

Evaluation of Skillnets Training Networks Programme, Finuas and ManagementWorks in 2015

Submitted to

Skillnets

Prepared by

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Executive Summary

Introduction and Background

This report is submitted to Skillnets by Indecon International Economic Consultants. The report concerns an independent evaluation on the Training Networks Programme (TNP), Finuas Networks Programme ('Finuas') and ManagementWorks activities during 2015.

The background to this evaluation has been the development, since 1999, 2009 and 2012 respectively, of the TNP, Finuas and ManagementWorks programmes. The programmes, which are funded from the National Training Fund (NTF) administered through the Department of Education and Skills (the Department issues an annual allocation letter, which sets out policy and administrative issues for Skillnets to adhere to), operate on the basis of a networks model, whereby networks of enterprises engage in the design, management and delivery of specific training programmes to employees as well as to jobseekers across a broad range of sectors nationwide. ManagementWorks, which was established in 2012 under the Government's *Action Plan for Jobs*, has the overall objective of addressing the need to enhance the level of management capability of small and medium-sized firms. ManagementWorks is operated centrally from Skillnets' headquarters, whereas the TNP and Finuas programmes are operated through a series of 62 networks (59 TNP and 3 Finuas as of 2015), having a wide geographic and sectoral spread.

The overall objective of this assignment was to conduct an evaluation of the TNP and Finuas programmes, in addition to ManagementWorks during 2015. The evaluation takes place at programme, training activity and network levels. Since 2010 Skillnets have also provided free training supports to jobseekers, and the evaluation includes an assessment of jobseeker training provided under the TNP and Finuas programme and also under the exclusive Job Seekers Support Programme (JSSP). The methodology applied in completing the evaluation was designed to ensure an independent and rigorous evaluation of the TNP, Finuas and ManagementWorks programmes, and associated funding streams. The evaluation, which is supported by extensive new primary research, stakeholder engagement and detailed analysis, includes a particular focus on assessing the alignment of activities and outcomes with the requirements of the NTF, including the need to ensure value for money in the utilisation of public resources.

Key Conclusions from Evaluation of 2015 Activities

Funding and Expenditures

During 2015, Skillnets operated 63 networks across the TNP, Finuas and ManagementWorks programmes. Overall, Skillnets remained within budget during the year, with total expenditure, including network and other costs, amounting to just over €28 million versus a budget of €28.7 million. Operating costs during 2015, including central administration and programme support costs, remained below 9% of overall expenditure, while network management costs (including ManagementWorks) remained significantly below the DES ceiling of 25% of network expenditure. At programme level, the TNP represented the majority (€19 million or 74.1%) of Skillnets' overall expenditure during 2015.

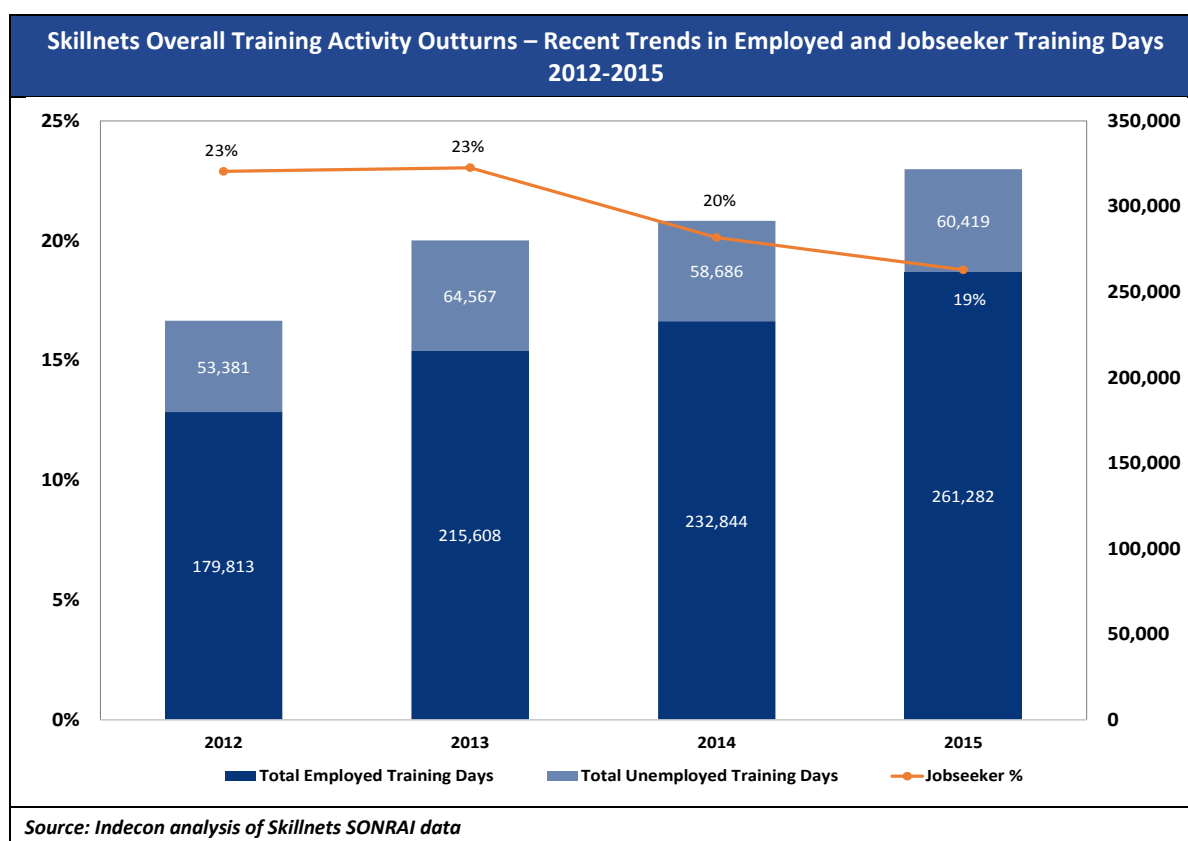
Given the need to demonstrate value for money in utilization of public funding via the National Training Fund, of importance is the extent of funding leverage achieved through network member company matching funding. Skillnets' overall expenditure during 2015 was funded through a combination of €13.9 million in NTF grant funding and €11.7 million in matching company funding. Excluding the JSSP (which is fully publicly funded), Skillnets achieved a matching company funding rate of 51.2%, implying that in terms of leverage, for every €1 of State funding, member companies provided €1.05 of matching funds in 2015. Continuing to maximize the contribution from member company funding will be important from the perspective of not only demonstrating value for money in the application of public funds, but also in relation to mitigating the deadweight associated with any such training programmes.

Training Activity Overview

Skillnets achieved its overall training activity targets, as set by the Department of Education and Skills, for 2015. The key achievements were as follows:

- **Total Trainees = 48,076 in 2015** (vs. DES target of 42,000) and +5.8% viz. 2014;
- **Total Training Days = 321,701** (vs. DES target of 250,000) and +10% viz. 2014;
- **In-Employment Training Days = 245,371** (vs. DES target of 195,000) and +12% viz. 2014; and
- **60,419 training days to 6,695 Unemployed/Jobseeker Trainees** (vs. DES target of 55,000 days).

The recent movements in training participation and activity levels have been influenced by the wider economic and labour market environment, including the recovery in member companies' training budgets and demand for in-employment training, and the decline in the Live Register. In this respect, it is notable that while in-employment training continued to expand strongly during 2015, jobseeker training activity levels have been flat to declining (training days increasing by 3% but jobseeker trainee numbers falling by 2.4% in 2015). Importantly, in relative terms the percentage of overall training days provided to jobseekers has fallen from 23% in 2012 to 19% in 2015 (see figure below). This raises a strategic issue for Skillnets' strategy in terms of the organisation's positioning in relation to in-employment and jobseeker training.



Enterprise Participation

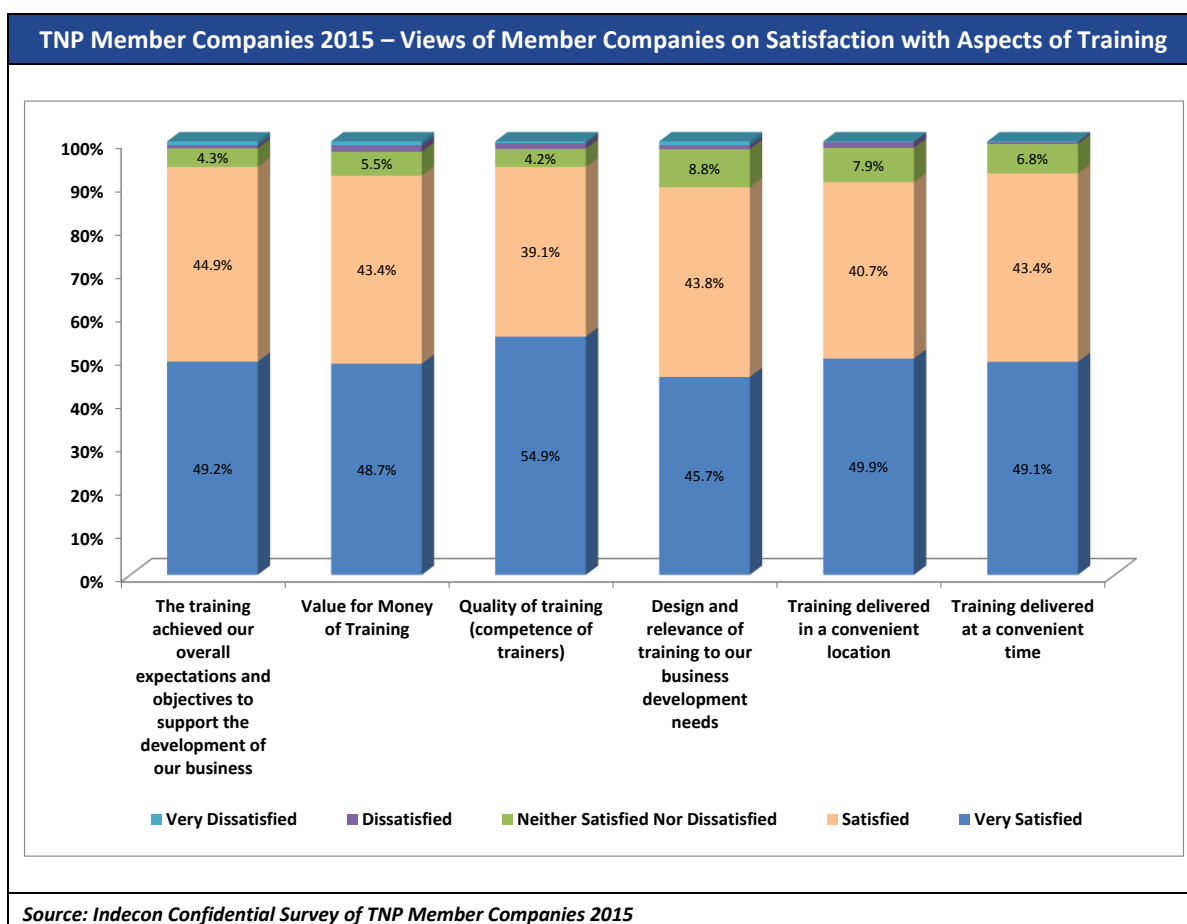
In relation to enterprise participation, a total of 12,861 companies participated in TNP, Finuas and ManagementWorks networks during 2015. This compared with 10,879 in 2014 and 10,145 in 2013, implying an annual increase of 18.2% in 2015 after a 7.2% growth in 2014. The outcomes demonstrate continued annual growth in TNP membership (with 95% of firms being SMEs), and a recovery in Finuas membership after a previous decline in 2014. However, there was a noticeable decline in participation in ManagementWorks, where the number of enterprises fell from 620 in 2014 to 491 in 2015, despite the wider economic recovery.

