literacy and numeracy skills, personal development and motivational training.

Whilst these core themes underpin our network activity, Skillnets as an organisation always endeavours to assess the currency of our strategy and how it fits with national strategy and current labour market conditions.

As a result of this assessment, in 2012 we developed our Statement of Strategy 2012-2015 which placed further emphasis on the national jobs challenge through our training interventions by addressing both employer needs through **preservation** and **growth** and job-seeker needs through **activation** and **conversion**.

You can read more about our strategy in action on pages 45-47.



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# Skillnets Statement of Strategy 2012-2015

## Our Mission:

Skillnets' key role is the promotion and facilitation of work-based training and up-skilling as key elements in sustaining Ireland's national competitiveness and economic recovery.

## Context:

Skillnets funds and facilitates training through networks of private sector companies, in a range of sectors and regions. Each network delivers training that is relevant to specific industry and member company needs.

Since 1999, Skillnets has facilitated over 70,000 Irish enterprises, in over 400 networks to improve the range, scope and quality of training and allowed over 300,000 employees to up-skill and meet their work-related training needs.

Skillnets' strategy is to support companies from any sector in the economy to engage in training, but does so exclusively through networks of companies. This approach allows companies to achieve economies of scale, increase efficiency, lower costs and provide training that is more relevant to individual sectors, regions or types of companies. There is also a significant benefit to be achieved through the sharing of business experience and advice via networking opportunities afforded by membership of a Skillnet.

## Environment Analysis:

The operating environment over the next three years will present existing and new challenges. The overriding factor is the depressed state of economic vibrancy at a national and global level. Whilst there might be expected to be an upturn, the timing and scope of any improvement is uncertain, therefore we must continue to operate in a manner which copes with current circumstances whilst being ready to exploit the opportunities that will ensue from an upturn.

Cost pressures exist at all levels in Skillnets' environment, ranging from the pressure to allocate scarce public funds through to the ability of enterprise to invest in training.

The profile of the Irish labour market, from a public policy perspective, will continue to place job retention and creation at the heart of policy imperatives. From an enterprise angle, increasing competition and the vulnerability of the domestic market will continue to put pressure on the need to get the most from existing resources, including human capital. However, not all sectors are in the same situation and opportunities for growth will continue, for example, where exporting has the potential for greater wealth creation.

Given the overhang in the labour market resulting from the downturn, there will continue to be mismatches of non-transferable skills resulting in further opportunities for assisting parts of the workforce in re-aligning their career paths.

In summary, Skillnets occupies a unique position in the multi-dimensional jobs challenge. On the one hand we have a strong relationship and ability to support up-skilling within enterprise, both in terms of job preservation and growth. On the other hand, we have also developed solutions and pathways for job-seekers to increase their chances of gaining employment through gaining skills and experience that are in demand by enterprise.

### Our High Level Goals:

In pursuit of our mission, we have set the following high level goals:

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To **maintain and increase participation** by enterprise in relevant learning activity which benefits the competitiveness of enterprise and the employability of the workforce.

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To **support learning in growth sectors** by enabling enterprise to make the most of the available human capital in the workforce in pursuit of a sustainable growth path.

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To provide **meaningful support to job-seekers**, in an enterprise context, which provides opportunities to enhance their chances of gaining employment.

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To contribute to the development of **national enterprise and labour market activation policies**.

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# Training Networks Programme (TNP) and Finuas Networks Programme (Finuas)

## Independent Evaluation Report Summary 2012

In January 2013, Skillnets commissioned an independent evaluation of the Training Networks Programme (TNP) and Finuas Networks Programme (Finuas). The evaluation covered the activity of 55 networks, 52 from TNP and three from Finuas.

The aim of the evaluation was to analyse the impact of Skillnets training for both employees and job-seekers at a network, programme and training activity level, and to look at the extent to which these programmes deliver and generate outcomes that would not have happened if these enterprise-led programmes were not implemented.

Over 27,000 stakeholders were contacted, including network promoters, network managers, member companies, employees and job-seekers across all programmes. In addition, a study on the progression of job-seekers in the Job-seekers Support Programme (JSSP) determined how successful the programme has been in enabling the unemployed to progress into employment, self-employment and further education.

Final outcomes of the evaluation were not concluded at the time of writing this report as final evaluation work was on-going.

### Some of the high-level results from a survey with member companies from both programmes are detailed here.

- 93% of companies rated Skillnets training as good or very good in terms of how effective it is in meeting their expectations. Nine out of ten also rated the training as good or very good in terms of its relevance to meeting their business and staff development needs (92%).
- Nearly all companies surveyed rated the quality of the training as good or very good (96%). High satisfaction was also noted in respect of the length of time required for the training (90%), flexibility and accessibility (89%) and cost (90%). Eight in ten respondents rated the level of accreditation attached to training as good or very good.
- 98% agreed that investment in Skillnets training represents value for money and has reduced the barriers to finding training that is relevant (81%).
- 99% of companies surveyed would recommend becoming part of a Skillnet network to other companies with 79% agreeing that it has improved their networking with other businesses and organisations.
- 84% agreed that more of their staff are now being offered training and that they are now more likely to invest in training and staff development (86%). Skillnets also enabled 71% of companies to train some staff for the first time.
- In terms of meeting strategic business needs, 86% of companies surveyed agreed that the training has addressed skills gaps in their businesses. 68% agreed that it has had a high or very high impact on improved staff productivity.
- 84% of companies surveyed agreed that training is likely to enhance the long-term performance of their businesses with 48% agreeing that it has helped to lower their business costs. 62% agreed that it has enhanced their customer/client satisfaction and product/service quality (71%).



# Our Training Programmes

## Training for employees and job-seekers

Training Networks Programme (TNP) supports a wide range of training options representing specific industry sectors or geographical regions for employees and job-seekers.

Finuas Networks Programme (Finuas) supports specialised training in the international financial services (IFS) sector for employees and job-seekers.

## Training and work placement for job-seekers

Job-seeker Support Programme (JSSP) supports training and work placements for job-seekers covering a broad range of training and includes 'conversion courses' to increase employability by up-skilling / cross-skilling job-seekers to re-enter previous employment sectors or transfer into alternative sectors.

## Management development training with mentoring for owner-managers

ManagementWorks supports a range of management development training opportunities along with mentoring support for owner-managers.



### Training Networks Programme (TNP) Activity 2012

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**53 networks**

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**€17.8m total network investment**

of which €8.6m was invested by Skillnets in grant support and €9.2m was invested by member companies

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**9,759 member companies**

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**35,829 employed people trained**

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**167,120 training days delivered**

to employed people

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**5,099 training courses delivered**

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**5.2 days\***

average duration of training

While Skillnets' focus in recent years has expanded to include training job-seekers, the organisation continued to deliver on its core work of training and up-skilling employees during 2012. Skillnets did this by offering relevant up-skilling opportunities in a cost effective manner through 53 training networks operating at a regional and sectoral level across the country.

On the following pages, we present an overall picture of the companies who accessed our training interventions, profiling these companies by sector and size and look at the types of employed trainees who participated in our training programmes and the types of training they undertook.

\* With the exception of this figure all statistics reported on in the *Training Networks Programme (TNP) Activity 2012* section relate to employees across this programme only. Statistics for job-seekers are reported on in the *Up-skilling the Unemployed 2012* section.

**Figure 1:**  
Breakdown of Companies by Sector



Services	45%
Agriculture	26%
Retail Trade	5%
Construction	5%
Manufacturing Non-durables	5%
Technology	6%
Manufacturing Durables	3%
Mixed	1%
Transportation	1%
Wholesale Trade	1%
Hospitality	2%

**Figure 2:**  
Breakdown of Companies by Size



0 - 9	58%
10 - 49	25%
50 - 250	11%
250+	6%

SMEs ( $\leq 250$  employees) accounted for over 94% of the total number of companies funded by Skillnets with over 58% of the total number being micro companies ( $< 10$  employees). The percentage of member companies with less than 50 employees accounted for 83% of the sample.

**NOTE:** Based on a 96% sample of member companies, for which data was available.

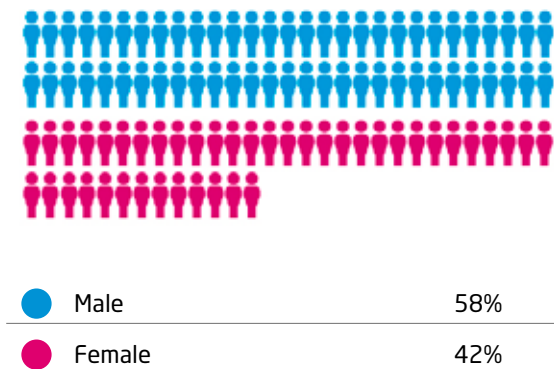
Many member companies operate within the seven sectors identified as priorities by the Expert Group on Future Skills Needs (EGFSN).

“Skillnets is a fantastic resource for Irish SMEs. We rely on it for our training needs”.

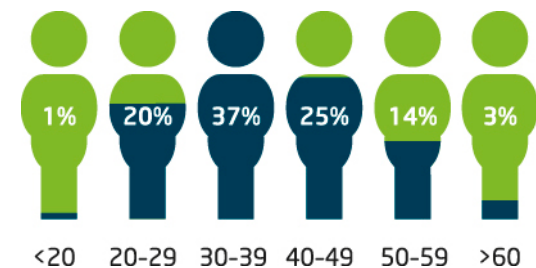
Member company 2012

# Up-skilling the Employed

**Figure 3:**  
Breakdown of Trainees by Gender

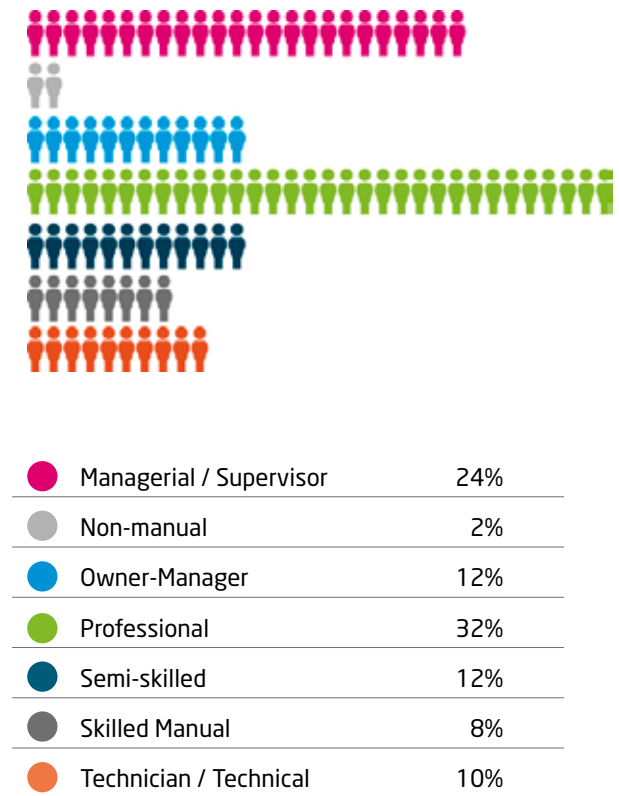


**Figure 4:**  
Breakdown of Trainees by Age



**NOTE:** Based on a 93% sample for which data was available.

**Figure 5:**  
Breakdown of Trainees by Occupational Category



**NOTE:** Based on an 83% sample for which data was available.

12% of all Skillnets trainees were owner-managers, with 24% in the manager supervisory category, illustrating the importance of Skillnets training to management in the SME sector.





“Excellent service to industry.  
Great range of courses.”

TNP Trainee 2012



**Figure 6:**  
Extent of Customisation  
of Training Programmes Delivered



	Existing (off the shelf) course	53%
	Existing course significantly customised for network	16%
	Existing course with some customisation for network	20%
	New course developed by network	11%

**Figure 7:**  
Breakdown of Training Type by Training Days



	Communication Skills	18%
	Finance	1%
	Health and Safety	13%
	Information Technology	14%
	Management Development Skills	27%
	Management Development Strategy	1%
	Sales and Marketing	5%
	Technical Skills	21%

“I cannot thank the Skillnet network enough for running the course through prior learning (RPL). As an owner-manager it can be difficult to get time to attend training. The meetings were set up at a time that suited. With this flexibility it made meeting the course requirements an easier task.”

Owner manager 2012

# Up-skilling the Employed

**Figure 8:**  
Breakdown of Courses by Certification



<span style="color: green;">●</span> NFQ-certified	20%
<span style="color: magenta;">●</span> Other certification	15%
<span style="color: blue;">●</span> Non-certified	65%

33% of trainees attended certified courses in 2012.

**Figure 9:**  
Breakdown of Training Days by Certification



<span style="color: green;">●</span> NFQ-certified	59%
<span style="color: blue;">●</span> Other certification	14%
<span style="color: magenta;">●</span> Non-certified	27%

**Figure 10:**  
Breakdown of Trainee Educational Level Prior to Training



<span style="color: black;">●</span> Level 1	1%
<span style="color: yellow;">●</span> Level 2	1%
<span style="color: blue;">●</span> Level 3	5%
<span style="color: magenta;">●</span> Level 4	6%
<span style="color: green;">●</span> Level 5	21%
<span style="color: lightblue;">▨</span> Level 6	16%
<span style="color: lightblue;">●</span> Level 7	14%
<span style="color: pink;">▨</span> Level 8	25%
<span style="color: darkblue;">●</span> Level 9	10%
<span style="color: orange;">●</span> Level 10	1%



## A roundup of some network events in 2012

In 2012 networks also continued to place a strong emphasis on additional activities. Networks were the recipients of a number of industry awards and also ran a range of non-training events such as conferences, seminars and networking events. You can see a snapshot over the next few pages.

### IITD Award Winners

**ISA Software Skillnet** won the 2012 IITD Award for Networks and Groups. *Sinead Marron*, President, Irish Institute of Training and Development (IITD), *Niall O'Cleirigh*, TIGDUV, *Paul Sweetman*, Promoter, ISA Software Skillnet and *Mr. Ciarán Cannon*, T.D., Minister of State for Training and Skills pictured at the IITD National Training Awards, held in March 2012.

### Food and Drink Skills conference

**Taste4Success Skillnet's Food & Drink Skills Conference** held in UCC, Cork in July 2012. Back row left to right: *Tim O'Rourke*, The Brilliant Beer Company, *Finian O'Brien*, Rosderra Irish Meats, *Clodagh Fitzgerald*, National Hygiene Partnership and *Alan Nuzum*, CEO, Skillnets. Front row left to right: *John Purcell*, Irish Distillers, *Bridie Corrigan Matthews*, Taste4Success Skillnet, *Mr. Seán Sherlock*, T.D., Minister for Research and Innovation, *Martina Young*, Kylemore Services Group and *Martin McLoughlin*, Nicky's Plaiçe.