Training Networks Programme

The Training Networks Programme represents Skillnets' core training programme, delivering in-employment training across 59 regionally and sectorally diverse networks during 2015. The key findings from the evaluation of the TNP were as follows:

- ❑ The TNP continued to achieve its objectives and to receive positive stakeholder feedback.
- ❑ TNP programme expenditure amounted to €18.7 million in 2015 within 59 networks and 11,937 member companies, and across a diverse range of regions and sectors.
- ❑ Almost a quarter of TNP member companies that responded to Indecon's survey indicated that they had not participated in TNP training prior to 2015. The fact that almost a quarter of member companies were new in 2015 suggests that TNP has been able to attract new member companies and develop new partnerships.
- ❑ The programme provided in-employment upskilling to 39,740 trainees over 222,911 training days during 2015. Training days increased by 9.9% and 6% in 2015 and 2014, respectively. Trainee numbers have expanded as the wider Irish economy and labour market has recovered, increasing by over 7% during 2015.
- ❑ The research found high levels of employment retention among TNP trainees, with 98.5% of respondents to Indecon's survey of trainees who undertook employed training during 2015 still in employment in April-May 2016.
- ❑ There is also evidence that training partially or primarily contributed to certain pre-defined career development outcomes among trainees. The most significant outcomes attributable to the TNP training were considered by trainees to include securing a promotion; receiving a salary increase; and moving to a more satisfactory job within the company. TNP trainees have also indicated generally high levels of satisfaction with the overall quality of in-employment training provided.
- ❑ TNP Member Companies have indicated strong levels of training effectiveness in addressing skills gaps (89%), while 94% of firms indicated that they were satisfied with Skillnets training during 2015. Where companies participated prior to 2015, a majority indicated that they believed the overall quality of Skillnets training had improved since they first engaged.
- ❑ Research among trainees and member companies indicates the presence of some deadweight, but this is broadly comparable with the levels found in Indecon's previous evaluation of 2013 TNP activities. It is important from the perspectives of maximising net impacts and value for money in the utilisation of public funding through the NTF that ongoing efforts are made to minimise this deadweight and to mitigate its impacts through maximizing member company matching funding.
- ❑ In terms of business impacts, Indecon sought the views of TNP member companies in relation to the benefits of membership of TNP. Among the benefits, it was found that 76.4% of responding firms considered that membership of their TNP network contributed to enhancing the long-term performance of their business.

- The research found generally high levels of satisfaction among TNP member companies. As highlighted in the figure below, over 89% of member companies that responded to Indecon's survey were either satisfied or very satisfied with each aspect of the training. Of the dimensions examined, it was also noteworthy that 92.1% of responding companies were either very satisfied or satisfied in relation to the value for money of the training provided by their network.



Future Skills Needs Programme and the New Certified Programme Development

The Future Skills Needs Programme (FSNP) and the New Certified Programme Development (NCPD) are funding programmes for the development of new training programmes which were first introduced in 2011, and were continued in 2015. The programmes have played a significant role in identifying and facilitating the development of new programmes and courses which respond to emerging and future skill requirements. However, the scale of investment is low and the programmes remain relatively under-utilised. Enhancing the level of investment and expanding the utilisation of FSNP and NCPD across the networks would be important if their potential role is to be fully realised.

Finuas Networks Programme

The evaluation also examined the activities and outcomes of the Finuas programme during 2015. Finuas, which has been operated by Skillnets since 2009, provides training in specialist skills to enhance expertise in and the global competitiveness of the International Financial Services (IFS) sector in Ireland. This covers banking/asset financing, corporate treasury, investment management, aviation finance, securitisation, reinsurance and associated technology and professional services. Importantly in relation to the wider policy context, the programme is aligned with and integrated within the Government's strategy for the IFS sector, IFS2020. The main findings from the evaluation of Finuas activities during 2015 were as follows:

- ❑ The Programme is delivered across the Summit Finuas, Law Society Finuas and Aviation Finance Finuas networks, involving 433 member companies in 2015, 93% of which were SMEs.
- ❑ Overall Finuas programme expenditure for 2015 amounted to €1.7 million, which was within budgeted levels. Just under €1 million or 56% of spend was supported by matching member company funds.
- ❑ Finuas training activity levels have seen strong recent growth, with in-employment training provided to 1,641 trainees over 22,460 training days during 2015 – levels that were 11% and 35% higher than 2014 respectively, indicating strong demand for in-employment training within the IFS sector.
- ❑ Generally high levels of satisfaction with Finuas training in 2015 were evident among both member companies and trainees, including in relation to training relevance, quality and value for money.
- ❑ The research found high levels of employment retention among Finuas trainees, with over 97% of individuals who undertook in-employment training in 2015 still in employment in April-May 2016. This reflects in part the strong growth of the sector, which has successfully developed niche areas in Ireland.
- ❑ There is also some evidence of positive career outcomes linked to training. The more significant outcomes attributed by trainees to Finuas training include securing a promotion; receipt of a salary increase; and moving to a more satisfactory job within their company.
- ❑ The research suggests a comparatively higher incidence of programme deadweight in terms of training accessibility and likely company decisions in absence of Finuas. There is also some evidence that this has increased since 2013, which is likely to be influenced by the wider economic and sectoral environment. A potential mitigating factor, however, is the level of private funding leverage through member company co-funding evident in the case of Finuas, which, at 56.1% in 2015 was higher than in 2013 (51.6%), and was also higher than that achieved in the TNP (52% in 2015).
- ❑ In relation to business impacts, it was notable that 74.2% of Finuas member companies responding to Indecon's survey research indicated that membership of a Finuas network contributed to enhancing the long-term performance of their business.

ManagementWorks

ManagementWorks was established and first piloted during 2012 as a result of a specific action under the Government's Action Plan for Jobs. The programme's focus is on management capabilities and growing these among SME member companies through the provision of tailored training programmes. This is done in an attempt to increase efficiency, improve business performance and increase output. Indecon's evaluation of ManagementWorks, which by 2015 was three full years into operation, indicated the following key findings:

- ❑ ManagementWorks programme expenditure amounted to €1.67 million in 2015. However, this was 13% below budgeted levels. While expenditures must also be considered alongside training

targets, which were exceeded, this level of underspend would raise some concern with regard to the level of effective reach of the programme.

- ❑ 92% of ManagementWorks companies were SMEs. It is notable that 229 of the firms (47%) were micro enterprises employing fewer than 10 employees. In addition, two-thirds of firms agreed that ManagementWorks enabled staff to participate in a management training programme for the first time.
- ❑ While ManagementWorks continues to be well-received by companies, a key issue concerns the levels of awareness and reach of the programme. The programme achieved the DES targets set for both number of trainees and training days in 2015. However, of importance in the context of the reach and development of what is a relatively young programme was the decline of almost 15% in the number of trainees evident in 2015 compared to 2014, while company participation levels have also declined (491 companies in 2015 compared with 518 member companies in 2013).
- ❑ There were generally high levels of satisfaction reported by participating companies in 2015, including in relation to relevance of training, quality and value for money.
- ❑ Based on the research undertaken among participating companies, Indecon estimates that between 747 and 983 jobs were created across all ManagementWorks companies during 2015 which companies consider could be related directly or indirectly to participation in the programme. These estimates should, however, be interpreted with caution due to the difficulties involved in attributing business performance to participation in a training programme such as ManagementWorks.
- ❑ Deadweight: though not unduly concerning, there is evidence of increased deadweight, in terms of likely company decisions in absence of the programme, since Indecon last evaluated the programme in 2013. As with other programmes, this is likely to be influenced by the economic recovery.
- ❑ Overall, ManagementWorks has largely demonstrated ‘proof of concept’ since its launch in 2012. This is observed in the positive feedback received from participants. There are also particular challenges faced in encouraging SME owner managers in particular to participate in management training and there is an acknowledged substantial unmet need at a national level in this area. This, however, highlights the urgent need for ManagementWorks to respond effectively to meeting this need through more intensive marketing and promotion of the programme and the benefits of participation, and better positioning of the programme to leverage existing relationships built up within TNP and Finuas networks.
- ❑ In terms of business impacts, a majority (91.8%) of ManagementWorks participants who responded to Indecon’s survey research considered that participation yielded positive impacts in relation to enhancing the long-term performance of their business.

Jobseeker Training Activities during 2015

The background to Skillnets’ jobseeker training activities is that in 2010 Skillnets made the decision, with support from the Department of Education and Skills, to adapt its operating model to accommodate the skills-development needs of jobseekers. By focusing on the emerging needs of industry and identified skills gaps, Skillnets has sought to implement relevant training programmes to enable job activation, conversion programmes and employment progression. The organisation provides a broad range of relevant, free training to unemployed people through a number of key programmes. The needs of unemployed people are addressed through integrated training alongside employed staff as part of TNP and Finuas main programme courses, as well as conversion courses and work placements in areas of employment potential through the JSSP, which is a dedicated, fully-funded programme.

The key findings from Indecon's evaluation of Skillnets' jobseeker training activities during 2015 were as follows:

- ❑ Skillnets assisted a total of 3,974 jobseeker trainees via its main TNP and Finuas programmes during 2015, providing a total of 8,788 training days to these individuals. 2015 saw a decline in main programme jobseeker training activity. This was most noticeable in relation to training days, with the overall number of days provided falling by over 21% in 2015 compared to 2014 levels, with a smaller decline evident in relation to trainees (-2.2%). These findings are consistent with the evidence from engagement with network managers of increased challenges associated with recruitment of jobseekers. There is also increased pressure on availability of 'free spaces' to facilitate jobseeker training on main programmes.
- ❑ The dedicated JSSP programme provided training to 2,721 trainees over 51,631 training days during 2015, representing 41% and 85% of overall Skillnets jobseeker trainees and days, respectively.
- ❑ Indecon's research suggests positive progression/employment outcomes among Skillnets jobseeker trainees, with 55% of 2015 JSSP trainees and 68% of 2014 trainees currently in employment, while 46% of TNP main programme jobseeker trainees are currently employed (as at April-May 2016).
- ❑ Indecon's formal value-for-money assessment of the JSSP examined the impacts on the Exchequer of programme activities in 2014 and 2015. The assessment suggests that under the progression outcomes and conservative/prudent estimates of deadweight levels assumed, the 2015 cohort of JSSP trainees would be likely to achieve a positive net benefit to the Exchequer if participants secure employment and remain off the Live Register for a minimum period of about seven months. The results also suggest that if on average participants stay in employment for 12 months or longer, the net benefits increase significantly. We also examined the current status of 2014 JSSP trainees and the assessment suggests that the 2014 programme is likely to have provided a positive net return as reduced jobseeker payments and increased tax receipts more than offset programme Exchequer costs.
- ❑ An important overall issue concerns the appropriate strategy for Skillnets in terms of its positioning in relation to in-employment and jobseeker training. These activities do not necessarily have to be mutually exclusive, though the organisation will need to continue to respond effectively and flexibly in the evolving external labour market context. However, the evolving labour market will likely require a phased shift over time in relation to the balance between in-employment and jobseeker training.

Recommendations

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

Recommendations from Evaluation of Skillnets TNP, Finuas and ManagementWorks during 2015	
No.	Recommendation
1.	The strategic focus and structure of Skillnets as an organisation should be appropriately designed to address the current and future skills needs of enterprises in Ireland, while supporting the implementation of national workforce policy generally and the National Skills Strategy 2025 in particular.
2.	Enhanced focus is required to facilitate and encourage new training programme development. This should include an expanded role for the Future Skills Needs Programme and the New Certified Programme Development programmes beyond the predominance of the current focus on sectoral networks. In addition, the relationship between these programmes should be examined and consideration given to potentially re-aligning or merging the programmes to maximise their effective contribution.
3.	The development of a new Hospitality Skillnet should be considered to address skill requirements in the sector and meet the objectives of the Government's National Skills Strategy and Further Education and Training Strategy. This should also be informed by the recent work of the Expert Group on Future Skill Needs in this area.
4.	A strategic review of Skillnets' positioning in relation to in-employment and jobseeker training is required to ensure clarity on the organisation's mandate and role vis-à-vis wider government policy, and taking into account the evolving labour market context. This should include consideration of a phased shift towards a smaller, but more targeted focus for jobseeker training.
5.	The ongoing strategic review of ManagementWorks should ensure accelerated implementation of measures to achieve enhanced reach and awareness, and increased participation of SMEs in the programme. This should include consideration of the positioning of ManagementWorks in the Skillnets structure and initiatives to embed the programme more deeply within the networks.
6.	Initiatives to enhance Skillnets' application of more rigorous training course evaluation methodologies should be developed and implemented across networks. These should be informed by international best practice approaches in this area and should include expanded training quality and effectiveness assessment and supporting metrics.
7.	Ongoing vigilance is required to minimise programme deadweight and mitigate its impacts, including in relation to focus on unique and customised training design and minimisation of the use of off-the-shelf, generic courses, and the maximisation of member company co-funding rates.
Source: Indecon	

Overall Conclusions

Overall, this evaluation found that Skillnets' core TNP and Finuas programmes continued to meet their broad objectives during 2015. There is evidence of the impact of the economic recovery in terms of an increased demand and growth in training activity, and the organisation exceeded the targets set by the DES in respect of trainees and training days delivered by 14% and 29%, respectively.

Within the overall picture, as well as delivering on its core mandate in respect of in-employment training, the organisation contributed to the Government's Action Plan for Jobs by training provided to a total of 6,695 jobseekers. Jobseeker training has, however, started to decline in relative terms and an important strategic issue concerns Skillnets' positioning in relation to in-employment training versus jobseeker training.

Indecon's research also shows that TNP and Finuas member companies and trainees continue to report high levels of satisfaction in relation to key aspects including relevance of training, quality, contribution to learning and personal development, and value for money. This positive feedback, as well as Skillnets' continued alignment with government policy, is important in the context of ensuring alignment with the requirements of the National Training Fund.

ManagementWorks also continues to be well-received among SMEs (and particularly micro-firms). However, the decline in participation levels among SMEs indicates that demonstrating sufficient awareness and reach, and converting this into participation are key issues for the future success of the programme.

This evaluation has also highlighted positive progression outcomes for trainees, including high levels of employment retention among participants who undertook in-employment training. There is also evidence of progression to employment among a percentage of jobseeker trainees, with 55% of 2015 JSSP trainees and 68% of 2014 trainees currently in employment, while 46% of TNP main programme jobseeker trainees are currently employed (as of April-May 2016).

In relation to the key strategic challenges for Skillnets, these remain broadly consistent with those highlighted in recent previous Indecon evaluations, and include the importance of maintaining an ongoing focus on ensuring the continued relevance and quality of in-employment training, achieving an appropriate balance between employed and jobseeker training in the context of the evolving labour market, and the urgent need to expand reach and participation levels in ManagementWorks.

1 Introduction, Background and Methodology

1.1 Introduction

This report is submitted to Skillnets by Indecon International Economic Consultants. The report concerns an independent evaluation of the Training Networks Programme (TNP), Finuas Networks Programme and ManagementWorks activities during 2015.

1.2 Background and Overview of Skillnets

The background to this evaluation has been the development, since 1999, 2009 and 2012 respectively, of the TNP, Finuas and ManagementWorks programmes. The programmes, which are funded from the National Training Fund (NTF) administered through the Department of Education and Skills, operate on the basis of a networks model, whereby networks of enterprises engage in the design, management and delivery of specific training programmes to employees as well as to jobseekers across a broad range of industry and service sectors nationwide. ManagementWorks, which was established in 2012 under the Government's *Action Plan for Jobs*, has the overall objective of addressing the need to enhance the level of management capability of small and medium-sized firms. ManagementWorks is operated centrally from Skillnets' headquarters, whereas the TNP and Finuas programmes are operated through a series of 62 networks (59 TNP and 3 Finuas as of 2015), having a wide geographic and sectoral spread.

1.3 Scope and Terms of Reference for Evaluation

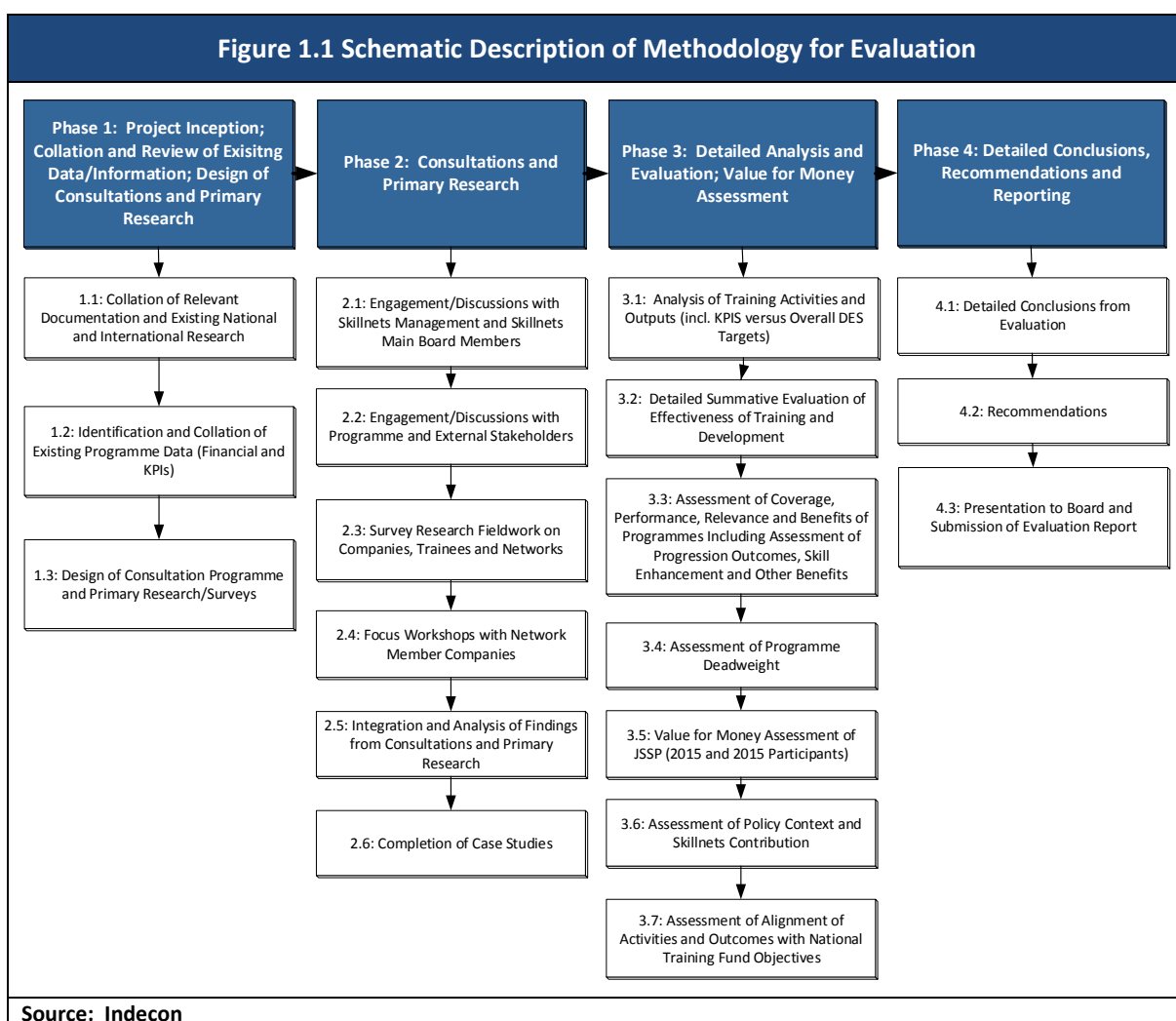
It is a requirement of the provision of annual funding under the NTF that each of Skillnets' programmes/networks is subject to an annual evaluation to assess their activities, outputs, outcomes and impacts. The overall objective of the present evaluation is to conduct an evaluation of Skillnets' TNP, Finuas and ManagementWorks programme activities during 2015. This builds on the previous evaluation work and entails an assessment of programme/network activities over the period 1st January to 31st December 2015, as follows:

- ❑ Training Networks Programme (TNP) – involving evaluation of training across 59 networks;
- ❑ Finuas Programme – including the training activity of each of three networks in the International Financial Services sector during 2015;
- ❑ ManagementWorks network – entailing the evaluation of the management development training activities of SME's supported under this specific programme during 2015; and
- ❑ Evaluation of TNP and Finuas to cover the following four separate funding strands (each with different areas of focus):
 - ⇒ Main Programme Activity (TNP / FINUAS in-employment and jobseeker training);
 - ⇒ Job Seekers Support Programme (JSSP);
 - ⇒ New Certified Programme Development (NCPD); and
 - ⇒ Future Skills Needs Programme (FSNP).

The evaluation examines inputs, activities and outcomes at programme, networks and training activity levels.

1.4 Methodology for Evaluation

A schematic summary of the methodology and work programme applied in completing the evaluation of 2015 activities is presented in the figure below. The methodology was designed to address each aspect of the terms of reference and to ensure an independent and rigorous evaluation of the TNP, Finuas and ManagementWorks programmes, and associated funding streams. A particular focus has been reflected throughout the evaluation on assessing the alignment of activities and outcomes with the requirements of the NTF, including the need to ensure value for money in the utilisation of public resources.



1.4.1 Primary Research

This evaluation has been supported by an extensive programme of consultations and primary research along a number of strands. These elements are described overleaf.

Consultation Programme

A series of discussions was undertaken with internal (Skillnets) and external stakeholders. These included:

- ❑ Ongoing engagement with Skillnets management throughout the evaluation process;
- ❑ Discussions with Skillnets main board members;
- ❑ Discussions with ManagementWorks Steering Committee members;
- ❑ Engagement with a sample of Network Managers at organised cluster meetings (11 May);
- ❑ Workshops with TNP and Finuas Member Companies (*2) on 12th and 13th May 2016;
- ❑ Bilateral interviews with TNP, Finuas and ManagementWorks member companies;
- ❑ Bilateral interviews with Trainers; and
- ❑ Discussions with and inputs provided by external bodies, including the Department of Education and Skills, Department of Jobs, Enterprise and Innovation, Department of An Taoiseach, IDA Ireland and QQI.

The objectives of these consultations were to seek the views and inputs of these stakeholders in relation to issues concerning the overall design, scope, relevance and effectiveness of the programmes and networks, the management and governance of the programmes, and to identify challenges and options for the future development of the programmes.

Primary Research

Indecon also undertook, with the aid of Skillnets management, an extensive programme of primary research among network managers, promoters, member companies, and trainees, through a series of separate survey streams, as follows:

1. Survey of Network Managers (TNP and Finuas);
2. Survey of Network Promoters (TNP and Finuas);
3. Survey of TNP Member Companies;
4. Survey of Finuas Member Companies;
5. Survey of ManagementWorks Member Companies;
6. Survey of Finuas Employed Trainees;
7. Survey of Finuas Unemployed Trainees;
8. Survey of TNP Employed Trainees;
9. Survey of TNP Unemployed Trainees;
10. Survey of JSSP 2015 Trainees; and
11. Survey of JSSP 2014 Trainees.

A breakdown of the response number and response rates achieved across the surveys undertaken is presented in the table below. Indecon were targeting a 10% response rate and it is evident this was achieved in all cases.