### Best in Class - Shingo Award for Operational Excellence

Lake Region Medical (LRM), a member company of **Innovation and Lean Sigma Skillnet** became the first company in Ireland to be awarded the prestigious Shingo Accreditation Bronze Medallion for operational excellence. Pictured left to right are: *Pat O'Connor*, Innovation and Lean Sigma Federation (ILSF), *John Harris*, *Nicola Merrigan*, *Noel Hennessy* and *Thomas Furey* (all LRM) and *Dermot O'Neill*, Innovation and Lean Sigma Skillnet.

### Speed Dating for Industrial Placement

Pictured at the University of Limerick's 'Speed Dating for Industrial Placement' event are left to right: *Ronan O'Boyle*, ULearning Skillnet, *Paul Clifford*, CEO, Imosphere, *Ronaldo Aguila*, RED student, *Aidan Morris*, VP Strategy and Business Development, Imosphere, *Andrea Deverell*, Nexus Centre Manager and *Michelangelo Valerio Troysi* and *Sinéad Frawley*, both RED students. The RED programme (Re-Employment and Skills Development) is funded by **ULearning Skillnet**.

### Budding Writers and Short Film Directors

As a direct result of the training provided by **Gréasán na Meán Skillnet**, six short Irish language films were produced in 2012 and will be broadcast on TG4 in 2013.

Nine individuals completed the *Training in Skills and Techniques for Writing a Short Film* programme and six completed the *HD TV Drama programme for Directors Development*.

Training and mentoring was delivered by acclaimed Irish cinematographers including Ciaran Tanham, Suzie Lavelle and Fergal O' Hanlon among others. This allowed all those trained to collaborate and develop the six short 25 minute films from concept to broadcast stage.

One of the participants on the Director's Development programme, Cathal Ó Cuaig, who worked on the film *Síle* with scriptwriter Séamus Moran, said *"This course was really enjoyable, of a high standard and I benefited greatly from it. It was valuable to get experience directing a film to really gain the skills."*

*Síle*, Director: Cathal Ó Cuaig

*Bás Arto Leary*, Director: Luke McManus

*An Gadaí*, Director: Niall Fallon

*Pairtnéir*, Director: Colm Bairéad

*Dílseacht*, Director: Brendan Murray

*Eoinín*, Director: Tom Sullivan



## Up-skilling the Employed



### Out on the Farm

Pictured at the launch of **XLVets Skillnet's** FarmSkills training initiative in Co. Waterford in June 2012 are: Front: Trainer *Owen Atkinson* chats to Chairman of XLVets Skillnet *Ger Cusack* of Comeragh Veterinary and *Jerry Crowley* of Glenbower Veterinary and XLVets Skillnet Steering Group member. Back: *Alan Jagoe*, President of Macra na Feirme (centre) speaks with *David* and *Fiona Murphy* who hosted the event at their dairy farm in Tallow, Co. Waterford.

### IFA Branch Chairmen Upskill

IFA officers throughout the country have participated in **Farm Business Skillnet** training courses. These training sessions have enabled IFA's branch chairmen to up-skill by availing of quality training in leadership and effective communication.

### Doing Business Globally

Pictured at **ULearning Skillnet's** *Doing Business Globally* conference for indigenous SMEs in Limerick in November 2012 are the event speakers and *Noreen FitzPatrick*, Skillnets, *Ronan O'Boyle*, ULearning Skillnet and *Kieran O'Donnell*, Limerick T.D.

### John Lonergan Leadership Event

Former Governor of Mountjoy Prison, *John Lonergan* who spoke at the **Galway Executive Skillnet** leadership event in December 2012, pictured with *Bernadette Turley*, Goodman Medical Ireland Ltd, *Adele O'Meallaigh*, Galway Executive Skillnet and *Lesley Murray*, Sealed Air Nelipak.

### Finuas Networks Programme (Finuas) Activity 2012

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**3 Finuas training networks**

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**€1,656,270**

**total expenditure**

of which Skillnets invested €807,412 (49%) and member companies invested cash matching of €848,858 (51%)

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**259 IFS companies**

150 new companies

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**166 training courses delivered**

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**1,133 employed people trained**

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**12,567 training days were delivered**

to employed people

The Finuas Networks Programme (Finuas) is dedicated to supporting the international financial services (IFS) sector through investment in the specialist skills and expertise of its workforce. Finuas networks focused on all areas of the IFS sector and delivered programmes for companies within international banking and capital markets, investment management, insurance/reinsurance and the funds industry.

The main areas of training are in banking/asset financing, corporate treasury, investment management, structured financing and securitisation, reinsurance and related professional services. The networks also provided training in new business areas in 2012 including green financial services, Islamic finance, exchange-traded fund operations, aircraft leasing and payment services.

The *Strategy for the International Financial Services Industry in Ireland 2011-2016*, published by the Department of the Taoiseach in July 2011, stated that Finuas is a "cost effective way of improving capabilities, encouraging additional higher-value activities to be based in Ireland, and is protecting jobs". Finuas networks continued to demonstrate this in 2012 through the quality and value of programmes delivered to companies within the IFS sector and to job-seekers seeking to enter this sector. Finuas networks delivered a high level of accredited training in 2012 in response to the needs of the sector with 81% of all training days accredited at Level 7-9 on the National Framework of Qualifications (NFQ), or equivalent.

In 2012, Finuas networks also developed new industry-led programmes in employment growth areas such as green finance, Islamic finance and aircraft leasing, in partnership with a range of institutions including Dublin City University (DCU), the Institute of Bankers in Ireland and the Chartered Institute of Management Accountants (CIMA). The quality of these programmes has benefitted from enterprise involvement to ensure they meet industry requirements.

For the purposes of the *Finuas Networks Programme Activity 2012* section all statistics reported on individuals relate to employees. Statistics for job-seekers are reported on in the *Up-skilling the Unemployed 2012* section.

**Figure 11:**  
Breakdown of Companies by Sector



<span style="color: green;">●</span> Air Finance / Leasing	15%
<span style="color: blue;">▨</span> Banking and Capital Markets	10%
<span style="color: grey;">●</span> Financial Services	6%
<span style="color: darkblue;">●</span> Funds and Investment Management	7%
<span style="color: pink;">▨</span> Insurance / Reinsurance	7%
<span style="color: lightblue;">●</span> Investment Management	5%
<span style="color: magenta;">●</span> Professional Legal and Taxation Services	50%

**Figure 12:**  
Breakdown of Companies by Size



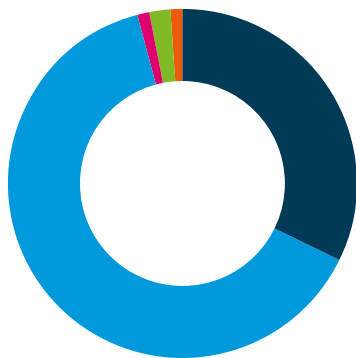
<span style="color: pink;">▨</span> 0 - 9	50%
<span style="color: darkblue;">●</span> 10 - 49	26%
<span style="color: lightblue;">●</span> 50 - 250	14%
<span style="color: green;">●</span> 250+	10%

“The network has given us the opportunity to run specific programmes customised to the needs of the industry and has been very responsive to our needs. It has also provided us with the opportunity to engage with new providers and share experiences with other companies in financial services. This has enabled us to run effective supervisory and management programmes as well as those structured for financial instruments and their day to day implementation to our business.”

Finuas member company 2012

## Up-skilling the Employed

**Figure 13:**  
Breakdown of Trainees by Occupational Category



● Managerial / Supervisor	32%
● Professional	63%
● Semi-skilled	1%
● Technician / Technical	2%
● Owner Manager	2%

**NOTE:** Based on a 80% sample for which data was available.

**Figure 14:**  
Breakdown of Training Type



▨ Funds Administration / Funds Servicing	17%
● Managerial / Supervisory Skills	22%
● Investment Management	10%
● Professional Skills (IFS legal, taxation, accountancy)	16%
● Quantitative Financial Analysis / Actuarial Skills	2%
▨ Risk Management / Compliance	23%
● Communication Skills	7%
● IT Skills, Project Management	3%

“The Finuas training I attended was very relevant to my role. It also was a short course, which hit on the key messages that I needed to learn.”

Finuas trainee 2012



**Figure 15:**  
Breakdown of Employed Training Days by Certification



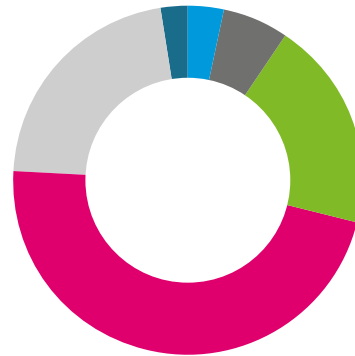
<span style="color: green;">●</span> NFQ-certified	66%
<span style="color: blue;">●</span> Other certification	14%
<span style="color: magenta;">●</span> Non-certified	20%

The value of certification and the formal recognition of learning remains a key focus of Finuas networks to support quality assurance and facilitate career progression and transferability of skills within job roles.

Most certified courses were in specialist IFS areas including corporate governance, Islamic finance, investment management and fund services.

Finuas networks also provided certified training in management development including a Diploma in Leadership, a Professional Certificate in People Management and training in Prince II project management methodology delivered by **Summit Finuas Network**.

**Figure 16:**  
Breakdown of Trainee Educational Level Prior to Training



<span style="color: orange;">●</span> Levels 1 - 4	<1%
<span style="color: blue;">●</span> Level 5	3%
<span style="color: grey;">●</span> Level 6	6%
<span style="color: green;">●</span> Level 7	20%
<span style="color: magenta;">●</span> Level 8	47%
<span style="color: lightgrey;">●</span> Level 9	22%
<span style="color: darkblue;">●</span> Level 10	2%

## Up-skilling the Employed



## Innovation and New Programme Development

### Green Finance

**Summit Finuas Network** in association with Dublin City University (DCU) Business School and the Green IFSC Initiative launched a Masters in Sustainable Energy Finance to meet the needs of companies wanting to compete in the dynamic and rapidly evolving global green economy. In 2011 Summit Finuas Network developed a Graduate Certificate in Sustainable Finance with DCU and the Green IFSC. By further developing this programme to a masters in 2012, the IFS sector has been provided with a suite of programmes that equips participants for advanced management and leadership roles. This enables the sector to generate successful solutions to the opportunities and challenges that present themselves in the wider sustainable energy finance context, including low carbon markets, green investment project development and finance, green fund services and related banking, asset management and insurance areas. In 2012, 18 trainees undertook the Masters in Sustainable Energy Finance and nine trainees commenced the Graduate Certificate in Sustainable Energy Finance.



*John Bruton, Chairman of IFSC Ireland launching MSc in Sustainable Energy Finance in association with the Green IFSC and Dublin City University (DCU). From left to right, Tracey Donnery, Finuas Programme Manager, Brian McMahon, Summit Finuas Network, John Bruton, Chairman of IFSC Ireland, and Brendan Bruen, Director of Financial Services Ireland.*

### International Financial Services Law

The *Fundamentals of International Legal Business Practice Symposium* organised by the **Law Society Finuas Network** in partnership with the International Bar Association (IBA), the Society of Young Solicitors (SYS) and the Young Dublin Solicitors (YDS) took place in September 2012. The event was opened by Mr. Brian Hayes T.D., Minister of State for Public Service Reform and the Office of Public Works, who opened the event by stating that the focus of the Irish government over the next four years will be on jobs growth in the IFS sector.

Over 160 young lawyers attended the event and a broad range of topics relating to international financial services were addressed, including: dispute resolution, international mergers and acquisitions, intellectual property, commercial contracts, technology law and EU competition law.

This innovative international event was designed by the collaborative partners and by international experts from Ireland, Germany, Australia, India, France, Belgium and America.



*Mr. Brian Hayes T.D., Minister of State for Public Service Reform and the Office of Public Works, pictured with delegates at the Law Society Finuas Network Symposium.*



### Aircraft Leasing Finance

Ireland is a global leader in aviation leasing, with all of the top ten aircraft companies operating in the country and employing over 1,000 people directly. **Aviation Finance Finuas Network** supports this sector in maintaining and enhancing Ireland's position in the air finance industry through up-skilling employees and job-seekers.

The network was involved in the design and development of a Corporate MBA in Aviation Management, a collaboration between the University of Limerick (UL) and enterprise. Staff from five aviation leasing companies based in the mid-west region took part in the programme.

The Aviation Finance Finuas Network also collaborated with Law Society Finuas Network to support trainees on a Diploma in Aviation Leasing in 2012, which provided an opportunity for professionals working in aircraft leasing companies and solicitors working in this commercial sector to undertake the Diploma together and share experiences to enhance their qualifications in this key growth industry.

### Risk Management and Corporate Governance

**Summit Finuas Network** delivered a range of certified training programmes in the area of risk management which were delivered by the Institute of Bankers in Ireland, Dublin City University (DCU) and the National College of Ireland (NCI). Courses included a Professional Diploma in Governance and Risk, an MSc in Risk Management and a Certificate in Financial Crime Prevention. Summit Finuas Network also focused on shorter accredited courses targeted at new regulatory requirements such as Solvency II and Basel III, the global regulatory standard on bank capital adequacy. In addition to risk and regulation, the network also ensured that members had access to courses updating them on the latest amendments to key directives such as UCITS (Undertakings for Collective Investment in Transferable Securities) and the main global accounting standards e.g. US GAAP (Generally Accepted Accounting Principles) and IFRS (International Financial Reporting Standards).



First graduates of the **Corporate MBA in Aviation Management**.



Law Society Finuas Network Graduation Ceremony for the Diploma in Islamic Finance.

### Laying the Foundation for Islamic Finance in Ireland

**Law Society Finuas Network** designed and delivered a Diploma in Islamic Finance in partnership with the Chartered Institute of Management Accountants (CIMA). Now in its third year, over 100 trainees have successfully completed the programme. Given the government objective to position Ireland as a European hub for the delivery of wholesale Islamic financial services, this is an important area of growth and opportunity within the IFS sector. The diploma includes modules on Islamic commercial law, Islamic banking and Takaful, Islamic capital markets and instruments and accounting for Islamic financial institutions.

The network also delivered a Post Graduate Diploma in International Financial Services Law which they designed in partnership with University College Dublin (UCD) in 2012. This diploma includes modules on Islamic finance, legal risk, fiduciary duties in international financial services transactions, financial collateral and other security interests and cross border insolvencies. Trainees from across the IFS sector, from legal firms, international banking and investment management took part in both of these diplomas.

### Job-seekers

All Finuas networks deliver training for job-seekers through the main Finuas programme and through the Job-seekers Support Programme (JSSP). Over 300 job-seekers benefitted from over 5,500 training days on a range of training programmes in the IFS sector. For the purposes of this report all statistics relating to job-seekers on the Finuas programme are reported in the *Up-skilling the Unemployed* section. You can read more about up-skilling in this sector on pages 32-43.