Table 1.1: Evaluation Surveys - Breakdown of Response Numbers and Response Rates			
	Number of Surveys Issued	Number of Responses	Response Rate
Network Managers (TNP & Finuas)	61	56	91.8%
Network Promoters (TNP & Finuas)	60	44	73.3%
TNP Member Companies	4,366	469	10.7%
Finuas Member Companies	297	30	10.1%
ManagementWorks Member Companies	350	123	35.1%
Finuas Employed Trainees	788	213	27.0%
Finuas Unemployed Trainees	39	13	33.3%
TNP Employed Trainees	27,956	4,091	14.6%
TNP Unemployed Trainees	2,291	575	25.1%
JSSP 2015 Trainees	1,839	565	30.7%
JSSP 2014 Trainees	1,572	349	22.2%
Source: Indecon			

Data sources utilised

A range of detailed data was utilised in undertaking this evaluation. This included detailed data provided to Indecon across a number of dimensions, including financial and activity KPIs, in addition to other detailed aspects of training activity, from the Sonraí database and Skillnets financial datasets. Data was also accessed from external sources including the Central Statistics Office (CSO).

1.5 Report Structure

The remainder of the report is structured as follows:

- ❑ Section 2 presents an overview of financial performance and training achievements across Skillnets as a whole and at programme level during 2015;
- ❑ Section 3 evaluates activities and outcomes during 2015 under the main TNP programme, focusing on in-employment training activities;
- ❑ Section 4 focuses on the in-employment training provided during 2015 under the Finuas programme;
- ❑ Section 5 examines the activities, outputs and achievements of ManagementWorks;
- ❑ Section 6 evaluates the impact of the Skillnets' TNP and Finuas Networks Programmes in relation to jobseekers who undertook training within these networks during 2015. We also assess the activities and impacts of the Job Seekers Support Programme (JSSP);

- ❑ Section 7 reviews the Skillnets network model and includes a range of views from network managers and promoters on various aspects of Skillnets programme operation; and
- ❑ Section 8 integrates the detailed analysis and assessment undertaken in the preceding sections to deliver our overall conclusions and recommendations.

1.6 Acknowledgements and Disclaimer

Indecon would like to acknowledge the assistance and inputs provided by a number of individuals and organisations during the course of this evaluation. We would particularly like to express our gratitude to management and staff at Skillnets for their assistance and inputs, including Paul Healy (CEO), Ian Menzies (Head of Finance & Services), Carl Blake and Tracey Donnery (Senior Programme Managers), Dave Flynn (Programme Support Manager), Brian Colleran (ManagementWorks), and Noreen FitzPatrick (2015 Open Call Project). We are also very grateful to Skillnets Board members for their contributions. In addition, we would like to thank officials in the Department of Education and Skills, the Department of An Taoiseach, the Department of Jobs, Enterprise and Innovation, IDA Ireland, IBEC and QQI for their valuable inputs. We would also like to thank John Loughran, Barbara Geoghegan and Sharon Tracey of the ManagementWorks Advisory Committee for participating in interviews, as well as for the input of the Small Firms Association and Dublin CEB.

We would also like to thank all network promoters and managers, in addition to network member companies and trainees throughout the country who responded to our survey research and participated in cluster group discussions during the evaluation, as well as engaging with us bilaterally.

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

2 Overview of Skillnets Financial and Training Performance

2.1 Introduction

This section presents an overview of Skillnets' performance during 2015, paying particular attention to financial outcomes in terms of programme expenditures and training outcomes in relation to trainees supported and training days delivered relative to the overall targets set for Skillnets by the Department of Education and Skills (DES). This is important both in terms of assessment of extent of attainment of DES targets, but also in relation to ensuring alignment with the value for money and other requirements of the National Training Fund.

2.2 Overview of Financial and Programme Activities

2.2.1 Financial overview

Table 2.1 below presents an overview of key financial data concerning Skillnets' activities and performance during 2015. Overall, Skillnets remained within budget during 2015, with total expenditure, including network and other costs, amounting to just over €28 million versus a budget of €28.7 million. Operating costs during 2015, including central administration and programme support costs, remained below 9% of overall expenditure, while network management costs (including ManagementWorks) remained significantly below the DES ceiling of 25% of network expenditure.

Table 2.1: Financial Overview - Summary of Key Skillnets Financial Data – 2015		
	2015 – Actual - €	2015 – Budget - €
Funding Source		
Grant Funding	€13,905,384	€14,437,803
Matching Funding	€11,684,496	€11,674,673
Total Network Funding	€25,589,880	€26,112,476
<i>Matching Funding - % of Total</i>	<i>45.7%</i>	<i>44.7%</i>
Network Cost Type		
Network Management Costs	€5,333,040	€5,575,781
Network Training Cost	€20,256,840	€20,536,695
Total Network Expenditure	€25,589,880	€26,112,476
<i>Network Management Costs - % of Total</i>	<i>20.8%</i>	<i>21.4%</i>
Other Operating Costs		
Skillnets Central Administration Costs	€2,088,231	€2,135,634
Programme Support Costs	€369,111	€413,867
<i>Sub-total – Other Operating Costs</i>	<i>€2,457,342</i>	<i>€2,549,501</i>
<i>% of Total Expenditure</i>	<i>8.8%</i>	<i>8.9%</i>
Total Expenditure	€28,047,222	€28,661,977
Source: Indecon analysis of Skillnets data		

Table 2.2 presents a breakdown of expenditures across the types of programme operated by Skillnets. Skillnets operated 63 networks across the Training Networks Programme (TNP), Finuas and ManagementWorks programmes during 2015. This included expenditures under the Job Seekers Support Programme (JSSP), the Future Skills Needs Programme (FSNP) and the New Certified Programme Development (NCPD). Total expenditure across the 63 networks and 12,861 member companies amounted to €25.6m in 2015. At programme level, the TNP represented the majority (€19 million or 74.1%) of Skillnets' overall expenditure during 2015.

Table 2.2: Financial Overview – Expenditure by Programme and Funding Source in 2015					
Programme	No. of Networks	Actual Expenditure	Grant Funding (less JSSP element)	Member Company Matching Funding	Matching Funding - % of Expenditure**
TNP*	59	€18,964,564	€9,073,887	€9,890,677	52.2%
FINUAS	3	€1,734,062	€762,000	€972,062	56.1%
JSSP**	Part of TNP and Finuas Networks	€2,895,454	€2,770,000	€125,454	4.3%
ManagementWorks	1	€1,672,994	€1,044,000	€628,994	37.6%
FSNP	8	€159,685	€125,000	€34,685	21.7%
NCPD	14	€163,121	€130,497	€32,624	20.0%
Total	63*	€25,589,880	€13,905,384 (€11,135,384)**	€11,684,496	51.2%**
Source: Indecon analysis of Skillnets data *FSNP and NCPD are separate funding streams for current networks and excluded from the total number of networks to avoid double-counting. ** JSSP is 100% grant funded, with no matching company funding required. However voluntary matching contributions are eligible, and in the case of three networks (ICT Ireland, ISA Software & Positive2 Work Skillnet), matching contributions were made by some companies hosting work placements. When re-calculated based on state funding of TNP, Finuas, ManagementWorks and FSNP/NCPD only, this implies a matching funding rate of 51.2%, or a state funding proportion of 48.8%.					

2.2.2 Funding leverage

Given the need to demonstrate value for money in utilization of public funding via the National Training Fund, of importance is the extent of funding leverage achieved through member company matching funding. The analysis above indicates that Skillnets' overall expenditure during 2015 was funded through a combination of €13.9 million in NTF grant funding and €11.7 million in matching company funding. As JSSP is fully publicly funded with no matching company funds required, it is necessary to exclude JSSP funding when calculating the overall matching company funding rate. On this basis, Skillnets achieved a matching company funding rate of 51.2% in 2015 relative to state funding of the TNP, Finuas, ManagementWorks and FSNP/NCPD programmes, implying that the state funding component for these programmes was 48.8%. This implies that in terms of leverage, for every €1 of State funding, member companies provided €1.05 of matching funds in 2015. Continuing to maximize the contribution from member company funding will be important from the perspective of demonstrating value for money in the application of public funds, but also in relation to mitigating the deadweight associated with any such training programmes.

2.2.3 Training activity overview

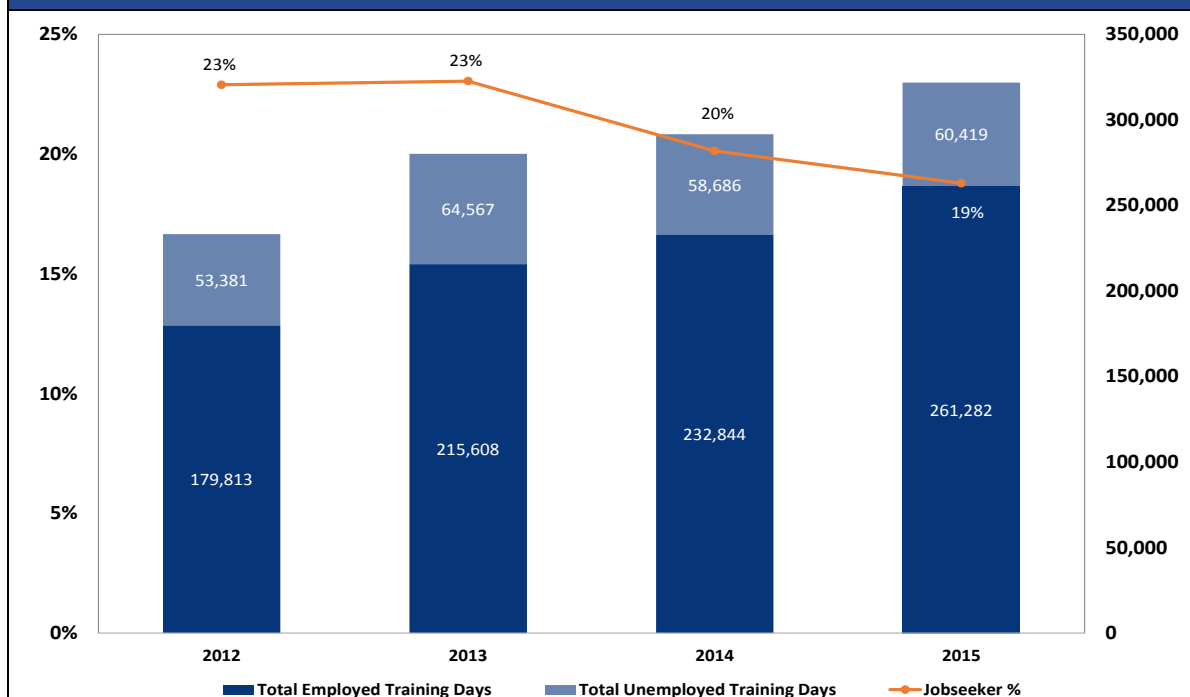
Of importance in the context of demonstrating value for money in the application of NTF funds concerns the training activities, outputs and outcomes achieved from the expenditure of funds. The table below describes the overall level of Skillnets' training activities during 2015 and compares these with the levels stipulated by the Department of Education and Skills in its annual allocation letter to Skillnets. The analysis also compares the position in 2015 with that pertaining in 2014.

Table 2.3: Skillnets Overall Training Activity Outturns versus Target for 2015 and 2014						
	Department of Education and Skills Target - 2015	Skillnets End of Year Total - 2015	End of Year Total as % of Target	Department of Education and Skills Target - 2014	Skillnets End of Year Total - 2014	Actual 2015 / Actual 2014 - %
Employed Trainees	34,000	41,381	122%	32,000	38,597	7.2%
Unemployed Trainees	8,000	6,695	84%	8,000	6,858	-2.4%
Total Trainees	42,000	48,076	114%	40,000	45,455	5.8%
Employed Trainees – Training Days	195,000	245,371	126%	177,000	219,552	12%
Unemployed Trainees – Training Days	55,000	60,419	110%	55,000	58,686	3%
Total Training Days	250,000	321,701	129%	232,000	291,530	10%
<i>Source: Indecon analysis of Skillnets data and Department of Education and Skills Annual Allocation Letter</i> * Programmes including TNP/TNP Pilot, Finuas, JSSP and ManagementWorks						

The overall training activity figures indicate that Skillnets provided training to a total of 48,076 trainees across a total of 321,701 training days during 2015. These outcomes compared to DES requirements of 42,000 trainees and 250,000 training days, implying that Skillnets exceeded the DES targets by 14% and 29% respectively. However, these overall achievements mask significant variation between in-employment and jobseeker training activities. In-employment training, which represents the core of Skillnets' activities, accounted for 41,381 trainees and 245,371 training days during 2015, and expanded by 7.2% and 12% respectively compared with 2014 levels, while also exceeding the Department's targets for in-employment trainees and training days in 2015 by 22% and 26% respectively. By contrast, Skillnets training provided to jobseekers saw a more mixed picture in 2015, with the organisation assisting a total of 6,695 trainees (versus a target of 8,000 jobseekers) across 60,419 training days. However, Skillnets met the Department's target for jobseeker training, in that it exceeded the required minimum number of training days (of 55,000 days).

The figure overleaf presents a graphical depiction of the above data. The total number of training days has been increasing since 2012, whilst the percentage of those provided to jobseekers has fallen from 23% in 2012 to 19% in 2015.

Figure 2.1: Skillnets Overall Training Activity Outturns – Recent Trends in Employed and Jobseeker Training Days 2012-2015



Source: Indecon analysis of Skillnets SONRAI data

Enterprise participation

Skillnets operates on the basis of an enterprise-based, networks model, in which firms participate in networks as member companies and contribute towards the design and funding of various training activities. This means that to thrive, the organisation must continue to build its enterprise membership as the wider economy expands. Table 2.4 indicates the number of enterprises which participated in Skillnets in each of the last three years. A total of 12,861 companies participated in TNP, Finuas and ManagementWorks networks during 2015. This compared with 10,879 in 2014 and 10,145 in 2013, implying an annual increase of 18.2% in 2015 after a 7.2% growth in 2014.

Table 2.4: Skillnets Enterprise Participation 2015 - 2013

Skillnets Programme	2015	2014	2013
TNP	11,937	10,033	9,283
Finuas	433	226	344
ManagementWorks	491	620	518
Total Enterprises	12,861	10,879	10,145

Source: Indecon analysis of SONRAI database, Skillnets Annual Report 2014 & 2013

The outcomes demonstrate continued annual growth in TNP membership, and a recovery in Finuas membership after a previous decline in 2014. However, there was a noticeable decline in participation in ManagementWorks, where the number of enterprises fell from 620 in 2014 to 491 in 2015, despite the wider economic recovery. Subsequent sections of this report will focus on each programme and provide an analysis of the breakdown of member companies by sector.

Certification outcomes

In addition to training activity levels, the Department of Education and Skills also stipulates requirements in relation to the proportion of training outputs that are certified. This includes training that is certified on the National Framework of Qualifications (NFQ) or by industry. The outcomes for 2015 are shown in the table below. The overall certified training days target set by DES was met during 2015, with 65% of overall training days delivered being NFQ-certified, compared with the DES target 45%. A further 15% of days were industry-certified. There were, however, noticeable variations in the extent of provision of certified training across the TNP, Finuas and ManagementWorks programmes. Certification is an issue that is often highlighted as important by trainees, who often express a desire for training which delivers portable outcomes.

Table 2.5: Programme Overview - Certified Training Days 2015

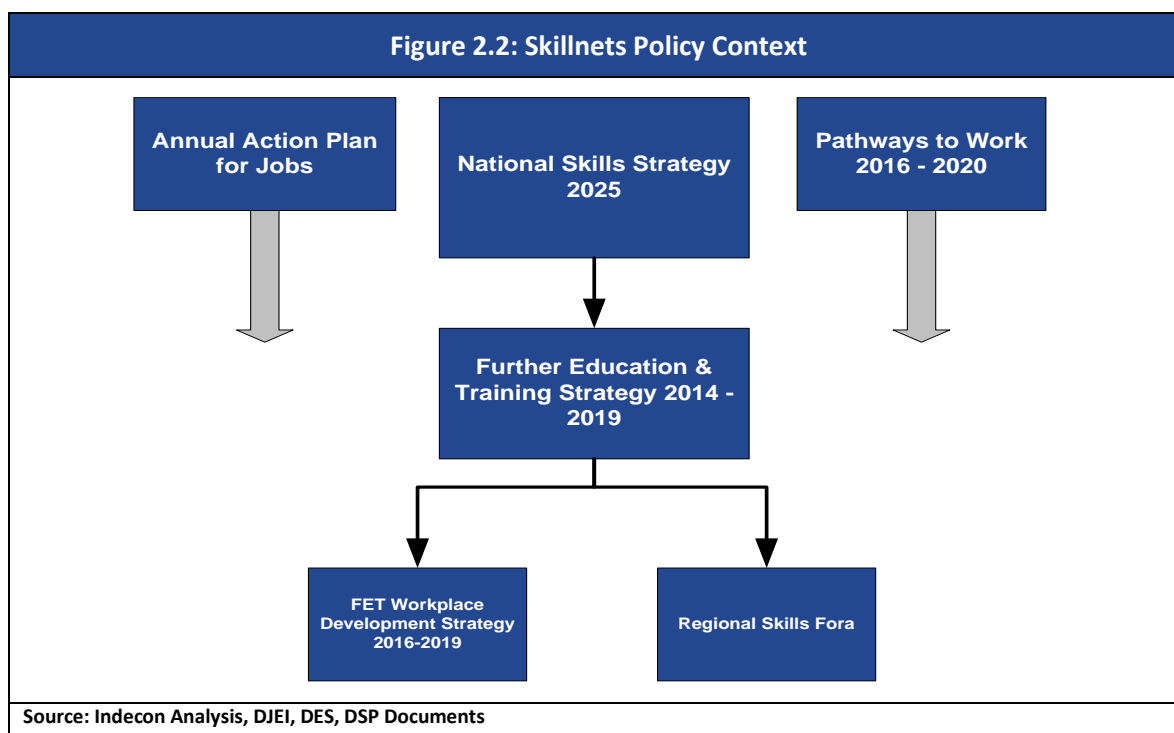
Certification Levels	Target	Total Achieved	TNP	Finuas	M'Works	JSSP
Overall NFQ Training Days	45%	65%	64%	52.0%	86.0%	72.0%
Overall Industry Training Days	30%	15%	14%	35.0%	8.0%	19.0%
Certified Training Days as % Total Training Days	75%	80%	78.0%	87.0%	94.0%	90.0%

Source: Indecon analysis of Skillnets data and Department of Education and Skills Annual Allocation Letter

2.3 Policy Context and Consistency with Policy

One of the requirements set by the Department of Education and Skills in respect of the allocation of NTF funding to Skills is that “all education and training funded from the NTF should be consistent with existing labour market policy”.¹ In this respect, Skillnets’ programmes are designed to provide an input to government labour market policy in relation to improving the quality and skillset of the Irish labour market, and in supporting jobseekers’ return to employment. The policy framework in which Skillnets operates incorporates both short- and medium-term initiatives formulated to address current and future skills needs. An overview of the key elements of this framework is presented in the figure overleaf.

¹ DES-Skillnets Annual Allocation Letter, March 2015.



Action Plan for Jobs

The Action Plan for Jobs (APJ) represents the current government's high-level labour market policy and is produced on an annual basis. Improving current and prospective employee's skills continues to be a vital component of the APJ, with the 2015 report being no exception. Specific skill initiatives reformed since APJ's inception in 2012 include the launch of SOLAS, Education and Training Boards, Momentum programmes, JobsPlus, and the launch of the ICT Skills Action Plan. The 2015 APJ outlines the crucial importance of upskilling Irish workers as well as attracting high-talent international workers across several proposed initiatives for building skills in the new economy. Four of the APJ's initiatives explicitly or implicitly reference the role of Skillnets:

- ❑ Action 7: Enhance industry input to programme content, provision of work placements and promotion of ICT programmes as part of the implementation of Skillnets ICT Conversion Programmes.
- ❑ Action 16: Continue to engage employers in offering training related work-placements to unemployed people of working age through Skillnets and other similar organisations including FIT.
- ❑ Action 19: Promote and support development of the *Skills to Work* brand to increase awareness of reskilling options for jobseekers.
- ❑ Action 327: Consult with the Department of Education and Skills, SOLAS, Skillnets, and other relevant training providers, where appropriate, to identify how training programmes which are particularly relevant to the retail sector can be expanded or newly introduced to enhance the skills profile of the sector.

Pathways to Work

Pathways to Work (PtW) is a targeted strategy aimed at tackling the high levels of unemployment in the Irish labour market since 2008. While the APJ is focused on improving the levels of employment in Ireland generally, PtW strives to ensure that people on the Live Register specifically obtain employment. The latest five-year strategy was recently published and outlines the action plans and objectives for the period 2016 to 2020.² The current strategy continues the five strand structure present in the 2012-2015 PtW, with the inclusion of an additional strand taking into account the general labour market improvement since PtW's inception. Across both iterations of the PtW programme, the opportunity for Skillnets to aid in achieving the goals of strand four has been highlighted. For instance, strand four relates to incentivising employers to offer jobs and opportunities to unemployed people.

National Skills Strategy 2025

The medium-term economic and job creation strategies as outlined in APJ 2015 include the creation of a comprehensive National Skills Strategy, launched in January 2016.³ This medium-term strategy highlights the crucial role Skillnets will play in the development of Ireland's human capital over the next ten years. The overall aims of the National Skills Strategy are outlined in the programme's six objectives:

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

The future role of Skillnets is referenced in the National Skills Strategy, where the organisation is expected to aid in the delivery of Objectives 1 and 2, namely:

- ☐ Objective 1: Support Skillnets to encourage companies to engage in their networks to assist them in meeting their skills needs
- ☐ Objective 2: Support the further development of skills assessment resources to help companies, especially SMEs, to accurately identify their skills needs.

² Pathways to Work 2016: <https://www.welfare.ie/en/Pages/Pathways-to-Work-2016.aspx>

³ Government launches Ireland's National Skills Strategy 2025 – Ireland's Future <https://www.education.ie/en/Press-Events/Press-Releases/2016-Press-Releases/PR2016-01-27.html>

Further Education and Training Strategy 2014-2019

The current Further Education and Training Strategy (FETS) forms part of the government's reform agenda and aims to provide guidance for the evolution of the FET system in the medium term. The strategy was developed alongside the creation of SOLAS, which replaced FAS, and the establishment of sixteen Education and Training Boards. Skillnets continues to play an important role in achieving the goals of this five-year strategy, and forms part of the FET 'Partner Network'. Skillnets is praised for having a unique position in the FET sector due to the high level of engagement by employers in the scheme's support and organisational processes. The Further Education and Training Plan for 2015 highlights some of the progress made in the context of this five year strategy. Skillnets' foundation in fostering meaningful cooperation and dialogue between employers and skill providers makes it a valuable participant in this process going forward. Continued collaboration between Skillnets and the Department of Education and Skills was seen in 2015 with the establishment of the Regional Skills Fora. These fora are tasked with fostering improved engagement between regional education and training sector and other regional stakeholders. As part of the National Project Advisory Group and with representation in all nine regions, Skillnets is expected to be an integral part of the establishment and functioning of this organisation.