## ManagementWorks Programme Pilot Activity 2012

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**331 people trained**

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**255 SME firms**

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**6,042 training days**

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**€1.05m total network investment**

of which €775k was invested by Skillnets in grant support and €275k was invested by member companies.

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### Programmes include

- Management Team Development
- Managing Director Action
- Operational Efficiency Bootcamp
- Postgraduate Diploma in Management

ManagementWorks, an initiative under the Action Plan for Jobs 2012, commenced as a pilot programme in 2012 to assist SME firms to improve their business performance by providing a range of subsidised, tailored programmes that are supported by professional business mentors. The aim of the programme is to support the growth of firms in terms of their sales, output and employment.

The development of the programme was informed by the Management Development Council (MDC) Report 2010 and the first report of the Advisory Group for Small Business, which both recognised the research showing a strong positive correlation between management capability and firm survival, growth, productivity and turnover.

The first part of the year entailed a lot of work on the design of programmes and the selection of a panel of providers. Training activity commenced in September with a suite of programmes of 6-8 months duration.

Programmes focused on providing participants with knowledge and skills that allow them to tackle business improvement initiatives. Many programmes include the services of a business mentor whose key role is to work with the participant to ensure that the learning from the workshops is translated into action for the businesses in a meaningful manner. Initial experiences show that this mentor service is making a critical difference to participants in terms of delivering change in their businesses.



**ManagementWorks**  
Learn Lead Succeed

**Note:** ManagementWorks operated as a pilot programme from its inception to the 31st March 2013. The funding for the pilot programme straddled the year end of 2012 and continued into 2013. For this reason, the outputs reported above are for the full pilot period to the 31st March 2013.

## Up-skilling the Employed



Launch of the SFA National Small Business Awards 2013. Picture includes An Taoiseach, Enda Kenny, Patron of the Awards along with Alan Nuzum, CEO Skillnets. Photo courtesy of Gary O'Neill.

### Promotion

ManagementWorks pursued a number of strategies to raise awareness of the initiative and the programmes on offer. A national radio campaign was supported by a number of local radio advertisements related to specific programmes, along with local radio interviews. Features on ManagementWorks appeared in a number of national print and online articles focused at SMEs. Local newspaper advertisements were supported by many editorial pieces on the programmes available.

Pilot digital advertising campaigns were run, specifically targeting SME owners/managers on Facebook and LinkedIn which generated a 300% increase in visitor traffic to [www.managementworks.ie](http://www.managementworks.ie), a new mobile responsive website designed for the programme. All of this activity was supported by the Skillnets communications team.

ManagementWorks engaged with the Small Firms Association (SFA) on the SFA National Small Business Awards 2013 by offering a complimentary place on core programmes to SFA finalists and a training weekend focused on strategy and communications capability for the shortlisted nominees. ManagementWorks also attended external exhibitions to promote the new programme.

By the end of 2012, 166 participants from SME firms had engaged with ManagementWorks across the range of programmes.

Figure 17:  
Breakdown of Companies by Sector

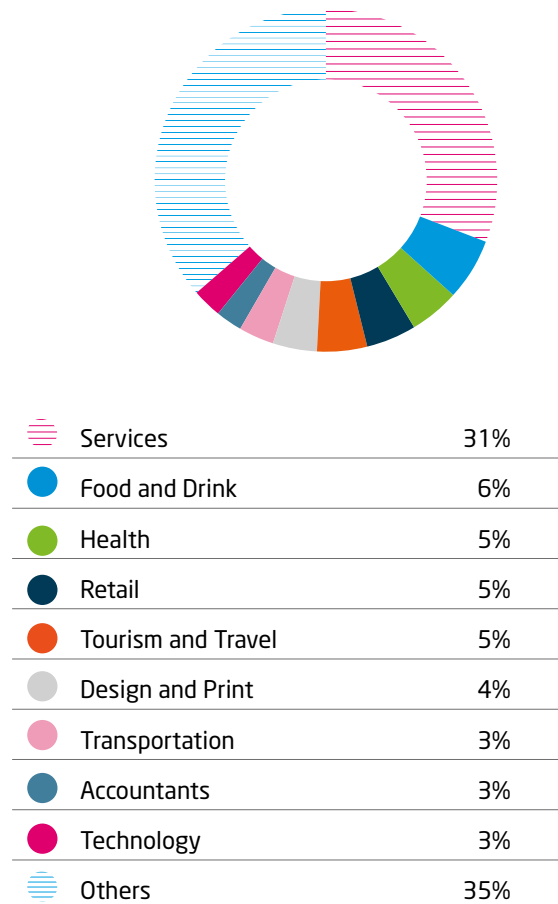
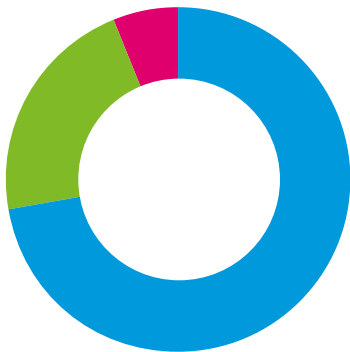
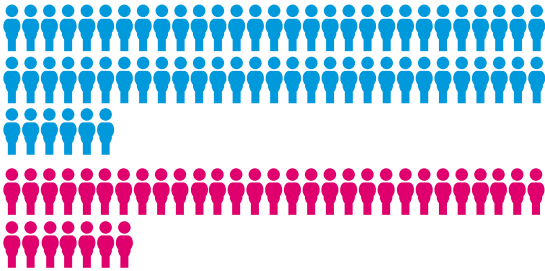


Figure 18:  
Breakdown of Companies by Size



● 0 - 9	73%
● 10 - 49	21%
● 50 - 250	6%

Figure 19:  
Breakdown of Trainees by Gender



● Male	64%
● Female	36%

Figure 20:  
Breakdown of Trainees by Age

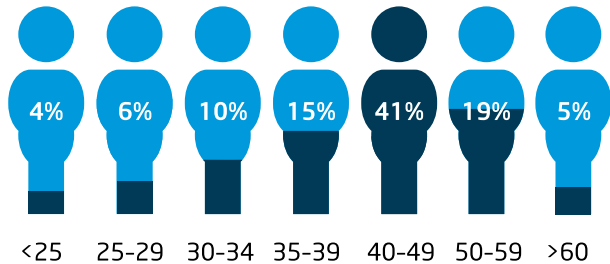
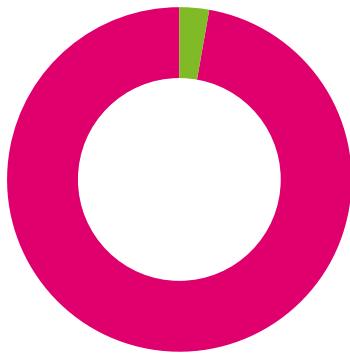


Figure 21:  
Breakdown of Trainees by Occupational Category



● Managerial / Supervisor	3%
● Owner-Manager	97%

“To be the best manager, you need the best training – the ManagementWorks programme provides this.”

ManagementWorks owner manager 2012

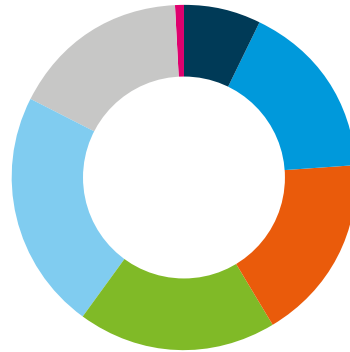
# Up-skilling the Employed

**Figure 22:**  
Breakdown of Employed Training Days by Certification



<span style="color: green;">●</span> NFQ-certified	70%
<span style="color: pink;">●</span> Non-certified	30%

**Figure 23:**  
Breakdown of Trainee Educational Level Prior to Training



<span style="color: darkblue;">●</span> Levels 1 - 4	7%
<span style="color: cyan;">●</span> Level 5	17%
<span style="color: orange;">●</span> Level 6	17%
<span style="color: green;">●</span> Level 7	19%
<span style="color: lightblue;">●</span> Level 8	22%
<span style="color: grey;">●</span> Level 9	17%
<span style="color: pink;">●</span> Level 10	1%



“Great to be with other business owners in this project as so much of my business decisions are taken in isolation from other people’s experiences.”

ManagementWorks owner manager 2012



## Interim Evaluation

An interim evaluation of the ManagementWorks programme, conducted in December 2012, revealed the nature of the impact being experienced by the participants. A short survey of participants received a 50% response rate, which is unusually high. Of those:

- 97% felt the programme was relevant and had the potential to improve their business
- 97% felt that the quality of delivery was very good and that the programmes delivered excellent value for money
- 95% felt that the mentors challenged them to think about their businesses
- In addition to this high rating for the programmes themselves, the participants were also asked about the initial impacts on their businesses:
  - 78% reported that the quality of information available to them had increased
  - 78% reported that their business confidence had increased
- Five firms increased employment since starting the programme while the remainder of firms had retained employment levels

Participants reported strong benefits from the mentor aspect of the programmes. The engagement with an experienced professional who can question and support the manager made a positive difference in terms of implementation and also the transfer of learning from the workshops to the individual businesses.

An independent evaluation of the pilot programme will be conducted in 2013.

ManagementWorks is supported by an advisory group that includes representatives of SME stakeholders as well as a number of SME executives. The group meets regularly to monitor progress and to advise on how the relevance of the programmes to SME firms can be maximised.





## TNP and Finuas Job-seeker Activity 2012

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**7,012** job-seekers  
trained across all  
programmes

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**53,381** training  
days delivered  
to job-seekers across all programmes

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**46%** of trainees  
supported  
were long-term unemployed

---

**55%** of trainees  
were on Levels 1 - 6 of the National  
Framework of Qualifications (NFQ)

**Unique benefits of Skillnets training for job-seekers include:**

- Free training
- Access to courses in demand by companies
- Training with people in employment and other job-seekers
- Networking opportunities

“Got into a different work environment with the course that I did....It helped me to get the job that I’m now in.”

TNP job-seeker 2012

“I really enjoyed the course. After being made redundant in June 2012, it gave me confidence and the ability to stay in touch with the financial markets.”

Finuas job-seeker 2012

### The Jobs Challenge

#### Preservation and Growth    Activation and Conversion

In 2012, Skillnets further positioned itself in addressing the jobs challenge through strategically identifying where the organisation fits into the national economic picture. Skillnets is uniquely placed to fill a pivotal role in this challenge for both enterprise (companies and their employees) and job-seekers through our core focus on enterprise needs linked to the demands of job-seekers.

#### Preservation and Growth

**Companies** need people with relevant skills to maintain their businesses and protect their market share in a recessionary environment, and ultimately to protect jobs. If companies are to create new job opportunities they need an enhancement of skill sets and the development of new training programmes to meet these needs, to enable them to expand into identified areas of opportunity in existing or new sectors. Skillnets meets this need through our main programmes.

#### Activation and Conversion

**Job-seekers** can benefit from learning opportunities through: integrated training with employees under Skillnets TNP and Finuas programmes, or through training and work placement in our dedicated Job-seeker Support Programme (JSSP). JSSP courses provide job-seekers with relevant skills and work placement in sectors with identified skills gaps which give job-seekers a clear progression route into a new employment sector with identified employment potential.

#### Strengthening Links with Stakeholders

Skillnets worked closely with the Department of Social Protection (DSP) in 2012, agreeing guidelines that allow eligible DSP clients to avail of Skillnets training and placement opportunities while retaining welfare payments.

In late 2012, Skillnets agreed a number of actions with senior management of DSP, to ensure that relevant clients are made aware of Skillnets training courses, in light of the Pathways to Work initiative and the ongoing rollout of the Intreo service. This culminated in the development of a protocol between Skillnets and DSP in 2013.

Skillnets actively supports labour market activation measures such as JobBridge, the National Internship Scheme. In 2012, a number of networks assisted member companies in providing meaningful internships which incorporated high quality training to c.155 job-seekers through JobBridge.

In 2012, Skillnets continued to support Worklink, ([www.worklink.ie](http://www.worklink.ie)), a not-for-profit organisation set up to provide practical advice and assistance to companies wishing to avail of labour market schemes and to help job-seekers transition to employment. Worklink linked up with several Skillnets networks including Taste4Success Skillnet, First Polymer Training Skillnet, CCMA Ireland Skillnet, Outsourcing Skillnet and Life Sciences Skillnet to promote their JSSP courses and has successfully increased job-seeker traffic to these programmes.

## Skillnets Supports for Networks

The **Employment Activation Group (EAG)** is comprised of a number of network managers and Skillnets support staff. The group acts as an advisory and support group for networks in the area of supporting job-seekers. The group assists all networks through the development of helpful resources and the promotion of good practices which support job-seekers. The EAG also provides essential network feedback, to ensure that Skillnets' provision for job-seekers remains meaningful and relevant to the labour market.

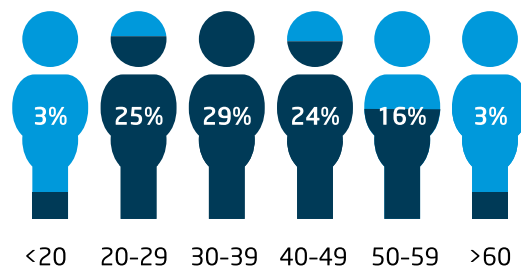
### Promotion -

As part of Skillnets' promotional strategy to support network recruitment of job-seekers we promote network training courses to job-seekers through our dedicated web page [www.skillnets.ie/job-seekers/find-course](http://www.skillnets.ie/job-seekers/find-course). The Communications team ran a number of targeted Facebook campaigns in 2012 which resulted in over 38,000 visitors to this page.

Skillnets also hosted a stand at two Career Zoo events ([www.careerzoo.ie](http://www.careerzoo.ie)) in 2012 which attracted approximately 20,000 visitors for both events. A targeted PR campaign was delivered as part of the Skillnets Jobs Fair held in Galway in October 2012 which attracted over 1,000 visitors on the day. You can read more about promotion for job-seekers in the Communications section of this report.

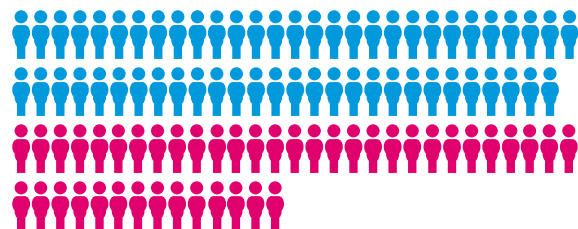
Skillnets provided valuable supports in 2012 for 7,012 job-seekers (an increase of 1,137 on 2011) who undertook 53,381 training days, (an increase of 12,149 training days on 2011). 57% of those job-seekers who trained with the networks in both Skillnets-funded programmes were male, and 43% were female. This is broadly similar to the gender profile of employed trainees. Similarly there was little variation in the age profiles of job-seekers in comparison to employed trainees.

Figure 24:  
Breakdown of Trainees by Age



NOTE: Based on a 94% sample for which data was available.

Figure 25:  
Breakdown of Trainees by Gender



Male	57%
Female	43%

# Up-skilling the Unemployed

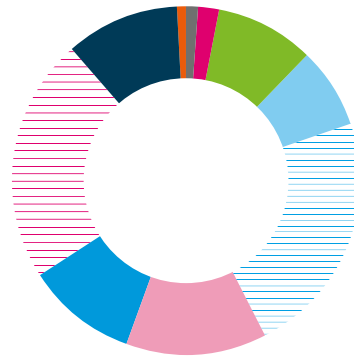
**Figure 26:**  
Breakdown of Training Days by Certification



<span style="color: green;">●</span> NFQ-certified	67%
<span style="color: magenta;">●</span> Other certification	11%
<span style="color: blue;">●</span> Non-certified	22%

78% of all job-seeker training days in all Skillnets-funded programmes, including TNP, Finuas and JSSP, were certified by either the NFQ or by other professional bodies.

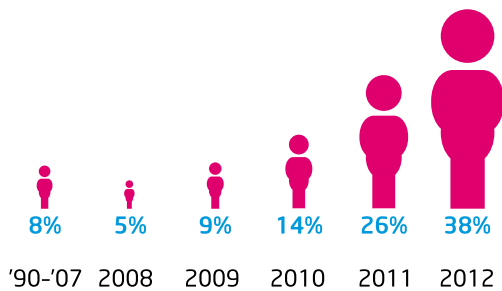
**Figure 27:**  
Breakdown of Trainee Educational Level Prior to Training



<span style="color: grey;">●</span> Level 1	1%
<span style="color: magenta;">●</span> Level 2	2%
<span style="color: green;">●</span> Level 3	9%
<span style="color: lightblue;">●</span> Level 4	7%
<span style="color: lightblue;">▨</span> Level 5	23%
<span style="color: pink;">●</span> Level 6	13%
<span style="color: blue;">●</span> Level 7	10%
<span style="color: pink;">▨</span> Level 8	23%
<span style="color: darkblue;">●</span> Level 9	11%
<span style="color: orange;">●</span> Level 10	1%

55% of unemployed trainees were on Level 1-6 of the National Framework of Qualifications (NFQ). It is to be noted that by taking the Finuas trainees separately for trainee educational level prior to training, the vast majority (98%) of Finuas unemployed trainees were at Level 6-9 prior to training.

**Figure 28:**  
**Breakdown of Date Trainees Joined Live Register**



**NOTE:** Based on a 99% sample for which data was available.

46% of unemployed trainees in 2012 were long-term unemployed; they were unemployed for over a year. It is also interesting to note that a significant proportion of trainees who have undertaken training have been removed from the active labour market for more than three years.



### Foot in the Door

First piloted by **Learning Waves Skillnet** and **Wind Skillnet**, *Foot in the Door* events provide an insight for job-seekers into the realities of working in sectors that they are interested in, their potential suitability for these sectors, as well as the chance to meet face-to-face with potential employers. For member companies, it provides a showcase to attract job-seekers into industries that are experiencing skills shortages and a potential direct recruitment opportunity. Networks have also seized the opportunity of a captive audience of job-seekers to pre-screen and sign up for upcoming courses.

#### Carlow Kilkenny Skillnet Foot in the Door

New government policy has a focus on enabling the elderly to stay in their own home and environment for as long as possible. This has led to the development of new homecare companies and a resulting trend for employment opportunities. Following research on the trends for employment opportunities in the Carlow/Kilkenny region, the healthcare sector was found to be the one with the most potential for recruitment opportunities.

**Carlow Kilkenny Skillnet** hosted a *Foot in the Door* event in November 2012 with guest speakers from the nursing home profession along with tutors in the healthcare sector. Also present was a trainee from a previous Carlow Kilkenny Skillnet healthcare course who has now secured work as a result of her qualification. The event was attended by 25 people interested in working in the healthcare sector.

Pictured at the **Carlow Kilkenny Skillnet Foot in the Door** event for the healthcare sector are *Gearóid Brennan*, Nursing Homes Ireland, *Joanne Hurley* and *Michelle O'Rourke*, Oak Tree Home Care, *Ashling Ward*, Carlow Kilkenny Skillnet, *Jacqui McNabb*, Your Business Resource and *Joe Manning*, Barrow Training.

## Up-skilling the Unemployed

### Skillnets Jobs Fair

Skillnets Jobs Fair took place in Galway on 14th October 2012 and attracted over 1,000 job-seekers who availed of the opportunity to meet with 36 local companies, who had over 500 job vacancies available. The Mayor of Galway, Cllr. Terry O'Flaherty attended. The event received very strong media coverage in the run up to the event and on the day.

Whilst the primary aim of the fair was to provide companies in the West, who had vacancies to fill, with an opportunity to meet with job-seekers free of charge, the fair also included a number of supports for job-seekers, including:

- Six career seminars which were held throughout the day covering employment planning and career development. 79% of job-seekers who were surveyed on the day found these seminars helpful.
- Career advice desks, which proved popular with job-seekers, offered interview preparation and CV writing skills advice.
- A number of Skillnets networks, who are based in the West, invited job-seekers to explore their training and up-skilling options.
- The Department of Social Protection (DSP) was represented on the day by personnel from the Galway Social Welfare Office.

"...there was a very strong attendance and the quality of the applicants was significantly above what we have come to expect from careers fairs..."

Member company



The Jobs Fair was distinct from other similar events, in that the majority of participating companies were also members of a Skillnets network. In cases where a job-seeker may have been lacking in particular skills required for a vacancy, they were then referred to the Skillnets stand, where they could discuss how to fill their skills gaps by availing of enterprise-led training with a Skillnets network.

Of job-seekers surveyed on the day, 94% would recommend future Skillnets Jobs Fairs to others. Over 80% of participating companies, who were surveyed on the day, expected to recruit new hires from the Jobs Fair.

"Thank you for hosting this event. I made some great contacts and have good leads."

Job-seeker

*Alan Nuzum, CEO, Skillnets and Cllr. Terry O'Flaherty, Mayor of Galway pictured at the Skillnets Jobs Fair held in Galway in October 2012.*



## Job-seekers Support Programme (JSSP) 2012

### Work placement and training for job-seekers

---

**43 networks**

---

**€3.4m total network investment**

of which €2.8m was invested by Skillnets in grant support and €603k was invested by member companies

---

**385 courses delivered**

---

**2,938 unemployed people trained**

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**39,695 training days delivered**

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**80%**

of training days were either NFQ certified or certified by other industry bodies

#### JSSP key objectives:

- Increase employability by up-skilling/cross-skilling job-seekers to re-enter previous employment sectors and transfer into alternative sectors
- Blend training with workplace experience so as to embed the learning and give the unemployed access to employers
- Assist member companies, particularly SMEs, to develop a talent pool of skilled people for the purposes of recruitment
- Leverage the relationships network managers have with companies within their network to organise high quality work placements for the trainees

#### Skillnets prioritises support for the following groups of job-seekers:

(if you fulfil any one of the criteria listed below in addition to Skillnets eligibility criteria for job-seekers).

- Persons unemployed for more than 12 months
- Persons at Level 5 or less on the National Framework of Qualifications (NFQ)
- Persons under the age of 35
- Persons formerly employed in the construction, manufacturing and retail sectors
- Persons wishing to enter the ICT sector

43 of the 55 networks funded by Skillnets in 2012 were involved in JSSP. JSSP comprises many varied, free courses aimed solely at unemployed people. The key features include the provision of skills required by industry, combined with direct access to employers through the provision of work placements/internships.

## Focus on Outcomes

In 2012, Skillnets placed continued spotlight on outcomes, by requiring networks to monitor the progression of JSSP trainees at intervals after the completion of training and work placements. Networks were required to make contact with JSSP trainees approximately two months after the completion of placements, to identify whether or not the trainees had progressed into employment, further education and training, or established a business.

This new development has proven invaluable, as it allows Skillnets to measure the return on investment in the programme and to identify the common programme features which result in strong employment outcomes, some of which are detailed below.

## Conversion Programmes

Networks delivered a number of successful conversion programmes in 2012, which resulted in high rates (70%+) of employment progression. Common programme features included:

- **Skill Relevance:**

The programmes with the strongest outcomes typically delivered occupational-specific skills within growing sectors such as ICT, software, private healthcare, medical technologies and the contact centre industry. Networks worked with member companies to identify jobs available or in the pipeline, and designed training based on these specific skill gaps.

- **Industry Engagement:**

The degree of employer engagement with the planned programmes had a profound impact on employment outcomes. To encourage buy-in, networks sought member companies willing to participate in course interviews, champion the programmes within the sector, partly finance course costs, provide training facilities and/or host work placements.

- **Work Placements/Internships:**

Placements which were highly-structured, project-based and included a significant element of training and mentoring support for interns proved to be particularly effective in terms of employment outcomes.

Outcome data gathered in 2012 has provided the basis for a case study report on Skillnets conversion programmes to be published in 2013. The report will focus on conversion programmes delivered in 2012 that were particularly successful in helping job-seekers move from declining sectors into growth sectors, and from unemployment into employment.

Preliminary results point to the key requirement to work closely with network member companies to identify available jobs and those in the pipeline and then design training that matches these specific skills requirements. Skillnets has found that the highest employment outcomes are achieved when the training is approached in this way and combined with highly structured, project-based placements/internships.

“Coming from the construction industry, I found the conversion courses to be very helpful in showing me I had the skills required to find employment in the medical device/pharma industries. I have recommended the courses to a number of my former work colleagues. It also gave me confidence in interview preparation and I am grateful for the opportunity to have been able to do the course.”

JSSP trainee 2012

### Conversion Programmes for Tomorrow's Skills Needs

#### Software Testing in the West

##### ITAG Skillnet

In 2012, **ITAG Skillnet** member companies identified the need to develop a pool of potential employees for ICT positions based in the West of Ireland. In response, ITAG Skillnet developed and delivered the Software Testing Conversion Programme, championed by Hewlett Packard (HP).

The training, delivered over nine weeks, covered a broad range of topics including Java, SQL, cloud computing, software engineering and software testing. Successful participants received International Software Testing Qualifications Board (ISTQB) certification. The training was then followed by an intensive ten-week work placement.

Approximately half of the 20 trainees were new to ICT and had no related qualifications or experience. The group included a former mechanical engineer, civil engineer, quantity surveyor and real estate agent. The course recorded a 100% progression rate. At the time of writing, 90% of the trainees had secured employment. The two remaining trainees progressed onto, and are currently completing, long-term internships.



"Identifying and nurturing key talent is a cornerstone of success of Hewlett Packard (HP) Galway. HP has found the Job-seekers Support Programme (JSSP) a rich source for skilled professionals looking to cross skill into IT and Software Engineering. Through a strategic partnership with ITAG Skillnet, HP has evolved a programme to provide targeted training to selected JSSP participants. In addition, HP has coupled the targeted training with sustained work assignments in its workplace. This has resulted in a major win-win for both the individuals selected and the corporation. Many of the programme graduates have taken full-time positions with HP."

Paddy Medley, Director, Hewlett Packard, Galway.

Pictured are 20 participants who took part in the Software Testing JSSP conversion programme run by **ITAG Skillnet** in conjunction with Hewlett Packard (HP) and Neueda Technologies. Also present in the photo are *John Gleeson* and *Shane Murphy* from HP Galway, *Alan Nuzum* and *Brónagh Sweeney*, Skillnets, *David Claffey*, Neueda and *Caroline O'Neill*, ITAG Skillnet.

## Healthcare Support

### Leading Healthcare Providers (LHP) Skillnet

With the population of older people in Ireland increasing, the number of job opportunities available in private hospitals, care homes and homecare services is also on the increase. In order to ensure that older people are cared for in high quality, safe and supportive settings, a growing number of companies operating in the sector are encouraging new entrants and existing staff to undertake the NFQ Level 5 Certificate in Healthcare Support.

**Leading Healthcare Providers (LHP) Skillnet** delivered the Healthcare Support programme, which ended in May 2012 and included a six-week work placement. Contents related to the qualification included care support, care of the older person and communications. The network provided additional training in areas such as Cardio-Pulmonary Resuscitation (CPR), infection prevention, and mental health. The network arranged insurance cover and Garda clearance and presented trainees with an introductory letter for potential employers.

Trainees came from a diverse range of backgrounds and the group included a former plumber, gardener, receptionist and shop assistant. Of the 21 trainees who successfully completed the Healthcare Support programme, 16 went on to subsequently secure employment, with most finding work as full-time care assistants.

“The course has the right balance of theory and application in a working environment. The fact that trainees had completed work placements was very advantageous. Additional training provided in areas such as mental health was of great benefit to our company.”

Ciaran Cuddihy, Director of Nursing for Mental Health Services, Highfield Healthcare - Elmhurst Nursing Home

## Contact Centre and Shared Services

### CCMA Ireland Skillnet

The contact centre and shared services sector in Ireland is growing and currently employs more than 30,000 people. In 2012, **CCMA Ireland Skillnet** delivered 27 courses through the Job-seekers Support Programme (JSSP). The courses included consultative selling, front line technical support, customer service, business English, and sales through service. All of the courses were accredited at Level 5/6 on the National Framework of Qualifications (NFQ).

The programmes are typically comprised of 10-15 days training and 10-day work placements. Depending on the chosen course of study, the work placements gave trainees hands-on experience in sales and technical support roles.

293 job-seekers participated in the JSSP programmes delivered by the network in 2012. Over 40% of these job-seekers were young unemployed (i.e. 25 or under), 29% of the trainees were recent school leavers or graduates. Of those with a prior work history, most came from either an ICT (21%), manufacturing (17%) or health sector (8%) background.

The vast majority of trainees secured employment as a result of the training and work placements offered by CCMA Ireland Skillnet. 205 trainees successfully secured roles in companies such as Waterford-based Eishtec.

“Over the last 2 years Eishtec have gone through a period of rapid growth and expansion, none of which would have been possible without the funding available by Skillnets. With this support we were confidently able to up-skill job-seekers, deliver at a fast pace and above all deliver superior results.”

Heather Reynolds, Managing Director, Eishtec



### IITD Outstanding Achievement Award for JSSP Initiatives

**Law Society Skillnet and Law Society Finuas Network** won an IITD Outstanding Achievement Award in the Most Innovative Use of Technology category and Best Work Placement category in recognition of their excellence in the design and delivery of their Job-seekers Support Programmes (JSSP). The Law Society Finuas Network supported 74 unemployed solicitors to enter the international financial services (IFS) sector through its programmes in Islamic finance and corporate governance, risk, compliance and investment funds. These programmes were delivered on-site and were available on-line through an eLearning platform which held all the recorded lectures and a learning management system.