Skills to Work

Skills to Work is the unified term for the initiatives introduced by policymakers since 2011 aimed at supporting jobseekers in their goal of finding employment. Skillnets, alongside Springboard, Momentum, JobBridge, and JobsPlus make up the Skills to Work group. Over 18,000 jobseekers and 2,100 employers have used the Skills to Work website to gain insights into various schemes available to them in the period 2014-2015.⁴

Skillnets / DJEI Protocol

Skillnets has signed into resource and information sharing protocols with various government bodies, including the Department of Jobs, Enterprise and Innovation in 2014. This has included ongoing engagement with Local Enterprise Offices (LEOs).

Skillnets / DSP Protocol

The protocol between Skillnets and the Department of Social Protection was signed in March 2013 and will promote a closer, collaborative relationship between the two organisations to achieve their common goals. This relationship has been maintained since 2013, with the organisations regularly liaising at regional employment fairs to ensure jobseekers are aware of the high-demand skill workshops available.^{5 6} In addition, other initiatives have included collaborative company-specific projects involving the Department, Skillnets and IDA Ireland.

⁴ May 2014 – May 2015. <http://www.skillnets.ie/news/over-20000-people-have-availed-governments-skills-work-campaign>

⁵ Ulearning SkillNet supports successful 2015 Mid-West Job Shop. <http://www.skillnets.ie/events/ulearning-skillnet-supports-successful-2015-mid-west-job-shop>

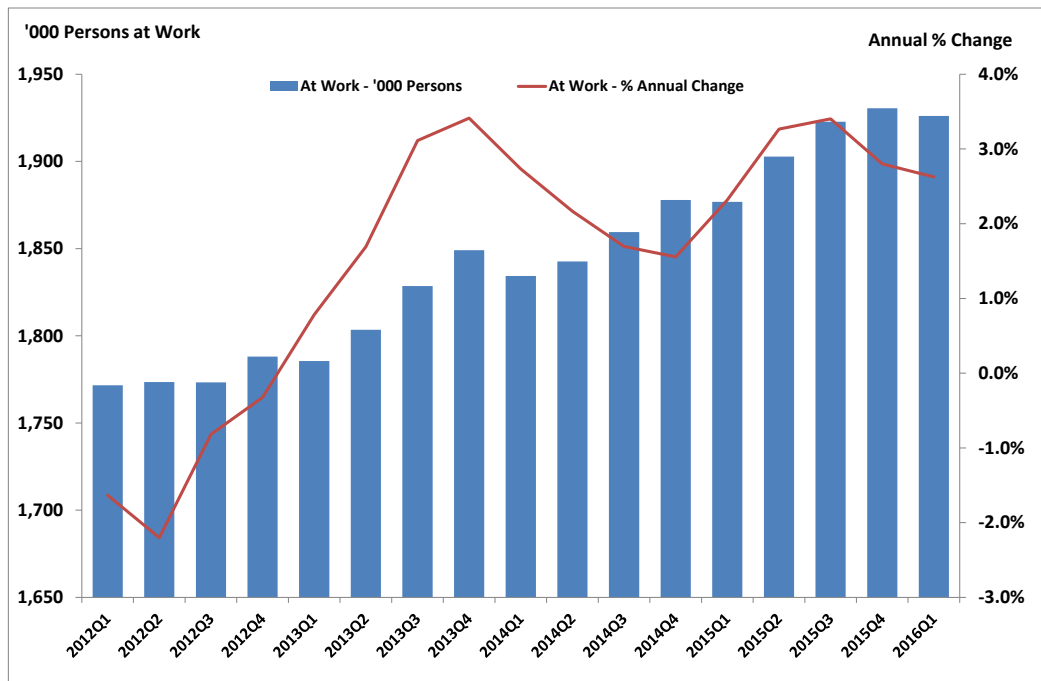
⁶ PharmaChem SkillNet launches new biopharma programmes for job-seekers, December 2015
<http://www.skillnets.ie/events/pharmachem-skillnet-launches-new-biopharma-programmes-job-seekers>

2.3.1 Labour market developments

Of importance is the need to set the activities of Skillnets and the training outcomes achieved during 2015 in the context of the developments in the Irish economy and the labour market, particularly in relation to the trends in employment and unemployment as these are key drivers of the demand for Skillnets training. The recent movements in Skillnets' training participation and activity levels, as described in Table 2.3 above, are likely to have been influenced by the wider economic and labour market environment, including the recovery in member companies' training budgets and the consequent increased demand for in-employment training, and the decline in the Live Register.

Figure 2.3 below describes the recent trends in overall employment conditions in the Irish economy. The number of people at work has risen from approximately 1.77 million in 2012, to approximately 1.92 million in 2016. Since 2013 there has been annual growth in the number of people at work. This reflects the improvement in economic conditions in Ireland, following the beginning of the recovery from the economic crisis. This has a knock-on effect on the demand for Skillnets training. With higher numbers in employment there has been a greater level of demand for in-employment training as compared to previous years.

Figure 2.3: Labour Market Context – Recent Trends in Irish Economy Employment



Source: CSO, Quarterly National Household Survey

As the numbers in employment have increased there has been a decline in the level of those who are unemployed. At peak unemployment, there were 382,400 unemployed people in 2011. This has fallen to 222,700 in the first quarter of 2016 (see figure below).

Figure 2.4: Labour Market Context – Recent Trends in Irish Economy Unemployment



Source: CSO, Quarterly National Household Survey

The recent changes in the Irish labour market have had the effect of increasing the demand for in-employment training while reducing the demand for jobseeker training, as there are fewer jobseekers than in previous years. These developments have important implications for Skillnets' strategic positioning and operations. These issues are considered further throughout this evaluation report.

3 Evaluation of Training Networks Programme

3.1 Introduction

This section focuses on the in-employment training activities delivered through Skillnets' core Training Networks Programme during 2015. As the largest programme under Skillnets, it is important that a thorough examination of the financial inputs, outcomes and outputs of TNP in 2015 is conducted. This section will focus on the provision of in-employment training under the TNP (the programme also delivers supports to jobseekers alongside its in-employment training, and jobseeker training is addressed in Section 6).

3.2 Aims and Objectives of Programme

The below table outlines the four pillars of the Training Networks Programme, which encapsulate the aims and objectives of the programme. The four pillars involve developing skills strategies, growing the skills bases, supporting local and regional training initiatives and building best practice in learning and development.

Table 3.1: Training Networks Programme – Aims and Objectives

Pillar 1: Driving Skills Strategies through Sectors and Partnerships

The primary focus of pillar 1 is on enhancing skillsets and achieving best practice competence across Irish industries and sectors. This pillar will support employee to enterprise, and enterprise to enterprise engagement with the goal of fostering sectoral skills development.

Pillar 2: Growing the Skills Base

The aim of this pillar is to enhance the skills competencies of the entire workforce through the encouragement of life-long, enterprise-led learning. This will ensure Ireland's human capital maintains a competitive edge going forward and will provide employees and jobseekers with improved employability options.

Pillar 3: Development Local Learning Responses

The focus Pillar 3 is on supporting local and regional training initiatives to reduce the relative disadvantages present in the provisions of resources. Pillar 3 will be achieved through the creation of regional networks and local partnerships with education, government, and enterprise stakeholders.

Pillar 4: Building Best Practice in Learning and Development

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.

Source: Skillnets

3.3 Assessment of Programme Inputs

The delivery of Skillnets' enterprise-based training model requires public funds via the National Training Fund. These public funds, as well as industry matching funding, are used to deliver training programmes across Skillnets networks. The aim is to achieve the objectives of the TNP outlined previously.

3.3.1 Analysis of Financial Inputs

Overall expenditure across TNP networks reached just under €19 million in 2015, representing an increase of 5.8% on the level in 2014. This took place in the context of an expansion in the number of TNP networks from 56 in 2014 to 59 in 2015. TNP networks differ in terms of scope and size, but the average expenditure per network rose from €319,970 in 2014 to €321,433 per network in 2015 (see table below).

Table 3.2: Financial Overview – TNP Expenditures				
	No. of Networks	Actual Expenditure*	Average Expenditure Per Network	% Annual Change in Actual Expenditure
2015	59	€18,964,564	€321,433	5.8%
2014	56	€17,918,327	€319,970	4.5%
2013	59	€17,150,913	€290,693	-0.8%
<i>Source: Indecon analysis of Skillnets SONRAI data and Annual Report 2014</i>				
* Networks and expenditures include activity of new networks established during 2015				

Table 3.3 presents a comparison of the budgeted and actual expenditure associated with TNP in 2015. While actual training expenditure was marginally above Skillnets' own internal budget level by just 1.2%, due to management expenditure being lower than budgeted, total expenditure, at just under €19 million, was within Skillnets' budget.

Table 3.3: Financial Overview – Breakdown of TNP Expenditures in 2015			
Category	Budgeted Expenditure (€)	Actual Expenditure (€)	Actual as % of Budget
Training Expenditure	€14,186,534	€14,349,557	101.2%
Management Expenditure	€4,830,189	€4,615,007	95.6%
Total Expenditure*	€19,016,723	€18,964,564	99.7%
<i>*Of which, State funds</i>	€9,340,897	€9,073,887	97.1%
<i>*Of which, company matching funds</i>	€9,675,826	€9,890,677	102.2%
<i>Matching as % of Total</i>	50.1%	52.2%	
<i>Source: Indecon analysis of Skillnets SONRAI data. Figures for TNP and New Networks (PI & PII)</i>			

3.3.2 Funding leverage

Of importance is the extent of funding leverage achieved through member-company matching funding. The Department of Education and Skills stipulated that the TNP was to be run on a public/private funding basis, with a maximum 50% contribution from the publicly funded element. The outturn for 2015 indicated that state funds accounted for less than half of overall TNP expenditure (47.8%), while matching funds accounted for €9.9 million or 52.2% of total funding. This implies that in terms of leverage, for every €1 of State funding, member companies provided €1.09 of matching funds in 2015. In addition to achieving value for money in the utilization of public funding via the National Training Fund, maximising the level of member company contribution to network spend is also important in context of mitigating programme deadweight (see further in Section 3.5.3).

3.4 Assessment of Programme Outputs and Outcomes

Having discussed the financial inputs applied to the TNP it is now necessary to assess the outputs and outcomes achieved using these inputs in order to analyse the effectiveness of the TNP. In this section Indecon presents the profile of the member companies and trainees involved in TNP and assesses the level of training outputs achieved during 2015 and the impacts of these training outputs for both the member companies and the trainees.

3.4.1 Network structure and size

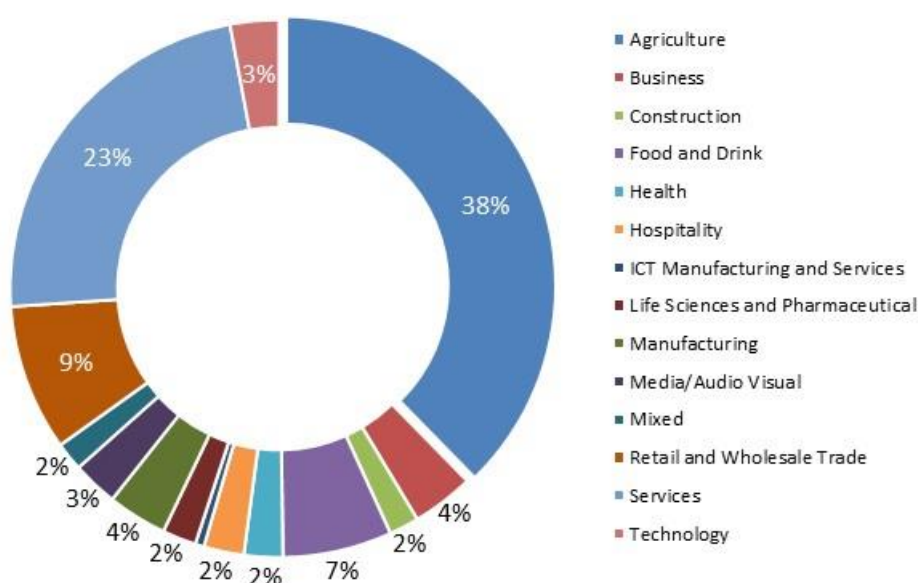
The table below provides data in relation to the breakdown of TNP member companies by size. Based on an 84% sample for which data was available, the data indicates that 95% of companies were SMEs, with 52% being micro SMEs (employing below 10 persons).