Celebrating the **Law Society Skillnet** and **Law Society Finuas Networks'** Outstanding Achievement Award are back row left to right: *Paul Mooney*, Law Society Law School, *Sinead Heneghan*, CEO, IITD, *Sinead Marron*, President, IITD, *Kevin Hannigan*, Law Society Finuas Network Steering Committee. Front row left to right: *Tracey Donnery*, Skillnets, *Attracta O'Regan* and *Michelle Nolan*, Law Society Skillnet and Law Society Finuas Network.



*Jackie Ryan*, Network Manager, **County Tipperary Skillnet** with JSSP trainees at training in personal development, project management and IT. Five-week work placements were facilitated by local companies.

*Pauline O'Flanagan*, **Life Sciences Skillnet** with Engineers Conversion Programme 2012 trainees. This programme started in July and was hosted in Athlone Institute of Technology (AIT).

Graduation for the **Aviation Finance Finuas Network** Job-seekers Support Programme (JSSP) which was designed to introduce job-seekers to the aviation industry and specifically to the world of aviation finance and leasing. The graduation was hosted by *Dr. Philip O'Regan*, Dean of the Kemmy Business School, University of Limerick.

# Key Thematic Areas 2012

The following pages give an overview of the strategic themes that Skillnets operates under along with information on activity on the areas of certification, Low Basic Skills (LBS), and quality assurance in 2012. Specific achievements in each area are highlighted at both a strategic and network level. We also reflect on other network activities over the course of 2012.



## Strategic Themes in Action

Under our general mandate “to increase participation in enterprise training by firms to improve competitiveness and provide improved access to skills’ development”, Skillnets operates under four strategic themes which provide a framework for network activity.

### Theme 1: Transferability of individual trainee skills

The primary focus of this theme is to increase mobility and employability across sectors and regions and includes the delivery of transversal skills training for both the employed and unemployed. This will not only improve the range of skills within the workforce, but will also lead to enhanced business performance.

This is a very common theme across the majority of networks, and is best exemplified by those networks who engaged in the Job-seekers Support Programme (JSSP) conversion programmes demonstrated on pages 41-42.

Also of interest under this theme, is our New Certified Programme Development (NCPD) fund which fosters the development of new certified training where there is a clearly identified gap in provision and a proven demand from enterprise. **CPA Ireland Skillnet** developed an industry certified (Institute of Certified Public Accountants in Ireland) Certificate in Business and Accounting. The certificate is aimed at students beginning their studies or career in business, or employees who wish to formalise their learning in the workplace. **Farm Business Skillnet**, working closely with Macra na Feirme developed a pilot Level 5 Agri Entrepreneur Accelerator Programme, aimed at developing and fostering a growing cohort of young entrepreneurial farmers. This course provides a fast track insight into the essential ingredients that make successful entrepreneurs and allow farmers to maximise the potential of their farm enterprises. It is currently under review for certification.

### Theme 2: Company diversification or transferability

The primary focus of this theme is facilitating the acquisition and transferability of skills to allow companies to diversify within their sector, or to secure the transformational change of their business offering to a completely new sector. The recessionary environment has seen many organisations and sectors forced into this arena, not least those directly or indirectly related to the construction sector.

With the support of Skillnets, **IPFMA Skillnet** developed industry standard qualifications for the property services, property management and facility management sectors. Graduates of these programmes ensure that the property and facilities management profession remains proactive to the fast-paced changing environment in which it operates.

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**64% of networks**  
operated in themes 1 & 2 in 2012.

### Theme 3: Priority sectors

The primary focus of this theme is on up-skilling individuals in the key skills necessary to enter into or expand within certain priority sectors which have been identified as high potential growth sectors by the Expert Group on Future Skills Needs (EGFSN). The identified national priority sectors include biopharma pharmaceutical, green economy, wholesale and retail, food and beverage, medical devices and ICT.

Skillnets has sectoral networks operating in each of these sectors. In addition to mainstream training delivery, Skillnets earmarked specific funding for new programme development in these priority sectors under a funding stream named the Future Skills Needs Programme (FSNP). Three networks availed of FSNP funding in 2012:

- **Taste4Success Skillnet** (food and beverage) - developed and piloted six new programmes in food industry skills aligned to the UK IMPROVE food and beverage sector qualifications system.
- **ISA Software Skillnet** (ICT) - developed a Postgraduate Diploma in Product Management in 2011 with Dublin Institute of Technology (DIT), which is certified at Level 9. In 2012, the network further developed this into a suite of programmes to include a Master of Science in Product Management and a CPD Diploma in Product Management at NFQ Level 8 with DIT.
- **Life Sciences Skillnet** (medical devices) - developed a new programme in conjunction with Cardiff University - Driving Operational Excellence through Lean Leadership.

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**25% of networks**

operated in theme 3 in 2012.

### Theme 4: Key competencies for lifelong learning

The primary focus of this theme is the up-skilling of individuals in certain key competencies which have been identified by European policy as necessary skills for all European workers. This involves sectoral and/or regional networks providing particular competency training for individuals who may have been at an educational disadvantage.

This is also consistent with the national Skills Strategy which aims to increase the NFQ level of lower skilled workers. Examples of activity under this theme include basic IT skills training in the **Digital Media Forum Skillnet** and the roll-out of a FETAC Level 5 Certificate in Healthcare Support by **Leading Healthcare Providers (LHP) Skillnet**.

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**11% of networks**

operated in theme 4 in 2012.



## The Jobs Challenge

While the strategic themes underpin all network activity, Skillnets also developed a new strategic focus in 2012 - the jobs challenge. This strategic positioning identifies where Skillnets fit into the national picture, and in particular how Skillnets is uniquely placed to fill a pivotal role whereby its core focus on enterprise needs overlaps with the demands of job-seekers. There are four key strands to this that summarise how Skillnets is addressing the needs of these two key stakeholders:

### Employer Needs:

#### 1 Preservation

The provision of relevant skills to employees which will allow companies to maintain their business and protect market share in a recessionary environment and ultimately protect jobs.

#### 2 Growth

The enhancement of new skill sets for employees and job-seekers and also the development of new programmes will allow companies to expand into identified areas of opportunity in existing or new sectors and thereby create new job opportunities.

### Job-seeker Needs:

#### 3 Activation

The provision of learning opportunities for the unemployed, either via integrated learning opportunities with employees under mainstream TNP/Finuas programmes, or a combination of relevant training and work placements via the dedicated Job-seeker Support Programme (JSSP), both of which provide job-seekers with relevant skills which are in demand by industry.

#### 4 Conversion

The provision of relevant learning opportunities and work placements in sectors with identified skill gaps to allow job-seekers a clear progression route into a new employment sector with identified employment potential.



### Certification

Qualifications frameworks and quality assurance systems are now key features of the education and training landscape, in both higher and vocational education and training, to support educational reform and the creation of jobs, growth and mobility for citizens. There continues to be changes headlined by the formation of Quality and Qualifications Ireland (QQI), and work in the certification arena continues with the completion of the migration of the Awards Plan.

Skillnets strives to keep certified training and development at the forefront of our networks' training activity by endeavouring to respond to the demands of enterprise for flexible learning solutions and speedy responses whilst balancing the need for academic rigour. Skillnets' New Certified Programme Development (NCPD) fund also fosters the development of new certified training where there is a clearly identified gap in provision and a proven demand from enterprise. It is notable that in 2012, 75% of training days delivered to both the employed and unemployed were certified, which was one of our target metrics as per our mandate with the Department of Education and Skills (DES).

In 2012, the Training Networks Programme (TNP) continued to facilitate networks in developing and/or attaining certification for new and existing standards through the NFQ awarding bodies.

The Skillnets Certification Group, comprised of a group of network managers, advised and provided support and resources to the broader group of network managers on the pertinent routes to certification via various certification bodies. The group organised a number of workshops in 2012.

#### LYIT presentation on RPL model

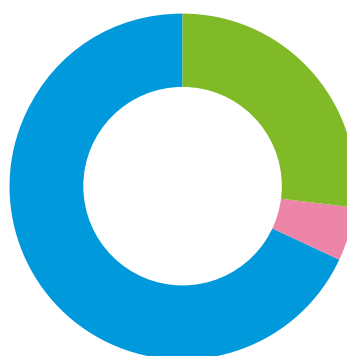
In June, Oran Doherty, Work Based Learning (WBL) and RPL Facilitator at Letterkenny Institute of Technology (LYIT) presented the LYIT RPL model to eight network managers and Skillnets staff in Dublin.




#### Access to Certification Workshop

An *Access to Certification* workshop was organised by the Certification Group in July and was attended by 11 networks in Dublin.

Roisin Sweeney, Programme Officer, FETAC, gave a presentation on the QQI (Quality and Qualifications Ireland) and FETAC. Two presentations on *Flexible Learning Routes to Certification* were followed by Ashling Ward, Carlow Kilkenny Skillnet and Teresa Hanratty, Learning Waves Skillnet presenting *RPL for Certification* and Neil Leyden of Digital Media Forum Skillnet presenting *eLearning for Certification*.

Figure 29:  
Breakdown of Courses by Certification



 NFQ-certified	21%
 Other certification	15%
 Non-certified	64%

**Figure 30:**  
**Breakdown of Total Training Days by Certification**



<span style="color: green;">●</span> NFQ-certified	61%
<span style="color: pink;">●</span> Other certification	14%
<span style="color: blue;">●</span> Non-certified	25%

**NOTE:** Based on a breakdown of trainees across all programmes with the exception of the ManagementWorks pilot.

**Some examples of network achievements in certification in 2012:**

**Learning Waves Skillnet**

delivered a HETAC Level 6 Award in Radio Programme Production with the Institute of Technology (IT) Tralee and Radio Kerry. The programme was developed specifically for the industry and by the industry in partnership with IT Tralee. The aim of the programme was to give people the skills and experience to work in radio and to put radio programmes together. The programme design included a combination of theory and practice with theory being provided by the IT and the practice being provided in conjunction with Radio Kerry. The inclusion of writing for radio, defamation, on-air presentation, radio programme production, work placement and steps to success as modules on the programme gave students the key skills required to be able to start working in radio. A significant amount of project work is included in the programme with a final assignment of a 30 minute radio programme being produced. Ten students participated in the programme resulting in almost 300 training days. A number of participants have been retained in stations following work placement.

**ISA Software Skillnet**

developed a Postgraduate Diploma in Product Management in 2011 with Dublin Institute of Technology (DIT), which is certified at NFQ Level 9. In 2012, the network further developed this into a suite of programmes to include a Master of Science in Product Management and a CPD Diploma in Product Management at NFQ Level 8 with DIT.

The CPD Diploma was funded under the Future Skills Needs Programme (FSNP) in 2012 to facilitate those within the software sector who have extensive work experience, but may not have a Level 8 qualification. This programme addresses key recommendations of the Expert Group on Future Skills Needs (EGFSN) report which refers to product management and development as specific skills needed within the sector. Seven trainees commenced the CPD Diploma in Product Management in 2012 and 12 trainees are currently in the second year of the Masters.

### Low Basic Skills (LBS)

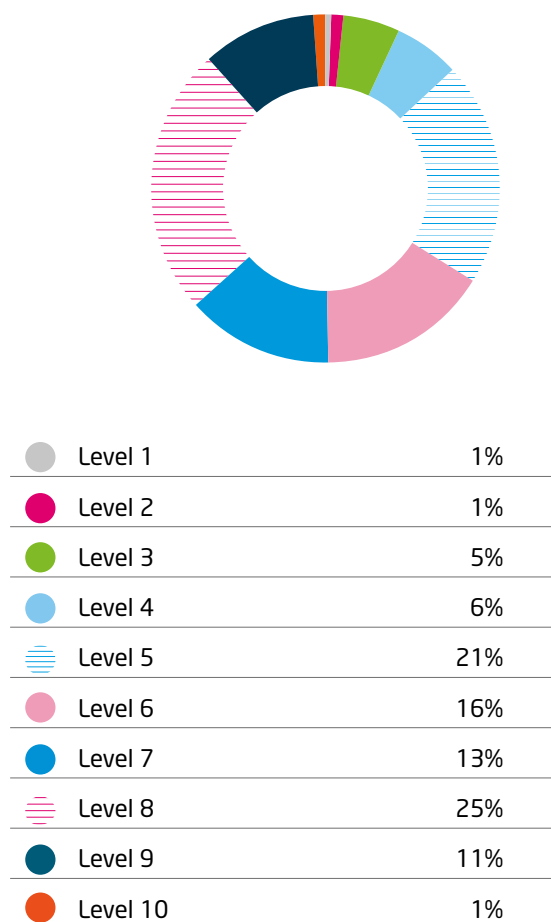
Trainees at NFQ Levels 1-5 continue to be a core focus of Skillnets through our main programmes and our Job-seekers Support Programme (JSSP). A lack of both training provision and take-up among the lower-skilled appears to remain a serious obstacle but the take-up of Skillnets training for this cohort is well above industry norms, details of which are reported below. Skillnets is working in line with national strategy where action is required at a number of levels around the lower-skilled. The National Skills Strategy 2020 targets (Ref: *Tomorrow's Skills: Towards a National Skills Strategy 2007*) has the following target measures:

- An additional 500,000 individuals within the workforce will need to progress by at least one level on the National Framework of Qualifications
- More specifically, the targets will entail up-skilling 70,000 from NFQ Levels 1 and 2 to Level 3; 260,000 up to Levels 4 and 5

Many networks developed and rolled-out certified learning activities below NFQ Level 5 during 2012. 12% of networks identified the fourth of Skillnets' strategic themes - key competencies for lifelong learning - as a priority area of focus for 2012. However, it is worth noting that the majority of other networks also incorporated elements of this theme into their training plans, in conjunction with other themes e.g. diversification or transferability of skills, priority sectors etc. 34% of TNP trainees in employment had a highest recognised qualification at NFQ Level 5 or below. For the job-seeker community, the proportion of lower-skilled trainees was significantly higher at 42%. Both these outcomes remain very consistent with 2011.

These figures show that the continuing promotion of the lower-skilled agenda among networks is having a positive impact, both in terms of highlighting awareness of the issue at a macro-economic level, and also at a micro level where network member companies and their employees are accruing the benefits of up-skilling.

Figure 31:  
Breakdown of Trainee Educational Levels Prior to Training



**NOTE:** Based on a breakdown of trainees across all programmes with the exception of the ManagementWorks pilot.

### Quality Assurance

Internal evaluation and quality assurance remain central to the monitoring role of the Skillnets Programme Operations team. These processes remained embedded throughout 2012, and the range of quality assurance measures and interventions at both network and trainee level were reviewed on an on-going basis throughout the year.

#### Compliance Visits

A compliance visit was conducted by Skillnets staff on each network in 2012 with the aim of assessing the management of networks, compliance with Skillnets' requirements and the systems and procedures in place to ensure networks initiatives offer value for money.

#### Unannounced Visits to Training Events

Assurance on the quality and delivery of training events is a very important part of Skillnets' overall monitoring procedure. In 2012, all networks had at least one training course sampled as part of an unannounced visit. Each training course sampled was followed up with a report identifying any issues or observations from the visit. This practice helps to validate the recorded training intervention and also provides valuable feedback on the quality of the provision.

#### Independent Telephone Surveys

A further internal quality assurance intervention took the form of random independent telephone surveys. An independent consultant conducted these surveys on two separate occasions in 2012. Both employed and unemployed trainees across all of our networks were surveyed which validated attendance at various training courses and provided trainee feedback on the quality of the training. Some of the overall findings of this review were:

- The standard of support received from networks is good to excellent.
- The quality of training and its benefits to the workplace rated very highly.
- The awareness of the role of Skillnets and the level of funding provided amongst trainees reflected a strong need for much more robust communication and branding at network level prior to and at training events.

#### External Evaluation

As in previous years, Skillnets commissioned an independent evaluation of TNP and Finuas covering the 2012 activity. The report and final findings will be available in 2013.



### Programme Operations

The Skillnets Programme Operations team provided continued support and monitoring for all TNP and Finuas networks throughout 2012.

In addition to compliance visits and random unannounced visits mentioned in the Quality Assurance section (page 51), programme monitoring also included regular reviews of network performance against agreed Key Performance Indicators (KPIs) e.g. training days, trainees etc.

**Skillnets also provided a number of support interventions throughout the year, under the following main themes:**

#### General Programme Support:

Each network continued to receive one-to-one support from a dedicated Programme Support Manager (PSM), including site visits and attendance at network steering group meetings throughout the year.

#### Network Manager Focus Groups:

Skillnets facilitated the following two focus groups during the year:

- Certification Group (CG)
- Employment Activation Group (EAG)

Both groups provided expert peer advice and support to network managers, and also fed directly into Skillnets and national policy in the relevant subject matters of certification and training/employment for job-seekers.

#### 2012 Professional Development Programme (PDP)

The Professional Development Programme (PDP) continued to operate as an intrinsic element of Skillnets' support for network managers in 2012. The programme facilitates the sharing of best practice and learning among networks and focuses on the key competencies and skills required to ensure networks deliver agreed KPIs, while also focussing on the qualitative aspects of network learning activity.

A total of 27 network training events were held during 2012. These included two mandatory plenary events which were held in bi-locations in February and October; two spring and autumn cluster support groups held in regional locations; and four optional workshops on subjects including financial management and marketing/promotion, which were organised based on demand from network managers.

#### SAM (Skillnets Activity Management) System:

Skillnets continued to operate an online bespoke software management information system for networks (SAM), which captured all network financial and activity data in the calendar year. Technical support was provided throughout the year by the system administration team, including the provision of mandatory training for all network managers and system end-users. A technical review of the SAM system was commissioned towards the end of the year, following a recommendation in the independent evaluation of Skillnets programmes in 2011.

#### Contribution to European Policy

In 2012, the work of Skillnets was represented at European level through attendance at workshops and study visits in Europe, and as a host organisation for study visits to Ireland organised by Léargas.

#### Events hosted by Skillnets in 2012:

- *Challenges and Opportunities for Skills Development in the Labour Market*  
- March 7th

#### Representation in Europe:

- *European Business Forum on Vocational Training (VET)* - Brussels, June 7th and 8th
- *More Jobs - Better Cities*, OECD Expert Seminar  
- Paris, September 5th
- VET Expert Seminar  
- Brussels, February 10th

## Overview of Key Departments

### Communications

The Communications team is responsible for the management of the Skillnets brand across all programmes and the implementation of a strategic communications plan for Skillnets.

At a **corporate level** the team manage Skillnets' website presence, digital marketing campaigns, PR (radio, print, digital), media relations, policy relations, publications and policy reports, Department of Education and Skills (DES) queries and public event management.

At a **network level** the team provide both branding and content support to 55 networks on the production of marketing collateral, advertising, direct mail, website development and PR and media relations. All networks are also monitored in terms of brand compliance for all collateral, publications and training materials produced on behalf of the network in line with our guidelines to acknowledge funding.

### www.skillnets.ie

In 2012 the Communications team continued to focus on improving awareness of Skillnets through our online presence.

Some of the high level results:

- Visits to our site in 2012 increased by **58%**.
- The number of pages viewed in 2012 increased by **57%**.

A plan was also developed to make the Skillnets website an adaptable mobile responsive website in 2013 and initial work commenced on improving Search Engine Optimisation (SEO) and link building with other sites.



### Digital Marketing

A number of targeted Facebook campaigns aimed at two core audiences: SMEs and job-seekers, were implemented in 2012. Each campaign resulted in a significant increase to visitor numbers and page views on the Skillnets website due to the large number of clicks on the adverts.

- 2 SME ad campaigns - over 3,850 clicks
- 2 job-seeker ad campaigns - over 5,400 clicks
- 1 JSSP ad campaign - over 2,200 clicks
- 1 Jobs Fair ad campaign - over 1,350 clicks

### Job-seeker events

Skillnets' programmes for job-seekers were further promoted in 2012 through attendance at two Career Zoo ([www.careerzoo.ie](http://www.careerzoo.ie)) events which took place in Dublin in February and September with up to 20,000 people attending.

A targeted PR campaign was delivered as part of the Skillnets Jobs Fair held in Galway in October 2012 which attracted over 1,000 visitors on the day. The team managed all aspects of the PR (print - media releases, radio and online), development of collateral, creation of a dedicated section on our website, Facebook advertising and the implementation of a radio advert.

### Some high level outputs:

#### Press:

19 articles (18 regional + 1 national)

*Skillnets Jobs Fair Poster*



## Overview of Key Departments



### Radio:

4 regional broadcasts, 2 national broadcasts, series of radio adverts on Galway Bay FM

### Online:

Featured on 39 other websites  
Skillnets Jobs Fair page - 3,705 visitors

## Publications

The team published a bi-annual newsletter *Skillnets News*, detailing ongoing activities of Skillnets corporately and innovations and progress of networks across all programmes. The newsletter was distributed to a wide variety of stakeholders including the relevant government department ministers and press offices, political party press offices, local employment services offices, citizens information centres and libraries. The *Skillnets Annual Report 2011* was published in June.

## Policy support

The team continued to liaise with the Department of Education and Skills (DES), collating responses to over 150 queries and parliamentary questions in 2012 and producing regular updates and reports as requested.

The Evaluation of Skillnets Training Programmes (TNP and Finuas) 2011 report was furnished to all Ministers and Ministers of State in the relevant departments, namely the Department of Education and Skills (DES) Department of Jobs, Enterprise and Innovation (DJEI), Department of Social Protection (DSP), and members of the Joint Oireachtas Committees on Education and Social Protection and Jobs, Enterprise and Innovation. Initial work commenced with the CEO on engagement with

the Joint Oireachtas Committee on Jobs, Enterprise and Innovation on the work of Skillnets.

The team also commenced work on various aspects of the new eGovernment strategy for 2012-2015. 2013 will see much more detailed work in this area. The team also commenced work towards compliance under the Ombudsman (Amendment) Act 2012.

## ManagementWorks

Early in 2012 the team worked on the name and brand development for the new management development pilot training programme, which became known as ManagementWorks. A new mobile responsive website was designed for the programme, [www.managementworks.ie](http://www.managementworks.ie). All promotional activity was supported by Skillnets Communications team and included some pilot digital advertising campaigns targeting SME owner-managers on Facebook which helped to generate a 300% increase in visitor traffic to the new site.

## New Call 2013

In late 2012 the Communications team commenced planning a promotional campaign for a new fund for training networks in 2013 to include the development of a brand and message for the announcement, a PR campaign to be run nationwide, development of marketing collateral, development of a dedicated funding section on the Skillnets website and planning of advertising campaigns.

*Skillnets News* Issue 13, September 2012  
*Skillnets Annual Report 2011* cover  
*ManagementWorks* advertisement, November 2012

### Finance and Services

The Finance and Services team is responsible for the financial management of the organisation and the provision of financial support to the wider network community within the Training Networks Programme (TNP) and the Finuas Networks Programme (Finuas). The team also ensures the provision of capacity and services needed by the organisation as a whole to deliver its key objectives.

In 2012, Skillnets received the same level of funding from government as in the previous year. This funding was directed at the continuance of the TNP and Finuas programmes in addition to the funding of a pilot programme, ManagementWorks, aimed at increasing the level of management development in small and medium sized enterprises (SMEs).

Administration costs remained similar to the previous year despite the wider programme scope. The team played an active role in supporting all aspects of the programmes with continued focus on simplifying processes both internally and in terms of network requirements.

The team ensured steps were taken to reduce the company's office occupancy costs. It is anticipated these steps will provide savings in the year ahead.

A number of changes were made during the year to enhance the company's information technology processes and data management in support of programmes.

Internal audit attention focused on operational risks associated with IT and data management.

Resources also continued to be made available to provide corroborative assurance on the quality of courses run by networks and the record of programme achievement.

The team provides corporate governance support to the Chief Executive, the Board and Committees of the Board to ensure compliance with the Code of Practice for the Governance of State Bodies.



The company works within a Mandate and Funding Agreement with the Department of Education and Skills (DES) set in place in February 2011. The Funding Agreement makes provision for funding from the National Training Fund (NTF) at the discretion of DES within the annual budgetary estimates process.

**Training Network Programme 2012/13 (TNP Round 6):** In 2012, Skillnets completed the first year of this two-year programme of network-based, enterprise-led training.

**Finuas Networks Programme (Finuas):** The company completed another successful year of the Finuas programme, a similar initiative to TNP for the international financial services sector (IFS).

The company sought to take advantage of its positioning with enterprise-led training to continue making training places available to job-seekers within these two main programmes.

**Job-seekers Support Programme (JSSP):** This programme provides access specifically to job-seekers to relevant training in demand by enterprise coupled with on-the-job work experience. A second full year of the programme was completed in 2012.

Two further initiatives aimed at supporting priority sectors identified by the Expert Group on Future Skills Needs (EGFSN) and new course development were also pursued, both in conjunction with the TNP and Finuas programmes.

**Management Development:** In collaboration with DES, the company had sought to implement the recommendations of the Advisory Group for Small Business concerning SME management development networks. A pilot programme, ManagementWorks, was developed by Skillnets to support the management development needs of SMEs. Skillnets' own subsidiary, Skillnets Services Limited, was tasked with implementing this programme through a number of networks and funds were set aside to complete the pilot in early 2013.

The financial statements of Skillnets Limited are presented in consolidated form this year incorporating the results and financial position of the company and its wholly-owned subsidiary Skillnets Services Limited, following its reactivation to deliver the ManagementWorks pilot programme.

## Future developments

In the year ahead, Skillnets will complete the second year of TNP Round 6 and continue with the Job-seekers Support Programme (JSSP).

A public call for proposals will be held in 2013 with the prospect of bringing new networks to TNP in preparation for a further initiative in 2014.

The company will complete the fifth year of the Finuas programme, following which it will undertake a review of the initiative in the context of policy goals set at its inception.

Skillnets will complete the ManagementWorks pilot programme and undertake an assessment of its effectiveness in increasing the level of management development in SMEs.

## Code of Practice for the Governance of State Bodies

Corporate governance in Skillnets comprises all the systems and procedures employed to direct and manage our operations. The Board is primarily responsible for setting a broad range of policies and ensuring they are implemented. The executive management is responsible for the implementation of policy.

Skillnets adopted the Code of Practice for the Governance of State Bodies in conjunction with the renewal of its Mandate and Funding Agreement with the Department of Education and Skills (DES) and affirms the terms of the Code are being complied with as follows:

### Section 13.1 (ii):

Appropriate procedures have been put in place for financial reporting, internal audit, travel, procurement, and asset disposals and the requirements of these procedures are being complied with.

### Section 13.1 (iii):

Internal financial control - The Board is responsible for Skillnets' system of internal financial control and it exercises this responsibility with the assistance of the Audit and the Finance and General Purpose Committees of the Board. The system of internal control adopted by the company provides reasonable assurance against material error.

The key procedures put in place to provide effective internal financial control include:

- Adequate division of duties
- Review by the Audit and the Finance and General Purpose Committees
- Approval by the Board of all grants and material contracts
- Approval by the Board of the annual budget and the assessment of performance against budgets and targets set
- Liaison of the Audit Committee with both

external and internal auditors at the start and conclusion of audits

- Regular meetings of the Board and the oversight of all payments made

### Section 13.1 (iv)

Skillnets has a comprehensive set of policies and codes covering the conduct of its directors and employees.

### Section 13.1 (v)

Whilst Skillnets is not a state body, the Board affirms that the pay for the Skillnets Chief Executive and employees is within the limits prescribed in Government policy on the pay of Chief Executives and state body employees.

### Section 13.1 (vi)

Fees paid to the Chairman and Directors are within the rates authorised by the relevant Minister.

### Section 13.1 (ix)

Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector are being complied with.

### Section 13.1 (x)

The Government travel policy requirements are reflected in Skillnets travel and expenses policies which are being complied with.

The Board of Skillnets has also reviewed and agreed to a set of identifiable risks for ongoing examination by the Board at its scheduled meetings and has also agreed a Risk Management Policy which is also the subject of ongoing review and amendment.

The Board has held a review of its own performance and has conducted an assessment of strategy for the future which is reflected in *Skillnets Statement of Strategy*.

The Board has in place a specific and well-defined set of Terms of Reference for itself and the four Board Committees.

## Directors & CEO

Attendance of directors at Board and Board Committee meetings during the year was as follows:

	Board	Board Committees			
		Evaluation & Performance Monitoring (EPM)	Audit	Finance & General Purpose (FGP)	Policy, Research & Communications (PRC)
<b>Total no. meetings 2012</b>	6	3	2	3	2
Domhnall MacDomhnaill (Chairperson)	6			3	
Eamon Devoy <sup>2</sup>	5		1	1	
Mairéad Divilly	3		2	3	
George Hennessy	5				-
Terry Hobdell <sup>3</sup>	3	2			2
Nuala Keher	5				2
Karl McDonagh <sup>3</sup>	2				2
Brendan McGinty	6				1
Henry Murdoch	5	3			
Paul O'Brien <sup>4</sup>	4			2	
Peter Rigney	4	2	2		
Niall Saul	3		-	1	
Ian Talbot	5	3			

### NOTES:

- 1 Mícheál Ó Fiannachta resigned from the Board on 31st January 2012.
- 2 Eamon Devoy was appointed to the Audit and FGP Committees on 2nd February 2012 replacing Peter Rigney who retired from both committees.
- 3 Terry Hobdell and Karl McDonagh were appointed to the PRC Committee on 2nd February 2012.
- 4 Paul O'Brien was appointed to the Board on 7th June 2012 and to the Audit and FGP Committees on 6th September 2012.