Table 3.4: TNP Member Companies 2015 - Overview of Member Company Size	
Company Size	Percentage of Total*
Micro (1-9 employees)	52%
Small (10-49 employees)	31%
Medium (50-250 employees)	12%
Large (>250 employees)	5%
Total	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>	
* Based on an 84% sample for which data was available.	

3.4.2 Sectoral profile of member companies

Figure 3.1 overleaf shows the diverse range of sectors from which TNP has attracted member companies. The figure overleaf shows that the largest sector, in terms of number of member companies, was agriculture which made up 38% of all companies. This was followed by the Services sector (23%) and a diverse range of other manufacturing sectors.

Figure 3.1: Sectoral Profile of TNP Network Member Companies



Source: Indecon analysis of Skillnets SONRAI data

* Note: The proportion indicated in respect of the agriculture sector should be interpreted with caution due to the large volume of small firms and sole traders participating in training provided by agri-related networks.

3.4.3 Prior training activity

As one of the main pillars of the TNP is the growth of local partnerships, it is important to evaluate the extent to which new companies participated with the TNP in 2015. According to Indecon's research among TNP member companies, 23% of firms indicated that they had not participated in TNP training prior to 2015. The fact that almost a quarter of member companies were new in 2015 suggests that TNP has been able to attract new member companies and develop new partnerships.

3.4.4 Profile of Trainees

Indecon's analysis of the Sonraí database allows us to present a breakdown of the pre-qualification training level of participants. The following table shows that 27% were qualified to Level 8, with a further 13.9% being qualified to Level 9 and above. Thus, over 40% of TNP in-employment trainees during 2015 were previously qualified to a Third Level Primary Degree or higher. The extent of prior educational attainment will have a bearing on individuals' propensity to engage in lifelong learning and training. Of importance in this context concerns the effectiveness of Skillnets training in complementing existing skills while also contributing to new skills development.

Table 3.5: TNP In-Employment Training 2015 - Pre-Training Qualification Levels of Participants

Level of Award on NFQ	Percentage of Total*
Level 1	1.0%
Level 2	0.7%
Level 3	5.9%
Level 4	13.8%
Level 5	11.5%
Level 6	15.5%
Level 7	10.7%
Level 8	27.0%
Level 9	12.8%
Level 10	1.1%
Total	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>	
* Based on a sample of 85.8% for which data was available.	

3.4.5 Analysis of Training Outcomes

Training activities and outputs

TNP provided 5,337 training courses to employed trainees, in comparison to 5,047 in 2013. This represents a 5.7% increase in the number of training courses provided, demonstrating the commitment to expand the TNP and to attract employed trainees to the programme.

Trainees and In-Employment Training Days

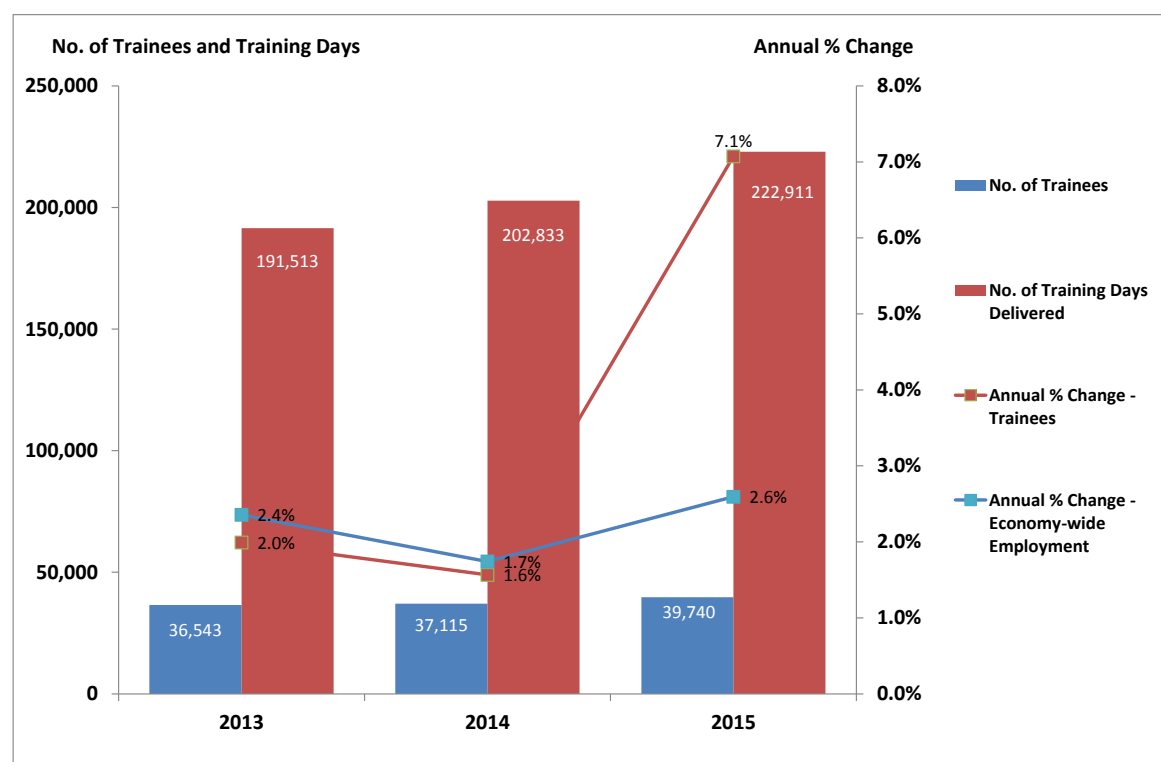
Table 3.6 describes the level of in-employment training activity provided under the TNP during 2015 and compares this with the levels achieved in 2014. The TNP trained a total of 39,740 employed trainees, representing a 7.1% increase on 2014, while the number of training days provided increased by just under 10% to reach a total of 222,911 in 2015.

Table 3.6: TNP In-Employment Training Outcomes – Trainees and Training Days

Indicator	2015	2014
Actual Trainees	39,740	37,115
<i>Annual % Change</i>	7.1%	1.6%
Actual Training Days	222,911	202,833
<i>Annual % Change</i>	9.9%	5.9%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>		

Figure 3.2 presents the previous table in graphical form showing the growth in number of TNP trainees and in-employment training days over the last three years. It also shows the annual percentage change in economy-wide employment. TNP in-employment training activity has continued to expand on an annual basis over the last three years as the wider economy and labour market have recovered. In terms of participation, the annual growth in trainee numbers more or less mirrored the growth in economy-wide employment in 2013 and 2014, but noticeably outpaced wider employment growth during 2015 (7.1% growth in trainees versus 2.6% expansion on Irish economy employment).

Figure 3.2: TNP In-Employment Training 2015 – Recent Trends in Training Activity Levels



Source: Indecon analysis of Skillnets SONRAI data; CSO Quarterly National Household Survey

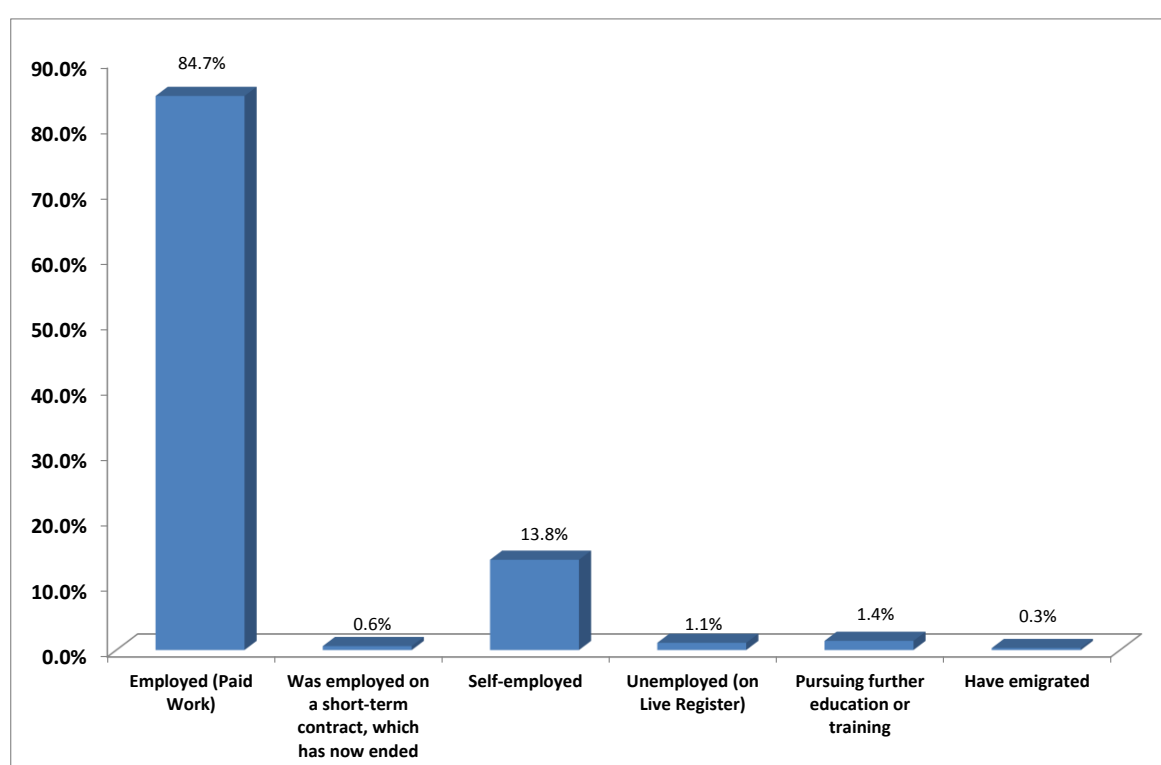
Progression Outcomes from In-Employment Training

Of particular importance from the perspective of assessing the overall effectiveness of training programmes such as the TNP concerns the impacts of training on trainees' progression outcomes. In the case of in-employment training these outcomes include employment retention, in-job and career progression/development, and skills development. We examine these outcomes overleaf in respect of TNP in-employment training delivered by Skillnets during 2015.

Current status of Trainees

A key measure of success for national training schemes is the progression outcomes for trainees post-training. These can range from a shift into a more favourable job role, or into self-employment. The table below summarises the findings of Indecon's research in relation to the current status of individuals who undertook TNP in-employment training during 2015. The findings suggest a high level of employment retention among trainees, with 84.7% of 2015 trainees currently remaining in employment as employees. If the self-employed are included, this increases to 98.5% of trainees currently in employment. This is similar to the proportion found in Indecon's previous evaluation of 2013 activities (98.4%).

Figure 3.3: Current Status of Trainees who Undertook TNP In-Employment Training during 2015



Source: Indecon analysis of Skillnets SONRAI data

3.4.6 Benefits and Impacts of Training

Some evidence suggests that Skillnets training partially or primarily contributed to achievement of certain pre-defined career development outcomes among trainees, as can be seen in Table 3.7 overleaf.