The following expenses were paid to directors in 2012.

Name	Amount €
Domhnall MacDomhnaill (Chairperson)	3,374
Henry Murdoch	114

The salary paid to the Chief Executive in 2012 was €119,136. A contribution of €13,236 was made to the Chief Executive's pension scheme. The salary of the Chief Executive has not increased since April 2008 and in February 2011, the Chief Executive undertook a voluntary reduction of 10% of his salary.

### Ethics in Public Office Act, 1995 and Standards in Public Office Act, 2001

All Skillnets Board members and staff holding designated positions have completed statements of interest in compliance with the provisions of the Acts.

### Freedom of Information Acts, 1997, & 2003

Skillnets operates in accordance with the Acts. Requests for information should be addressed to the FOI Officer, Skillnets Ltd., Q House, 76 Furze Road, Sandyford, Dublin 18.

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# Financial Information & Statement of Results

## Skillnets Limited

### Reports and Consolidated Financial Statements for the year ended 31 December 2012

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# Skillnets Limited

## Directors and Other Information

### **DIRECTORS**

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Domhnall MacDomhnaill (Chairman)  
Terry Hobdell  
Nuala Keher  
Henry Murdoch  
Niall Saul  
Mairéad Divilly  
Brendan McGinty  
Peter Rigney  
Ian Talbot  
George Hennessy  
Karl McDonagh  
Eamon Devoy  
Paul O'Brien

### **SECRETARY**

---

Alan Nuzum

### **REGISTERED OFFICE**

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5th Floor  
Q House  
76 Furze Road  
Sandyford  
Dublin 18

### **REGISTERED NUMBER**

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298694

### **AUDITORS**

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Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

### **SOLICITORS**

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Philip Lee Solicitors  
7/8 Wilton Terrace  
Dublin 2

### **PRINCIPAL BANKERS**

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Bank of Ireland  
Lower Baggot Street  
Dublin 2



## Skillnets Limited Directors' Report

The directors submit their annual report, together with the audited consolidated financial statements, for the year ended 31 December 2012.

### PRINCIPAL ACTIVITIES

Skillnets Limited ("the Company") was incorporated on 17 December 1998. The Company was formed to provide grants for the promotion, formation and successful operation of enterprise-led training networks under the Training Networks Programme. This is funded by the Department of Education and Skills (DES).

### RESULTS FOR THE YEAR

Surplus for the financial year amounted to:	€ Nil
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### FAIR REVIEW OF DEVELOPMENT AND PERFORMANCE OF THE BUSINESS AND PRINCIPAL RISKS AND UNCERTAINTIES

In the normal course of business, the Company is exposed to strategic, operational, funding and reputational risks all of which are managed in accordance with the policies approved by the Board. The Company maintains a comprehensive strategic and operational risk register which outlines principal risks and mitigating policies. The risk register is subject to review by the Board on an on-going basis and the Board is at all times conscious that maintaining the reputation of the organisation is critical.

The Company's Mandate and Funding Agreement with the Department of Education and Skills (DES) makes provision for funding from the National Training Fund (NTF) within the annual budgetary estimates process. The Company has contracted with a number of promoter organisations to fund training networks. This commitment has been made contingent upon the funds being made available to the Company. In this regard, we draw your attention to the disclosures set out in Note 1 to the financial statements.

A subsidiary company, Skillnets Services Limited, formed in 2005, provided professional services to the Department of Enterprise, Trade and Employment (DETE). In 2012, Skillnets Services Limited was engaged by its parent, Skillnets Limited, to deliver the ManagementWorks programme on a pilot basis to enhance the level of management development in small and medium enterprises (SMEs). The ManagementWorks programme is operated as a training network, on a not-for-profit basis and is co-funded by grants from Skillnets Limited and contributions from participating enterprises. The pilot programme is expected to conclude in mid 2013.

### GOVERNANCE AND COMMITTEES

In addition to the Board, which meets on average six times a year and is responsible for the strategy and overall performance of the Company, the directors also participate in four Committees:

- a. Finance and General Purpose Committee:  
The Finance and General Purpose Committee consists of the Chair and four non-executive Board members. The Committee meets on average three times a year and reviews in detail all issues of a financial and general nature unless specifically covered by another Committee.
- b. Evaluation and Performance Monitoring Committee:  
The Evaluation and Performance Monitoring Committee consists of four non-executive Board members. The Committee meets on average three times a year to review assessment of grant funding proposals and to make recommendations on funding proposals to the Board.
- c. Audit Committee:  
The Audit Committee consists of four non-executive Board members. The Committee meets on average three times a year and is responsible for the oversight of the Company's audit and control functions. This includes financial reporting and accounting, external audit, regulatory compliance, the effectiveness of the internal control environment and processes, and risk management.

- d. Policy, Research and Communications Committee:  
The Policy, Research and Communications Committee consists of five non-executive Board members. The Committee meets on average twice a year and the objectives of the Committee are to review and make recommendations to the Board in relation to communications and public affairs strategy and outcomes, key messages in media relations and the Company position in public submissions; the Company training, research and best practice development agenda and priorities.

### **DIRECTORS**

The current directors and secretary are listed on page 62. Paul O'Brien was appointed to the Board on 7 June 2012.

### **BOOKS OF ACCOUNT**

The measures taken by the directors to secure compliance with the Company's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. The books of account are kept at 5th Floor, Q House, 76 Furze Road, Sandyford, Dublin 18.

### **AUDITORS**

The auditors, Deloitte & Touche, Chartered Accountants, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

Signed on behalf of the Board:



Director



Director

Date: 21.03.13

## **Skillnets Limited Statement of Directors' Responsibilities**

Irish company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the result of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2012. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent Auditor's Report to the Members of Skillnets Limited

### (A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

We have audited the financial statements of Skillnets Limited for the year ended 31 December 2012 which comprise the Consolidated Financial Statements: the Consolidated Income and Expenditure Account, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Company Financial Statements: the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall

presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Consolidated Financial Statements for the year ended 31 December 2012 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the group's and of the parent company's affairs as at 31 December 2012 and of the group's result for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

#### Matters on which we are required to report by the Companies Acts, 1963 to 2012

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the parent company.
- The parent company's financial statements are in agreement with the books of account.
- In our opinion the information given in the directors' report is consistent with the financial statements.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts, 1963 to 2012 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Kevin Sheehan

For and behalf of Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm,  
Dublin

Date: 21 March 2013

# Skillnets Limited

## Statement of Accounting Policies

The significant accounting policies adopted by the Company are as follows:

### **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with Accounting Standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2012. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

The consolidated financial statements include the parent company, Skillnets Limited and its wholly owned subsidiary, Skillnets Services Limited.

### **ACCOUNTING CONVENTION**

The financial statements have been prepared under the historical cost convention in accordance with accounting principles generally accepted in Ireland and are expressed in Euro (€).

### **DEPARTMENT FUNDING**

Funding from the Department of Education and Skills (DES) is received to meet both revenue and minor capital expenditure. This is credited to deferred income on receipt and is transferred to income and expenditure account to match expenditure as it is incurred.

### **PROGRAMME FUNDING**

Matching funding from participating enterprises is received by Skillnets Services Limited to meet expenditure for the ManagementWorks pilot programme. Matching funding for courses invoiced is deferred in accordance with the timing of the course. Any surplus arising from the pilot programme on its completion is refundable to the Company's parent, Skillnets Limited.

### **PROGRAMME COSTS**

Programme costs represent programme support and grant payments made to fund the operations of projects on behalf of the Company for the formation and successful operation of enterprise-led networks including the ManagementWorks programme. ManagementWorks programme costs are accounted for on an invoice basis and deferred in accordance with the timing of the course.

### **PENSIONS**

The Company operated a Personal Retirement Savings Account (PRSA) for certain staff members until the creation of a defined contribution scheme during the year. The subsidiary company operates a defined contribution pension scheme for certain staff members. Pension contributions in respect of the scheme are charged to the income and expenditure account as they become payable. The assets are held separately from those of the Company in an independently administered fund.

### **TANGIBLE ASSETS**

Tangible fixed assets are stated at cost less depreciation. Depreciation is charged for leasehold improvements over the term of the lease obligation. Depreciation is charged for all other fixed assets at a rate of 33% using the straight line method.

## Skillnets Limited

### Consolidated Income and Expenditure Account

for the year ended 31 December 2012

	Notes	2012 €	2011 €
<b>INCOME</b>	2	13,815,678	14,504,938
Programme costs		(11,698,990)	(12,385,777)
<b>GROSS SURPLUS</b>		2,116,688	2,119,161
Administration costs		(2,118,869)	(2,127,784)
<b>OPERATING DEFICIT</b>		(2,181)	(8,623)
Interest income		2,908	11,498
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	727	2,875
Taxation	4	(727)	(2,875)
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		-	-

Income and expenditure arose solely from continuing activities. There were no recognised gains or losses other than those dealt with in the Income and Expenditure Account.

The financial statements were approved by the Board of Directors on 21.03.13 and signed on its behalf by:



Director



Director

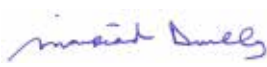
## Skillnets Limited Consolidated Balance Sheet as at 31 December 2012

	Notes	2012 €	2011 €
<b>FIXED ASSETS</b>			
Tangible assets	6	11,829	10,549
<b>CURRENT ASSETS</b>			
Debtors	7	348,155	92,743
Cash at bank and in hand	8	1,029,886	253,982
		<b>1,378,041</b>	<b>346,725</b>
<b>CREDITORS:</b> (Amounts falling due within one year)	9	<b>(1,228,795)</b>	<b>(196,199)</b>
<b>NET CURRENT ASSETS</b>		<b>149,246</b>	<b>150,526</b>
		<b>161,075</b>	<b>161,075</b>
<b>NET ASSETS</b>		<b>161,075</b>	<b>161,075</b>
<b>CAPITAL AND RESERVES</b>			
Income and expenditure account	11	161,075	161,075

The financial statements were approved by the Board of Directors on 21.03.13 and signed on its behalf by:



Director



Director

## Skillnets Limited

### Company Balance Sheet

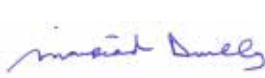
as at 31 December 2012

	Notes	2012 €	2011 €
<b>FIXED ASSETS</b>			
Financial assets	5	1	1
Tangible assets	6	11,829	10,549
		<hr/>	<hr/>
		11,830	10,550
<b>CURRENT ASSETS</b>			
Debtors	7	62,403	92,743
Cash at bank and in hand	8	94,403	92,906
		<hr/>	<hr/>
		156,806	185,649
<b>CREDITORS:</b>	9	(168,636)	(196,199)
(Amounts falling due within one year)		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(11,830)	(10,550)
		<hr/>	<hr/>
<b>NET ASSETS</b>		-	-
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Income and Expenditure account	11	-	-
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors on 21.03.13 and signed on its behalf by:



Director



Director

### Skillnets Limited

## Consolidated Cash Flow Statement

for the year ended 31 December 2012

	Notes	2012 €	2011 €
Cash inflow / (outflow) from operating activities	12	788,494	(676,006)
Returns on investments and servicing of finance	13	2,908	11,498
Capital expenditure and financial investment	13	(15,498)	(4,106)
Taxation paid		-	(5,215)
Increase / (decrease) in cash	14	<u>775,904</u>	<u>(673,829)</u>

## Reconciliation of Net Cash Inflow / (Outflow) to Movement in Net Funds

	Notes	2012 €	2011 €
Increase / (decrease) in cash in the year		775,904	(673,829)
Net funds at 1 January		253,982	927,811
Net funds at 31 December	14	<u>1,029,886</u>	<u>253,982</u>



## Skillnets Limited

# Notes to the Consolidated Financial Statements

### for the year ended 31 December 2012

#### 1. BASIS OF ACCOUNTING

The income and expenditure account for the year ended 31 December 2012 records a breakeven position consistent with previous years.

The Mandate and Funding Agreement with the Department of Education and Skills (DES) was revised on 11 January 2011 and will continue for the foreseeable future until such time as the Minister for Education and Skills shall deem otherwise. The Company has contracted with a number of promoter organisations to fund training networks, including Skillnets Services Limited for the ManagementWorks Programme. The commitment has been made contingent upon the necessary funds being made available to the Company by the Department.

#### 2. INCOME

	2012 €	2011 €
Department of Education and Skills (Note 10)	13,782,028	14,504,938
ManagementWorks matching funding from enterprise	33,650	-
	<u>13,815,678</u>	<u>14,504,938</u>

#### 3. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

Surplus on ordinary activities before taxation has been arrived at after charging:

	2012 €	2011 €
Staff costs		
- wages and salaries	1,309,502	1,241,936
- social welfare costs	134,375	120,764
	<u>1,443,877</u>	<u>1,362,700</u>
Auditors' remuneration	16,000	12,000
Depreciation	14,338	9,860

Directors' remuneration is disclosed separately in Note 17.

Auditors' remuneration disclosure (excluding Value Added Tax)

- Audit	16,000	12,000
- Tax advisory services	1,500	1,500
- Other assurance services	-	-
- Other non-audit services	1,200	1,200

## Skillnets Limited

### Notes to the Consolidated Financial Statements

for the year ended 31 December 2012

4. TAXATION	2012	2011
	€	€
Interest income	2,908	11,498
<b>Current tax:</b>		
Irish corporation tax on passive income at 25%	727	2,875

It has been agreed with the Revenue Commissioners that Skillnets Limited is not subject to corporation tax on its principal activities but is subject to corporation tax on its other income including deposit interest income. The Company is only taxable on passive income. There are no known factors which may affect future tax charges. Skillnets Services Limited had no taxable surplus for the financial year.

## 5. FINANCIAL ASSETS

Financial assets represent a 100% holding in its subsidiary Skillnets Services Limited, a company incorporated in Ireland on 5 July 2005. Skillnets Services Limited provided professional services for the Department of Enterprise, Trade and Employment (DETE) which ceased to operate following the completion of the Accel Programme at the end of 2008. In 2012 the subsidiary was engaged by its parent, Skillnets Limited to deliver the ManagementWorks programme on a pilot basis to enhance the level of management development in small and medium enterprises. The ManagementWorks programme is operated on a not-for-profit basis and is co-funded by grants from Skillnets Limited and contributions from participating enterprises.

Skillnets Services Limited has its registered office at Q House, Sandyford recorded a nil position after taxation in 2012 (2011:€nil). At 31 December 2012 it had net assets of €161,076 (2011:€161,076).

6. FIXED ASSETS Group & Company	Office Equipment €	Fixtures and Fittings €	Computers €	Total €
<b>Cost:</b>				
At 1 January 2012	15,596	121,136	447,844	584,576
Additions	-	327	15,291	15,618
Disposals	-	-	(75,583)	(75,583)
<b>At 31 December 2012</b>	<b>15,596</b>	<b>121,463</b>	<b>387,552</b>	<b>524,611</b>

## Skillnets Limited

### Notes to the Consolidated Financial Statements

for the year ended 31 December 2012

<b>6. FIXED ASSETS (continued)</b>	<b>Office Equipment</b>	<b>Fixtures and Fittings</b>	<b>Computers</b>	<b>Total</b>
	€	€	€	€
<b>Accumulated depreciation:</b>				
At 1 January 2012	14,248	121,136	438,643	574,027
Disposals	-	-	(75,583)	(75,583)
Charge for the year	1,100	109	13,129	14,338
<b>At 31 December 2012</b>	<b>15,348</b>	<b>121,245</b>	<b>376,189</b>	<b>512,782</b>
<b>Net book values:</b>				
<b>At 31 December 2012</b>	<b>248</b>	<b>218</b>	<b>11,363</b>	<b>11,829</b>
At 31 December 2011	1,348	-	9,201	10,549
<b>7. DEBTORS</b> (Amounts due within one year)	<b>Group 2012</b>	<b>Group 2011</b>	<b>Company 2012</b>	<b>Company 2011</b>
	€	€	€	€
Grant debtor	4,506	59,154	4,506	59,154
Prepayments and other debtors	123,788	32,203	57,238	32,203
Corporation tax	659	1,386	659	1,386
Prepaid future programme cost	206,340	-	-	-
Value Added Tax receivable	12,862	-	-	-
	<b>348,155</b>	<b>92,743</b>	<b>62,403</b>	<b>92,743</b>
<b>8. CASH AT HAND AND IN BANK</b>	<b>Group 2012</b>	<b>Group 2011</b>	<b>Company 2012</b>	<b>Company 2011</b>
	€	€	€	€
Parent company bank account	94,403	92,906	94,403	92,906
<u>Subsidiary bank accounts</u>				
ManagementWorks	774,413	-	-	-
Other	161,070	161,076	-	-
	<b>1,029,886</b>	<b>253,982</b>	<b>94,403</b>	<b>92,906</b>

## Skillnets Limited

### Notes to the Consolidated Financial Statements for the year ended 31 December 2012

9. CREDITORS (Amounts falling due within one year)	Group 2012 €	Group 2011 €	Company 2012 €	Company 2011 €
Deferred income (note 10)	778,175	60,203	31,095	60,203
Accruals	139,679	135,996	135,679	135,996
ManagementWorks programme creditors	240,479	-	-	-
Value added tax	1,862	-	1,862	-
Match funding from enterprise deferred	68,600	-	-	-
	<u>1,228,795</u>	<u>196,199</u>	<u>168,636</u>	<u>196,199</u>

10. DEFERRED INCOME	2012 €	2011 €
Opening balance	60,203	65,141
Received during year	14,500,000	14,500,000
Credited to income and expenditure account	(13,782,028)	(14,504,938)
Deferred at 31 December	<u>778,175</u>	<u>60,203</u>
Parent company	31,095	60,203
Subsidiary ManagementWorks	747,080	-
Deferred at 31 December	<u>778,175</u>	<u>60,203</u>

11. INCOME AND EXPENDITURE ACCOUNT	2012 €	2011 €
Parent Company: Skillnets Limited	-	-
Subsidiary Company: Skillnets Services Limited	161,075	161,075
	<u>161,075</u>	<u>161,075</u>

**Skillnets Limited****Notes to the Consolidated Financial Statements**  
for the year ended 31 December 2012**12. RECONCILIATION OF OPERATING DEFICIT  
TO OPERATING CASH FLOW**

	2012 €	2011 €
Operating deficit before interest income	(2,181)	(8,623)
Depreciation	14,338	9,860
Increase in debtors	(256,139)	(52,025)
Increase / (decrease) in creditors	1,032,596	(625,068)
Gain on disposal of fixed assets	(120)	(150)
Net cash inflow / (outflow) from operating activities	<u>788,494</u>	<u>(676,006)</u>

**13. ANALYSIS OF CASH FLOWS FOR HEADINGS  
NETTED IN THE CASH FLOW STATEMENTS**

	2012 €	2011 €
<b>Returns on investment and servicing of finance</b>		
Interest received	<u>2,908</u>	<u>11,498</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(15,618)	(4,256)
Sale of tangible fixed assets	120	150
Net cash outflow for capital expenditure and financial investment	<u>(15,498)</u>	<u>(4,106)</u>

**14. ANALYSIS OF NET FUNDS**

	At 31 December 2011 €	Cash Flow	At 31 December 2012 €
Cash at hand and in bank	<u>253,982</u>	<u>775,904</u>	<u>1,029,886</u>

## Skillnets Limited

### Notes to the Consolidated Financial Statements

#### for the year ended 31 December 2012

#### 15. MEMBERSHIP

The Company is a company limited by guarantee and not having a share capital. Every member is liable for the debts and liabilities of the Company in the event of a winding up, for such amount as may be required but not exceeding €1 each. The number of members at 31 December 2012 was 14 (2011: 13), being each of the directors.

#### 16. FINANCE COMMITMENTS

The Company had an annual commitment of €265,620 on the occupational lease of its premises in Sandyford at the year end. The lease was for 9 years and 11 months with a break clause on the 5th anniversary of the commencement date of 14 July 2008. Prior to the year end the company exercised this break clause.

In 2013, the company entered into a new lease agreement for a five year term with a break clause on the 3rd anniversary of the commencement date of 1 January 2013. The annual commitment on the new occupational lease is €104,512.

#### 17. DIRECTORS' REMUNERATION

##### Company

	2012	2011
	€	€
Fees	<u>50,873</u>	<u>48,195</u>

In addition, a number of directors have waived their fee entitlement and instead opted to have a similar amount paid to their representative organisations. During the year, payments of €23,940 (2011: €17,010) were made on this basis.

	Payment Details	
	2012	2011
	€	€
<b>Name</b>		
Domhnall MacDomhnaill	8,978	8,505
Terry Hobdell	5,985	5,670
Sexton Cahill	-	5,670
Niall Saul	5,985	5,670
Mairéad Divilly	5,985	5,670
Brendan McGinty	5,985	5,670
Henry Murdoch	5,985	5,670
Nuala Keher	5,985	5,670
Karl McDonagh	5,985	-
	<u>50,873</u>	<u>48,195</u>

## Skillnets Limited

### Notes to the Consolidated Financial Statements

for the year ended 31 December 2012

#### 17. DIRECTORS' REMUNERATION (continued)

		Payment Details	
		2012	2011
		€	€
George Hennessy	to Construction Industry Federation	5,985	5,670
Ian Talbot	to Chambers Ireland	5,985	5,670
Peter Rigney	to Irish Congress of Trade Unions	5,985	5,670
Eamon Devoy	to Technical, Engineering and Electrical Union (TEEU)	5,985	-
		<b>23,940</b>	<b>17,010</b>

Fees paid in 2011 are lower than 2012 due to the recovery in 2011 of €473 and €315 from the Chairman and each of the other directors respectively as the amounts paid in the year 2010 exceeded those approved for Category 4 - Non Public Services Bodies.

Out of pocket expenses paid to directors in the year amounted to €3,488 (2011: €4,090).

Domhnall MacDomhaill	3,374	2,361
Nuala Keher	-	1,613
Henry Murdoch	114	116
	<b>3,488</b>	<b>4,090</b>

#### 18. EMPLOYEES

	2012	2011
	Number	Number
The number of full time equivalent persons employed by the Company during the year was as follows	<b>24</b>	<b>20</b>

#### 19. PENSIONS

The Company operated a Personal Retirement Savings Account (PRSA) for certain staff members until the creation of a defined contribution scheme during the year. The subsidiary operated a defined contribution scheme throughout the year. The assets of each scheme are held separately from those of the Company. The charge for the year for the schemes was €123,421 (2011: €113,997).

The amount owing at 31 December 2012 was Nil (2011: €15,355).

# Skilnets Board and Committees 2012

## Business and Employers Representatives



**Domhnall MacDomhnaill**  
(Chairperson)  
Irish Business & Employers  
Confederation (IBEC)

Committee:  
Chair: Finance and  
General Purpose



**Brendan McGinty**  
Irish Business & Employers  
Confederation (IBEC)

Committee:  
Policy, Research  
and Communications



**Niall Saul**  
Irish Business & Employers  
Confederation (IBEC)

Committees:  
Audit and Finance  
and General Purpose



**Karl McDonagh**  
Irish Business & Employers  
Confederation (IBEC)

Committee:  
Policy, Research  
and Communications



**Ian Talbot**  
Chambers Ireland

Committee:  
Evaluation and Performance  
Monitoring



**George Hennessy**  
Construction Industry  
Federation (CIF)

Committee:  
Policy, Research  
and Communications



**Mairéad Divilly**  
Small Firms Association  
(SFA)

Committees:  
Chair: Audit and Finance  
and General Purpose



## Ministerial Representatives



**Mícheál Ó Fiannachta**

Committees:  
Audit and Finance  
and General Purpose

Resigned 31.01.12



**Paul O'Brien**

Committees:  
Audit and Finance and  
General Purpose

Appointed 07.06.12



**Terry Hobdell**

Committees:  
Evaluation and Performance  
Monitoring and Policy,  
Research and  
Communications



**Henry Murdoch**

Committee:  
Chair: Evaluation and  
Performance Monitoring

## Employee Representatives



**Nuala Keher**

Irish Congress of Trade  
Unions (ICTU)

Committee:  
Chair: Policy, Research  
and Communications



**Peter Rigney**

Irish Congress of Trade  
Unions (ICTU)

Committees:  
Evaluation and Performance  
Monitoring



**Eamon Devoy**

Irish Congress of Trade  
Unions (ICTU)

Committees:  
Audit and Finance  
and General Purpose



**Alan Nuzum**

## Secretary

# Appendices

## 1. Advisory Bodies

In 2012 Skillnets participated in, and was represented on many national bodies, committees and advisory groups, including the following:

- Expert Group on Future Skills Needs (EGFSN)
- 

- FETAC Standards Advisory Board  
FETAC Standards Development Group (Business)
- 

- Léargas - selection committee
- 

- CEDEFOP

Skillnets has participated in and helped to facilitate various CEDFOP projects.

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## 2. TNP 2012 Network Listing

Skillnet	Region	Sector
<b>A</b> ACIST Skillnet	Mid West	Mixed
<b>B</b> BiznetCork Skillnet	South West	Mixed
Business Excellence Skillnet	National	Business, Manufacturing, Pharmaceutical, Services
<b>C</b> Carlow Kilkenny Skillnet	South East	Mixed
CCMA Ireland Skillnet	National	Call Centre & Shared Services
CITA Skillnet	National	Construction
County Tipperary Skillnet	South East Mid West	Construction
CPA Ireland Skillnet	National	Business
<b>D</b> Design, Print & Packaging Skillnet	National	Manufacturing, Services, Design, Print & Packaging
Digital Media Forum Skillnet	National	Technology
<b>F</b> Farm Business Skillnet	National	Mixed
First Polymer Training Skillnet	National	Engineering, Life Sciences, Manufacturing
<b>G</b> Galway Executive Skillnet	West	Mixed
Gréasán na Meán Skillnet	West	Media/Audiovisual, Digital, Online & Print Media
<b>H</b> HPSU Skillnet	West	Mixed
<b>I</b> IBEC Retail Skillnet	National	Retail
ICOS Skillnet	National	Agriculture
ICT Ireland Skillnet	National	Technology
Innovation & Lean Sigma Skillnet	National	Mixed
IPFMA Skillnet	National	Property & Facility Management
Irish Franchising Skillnet	National	Business, Food & Drink, Health, Mixed, Services
ISA Software Skillnet	National	Software
ISME Skillnet	National	Mixed
ITAG Skillnet	West	ICT Manufacturing & Services, Technology
<b>L</b> Law Society Skillnet	National	International Financial Services, Services,
Leading Healthcare Providers Skillnet	National	Health, Services
Learning Waves Skillnet	National	Independent Commercial Radio Sector
Life Sciences Skillnet	National	Food & Drink, Life Sciences, Medical Devices, Manufacturing, Pharmaceutical, Technology
Limerick Chamber Skillnet	Mid West	Mixed
<b>M</b> MBE Skillnet	National	Mixed

Skillnet	Region	Sector
<b>N</b> National Organic Training Skillnet	National	Agriculture
<b>O</b> Outsourcing Skillnet	National	Business, Mixed, Retail, Services, Technology
<b>P</b> PharmaChem Skillnet	National	Life Sciences, Pharmaceutical
Positive2Work Skillnet	National	Mixed
<b>R</b> Refrigeration Skillnet	National	Mixed
RIAI Skillnet	National	Construction
ROLE Skillnet	National	Mixed
Rural Enterprise Skillnet	National	Agriculture, Business, Construction, Health, Mixed
Rural Food Skillnet	National	Mixed
<b>S</b> Social Media Skillnet	National	Business, ICT Manufacturing & Services, Media/ Audiovisual, Services, Technology
South East Micro Skillnet	National	Business, Construction, Mixed
South Kerry Skillnet	South West	Mixed
South West Gnó Skillnet	South West	Mixed
Space Industry Skillnet	National	Technology, Space
<b>T</b> Taste4Success Skillnet	National	Food & Drink
Tech Northwest Skillnet	Border	Mixed
Trade Union Skillnet	National	Trade Unions
Trainers Learning Skillnet	National	Mixed
Travel Professionals Skillnet	National	Services, Tourism & Travel, Transportation
<b>U</b> ULearning Skillnet	National	Mixed
<b>W</b> Waterford Chamber Skillnet	South East	Mixed
Wind Skillnet	National	Mixed
<b>X</b> XLVets Skillnet	National	Agriculture, Veterinary

### 3. Finuas 2012 Network Listing

Skillnet	Region	Sector
Aviation Finance Finuas Network	National	International Financial Services - Aviation Finance / Leasing
Law Society Finuas Network	National	International Financial Services, Services
Summit Finuas Network	National	International Financial Services

### 4. Regional Glossary

<b>National:</b>	Nationwide
<b>Border:</b>	The counties of Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo
<b>West:</b>	The counties of Galway, Mayo and Roscommon
<b>Midlands:</b>	The counties of Laois, Longford, Offaly and Westmeath
<b>Mid East:</b>	The counties of Kildare, Meath and Wicklow
<b>Dublin:</b>	The city of Dublin, and the areas of Dun Laoghaire-Rathdown, Fingal and South Dublin
<b>South East:</b>	The counties of Carlow, Kilkenny, Tipperary (South), Waterford and Wexford
<b>South West:</b>	The counties of Cork and Kerry
<b>Mid West:</b>	The counties of Clare, Limerick and Tipperary (North)





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## Skillnets Ltd.

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