Table 3.7: TNP In-Employment Training 2015 - Outcomes Attributable to Skillnets Training

If any of the following specific benefits have occurred since you completed your Skillnets training, please indicate if the changes occurred as a result of this training?	Outcome has Not Occurred	Outcome has Occurred but Not Related to Skillnets Training	Outcome Partially Due to Skillnets Training	Outcome Primarily Due to Skillnets Training	Outcome is Likely to Occur in the Next 6-18 Months
I have secured a promotion	75.4%	10.6%	7.1%	2.4%	4.5%
I have received a salary increase	66.4%	20.9%	6.7%	2.2%	3.7%
I have moved to a more satisfactory job within the company	79.6%	8.9%	6.8%	2.4%	2.4%
I have moved to a more satisfactory job outside the company	89.3%	5.0%	2.7%	1.3%	1.8%
I have become self-employed	91.3%	4.2%	1.9%	0.9%	1.7%
Average	80.4%	9.9%	5.0%	1.8%	2.8%
Source: Indecon Confidential Survey of TNP Employed Training in 2015					

2015 TNP employed trainees were asked to consider whether, if any of five specific outcomes had occurred since completion of the training, these outcomes could be partially or primarily attributable to their TNP training, or were likely to occur in the next 6-18 months, or were due to some other factor. The two shaded columns in the table above indicate the extent to which the various outcomes were seen as being partially or primarily attributed to participation in TNP in-employment training during 2015. The most significant outcomes attributable to the TNP training are considered to be securing a promotion (9.5% of respondents); receiving a salary increase (8.9%); and moving to a more satisfactory job within the company (9.2% of respondents).

The research findings presented in the table overleaf also suggest that, among other additional benefits/impacts from participation in TNP in-employment training during 2015, there is likely to be a significant motivational impact (cited by 73.4% of respondents as a benefit where training fully or partially contributed) and encouragement to undertake further training or education (71.3% of respondents). A majority (58.4%) of respondents also indicated that the TNP helps trainees to make better career decisions. 43.8% of those surveyed felt that their TNP training had fully or partially contributed to their gaining a qualification. 41.2% of trainees also consider that it helps them to keep their jobs but to a lesser extent (33.1%) believe that it helps to fast-track a career.

Table 3.8: TNP In-Employment Training 2015 - Views on Additional Benefits/Impacts of Skillnets Training (Percentage of Responses)			
Did the Skillnets training contribute to any of the following additional benefits / impacts?	Fully Contributed	Partially Contributed	Did Not Contribute
Has helped me to achieve a qualification/certification	26.8%	17.0%	56.2%
Has helped me to make better decisions about my career	18.8%	39.6%	41.6%
Has helped to fast-track my career	8.6%	24.5%	67.0%
Has helped me to keep my present job	13.5%	27.7%	58.8%
Has improved my motivation	27.2%	46.2%	26.6%
Has encouraged me to undertake further training or education	29.3%	42.0%	28.7%
Source: Indecon Confidential Survey of TNP Employed Training in 2015			

Indecon also asked member companies for their views on the benefits of membership of TNP. The findings summarized in the next table suggest that a large majority (89.4%) of firms felt that being a member of a Skillnet TNP network had a positive impact on addressing skills gaps within their organization and enhanced the long-term performance of their business (76.4%). A majority of companies also felt that Skillnets membership has had a positive impact on staff engagement (74.3%), service/product quality (73.8%) and attraction/retention of staff (52.8%). However, in general firms were less able to attribute a direct linkage between their participation in TNP and identifiable outcomes in relation to business costs, turnover or the development of new markets.

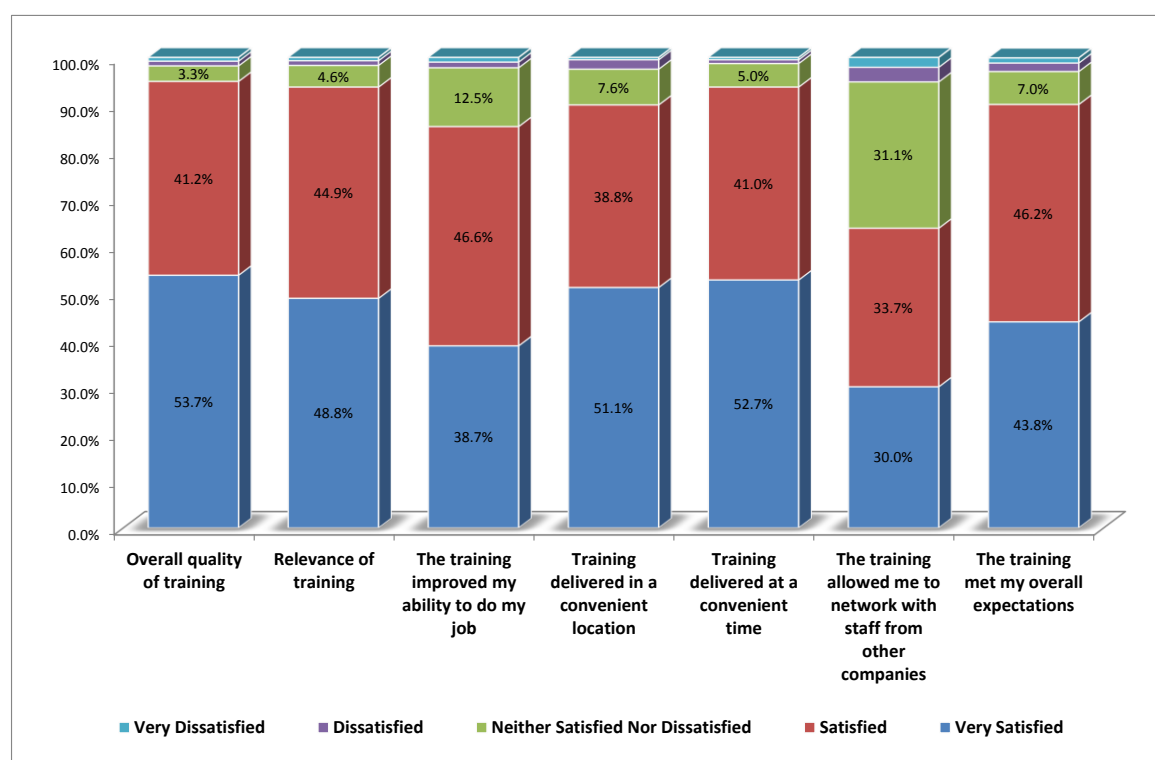
Table 3.9: TNP Member Companies 2015 - Impact of TNP Membership (Percentage of Responses)			
To what extent would you agree or disagree with each of the following statements as a result of being a member of a Skillnets network during 2015?	Positive Impact	No Impact	Negative Impact
Addressed skills gaps generally within our organisation	89.4%	10.6%	0.0%
Increased attraction/retention of key staff	52.8%	46.9%	0.2%
Increased staff engagement	74.3%	25.4%	0.2%
Staff received certification, which benefits our business	67.9%	31.9%	0.2%
Enhanced our service/product quality	73.8%	26.2%	0.0%
Contributed to increased sales turnover	41.3%	56.5%	2.2%
Helped lower business costs	44.9%	52.9%	2.2%
Improved business processes and/or productivity and enhanced competitiveness	68.7%	30.5%	0.9%
Improved customer care	64.2%	35.6%	0.2%
Assisted our business to develop new markets	34.7%	63.5%	1.8%
Helped to enhance the long-term performance of our business	76.4%	23.4%	0.2%
Source: Indecon Confidential Survey of TNP Member Companies 2015			

3.4.7 Satisfaction Levels with Training Received

In terms of the effectiveness and quality of training, of importance concerns the levels of satisfaction with training among both trainees and member companies. Indecon sought detailed feedback from individuals who undertook TNP employed training during 2015, as well as from member companies, concerning their levels of satisfaction or dissatisfaction across a range of dimensions.

In relation to trainees, the findings are summarized in the figure below and indicate generally high levels of satisfaction among TNP 2015 in-employment trainees. The majority of respondents were either satisfied or very satisfied with each aspect of the scheme including for example time (93.7%) and location (89.9%) of training. The overall rating for meeting expectations was 90.0%. The lowest score was 63.7% for the possibility afforded for networking with staff from other member companies.

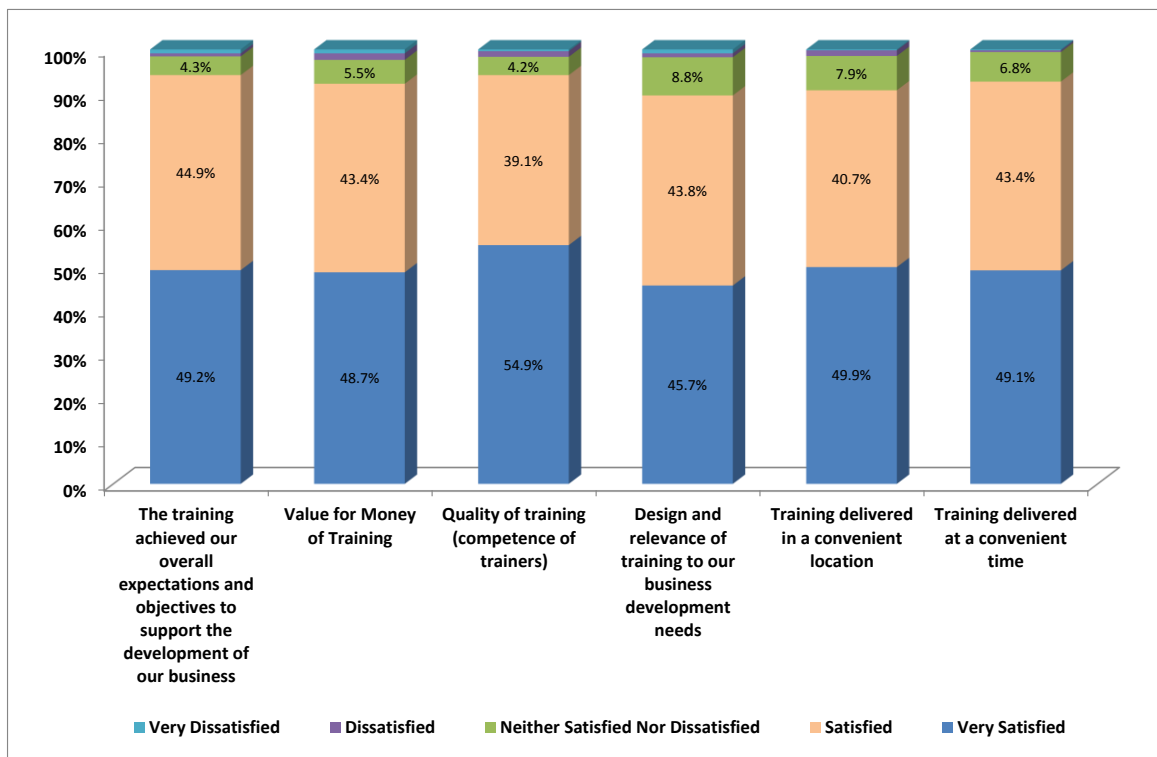
Figure 3.4: TNP In-Employment Training 2015 – Views of Trainee Respondents on Satisfaction with Aspects of Training



Source: Indecon Confidential Survey of TNP Employed Trainees 2015

The research also found generally high levels of satisfaction among TNP member companies. As highlighted in the figure below, over 89% of member companies that responded to Indecon's survey were either satisfied or very satisfied with each aspect of the training. Of the dimensions examined, it was also noteworthy that 92.1% of responding companies were either very satisfied or satisfied in relation to the value for money of the training provided by their network.

Figure 3.5: TNP Member Companies 2015 – Views of Member Companies on Satisfaction with Aspects of Training



Source: Indecon Confidential Survey of TNP Member Companies 2015

3.4.8 Case Study – TNP Member Company

In order to reinforce the findings of Indecon's survey, we also conducted more thorough case studies for each programme, which provided more in depth background into the experiences of member companies. The box overleaf presents a case study example of TNP member company, in this case DeCare Systems Ireland Limited.

Box 3.1: Skillnets TNP Member Company Case Study	
Company Name	DeCare Systems Ireland Limited
Brief description of firm	DeCare Systems Ireland (DSI) is an enterprise software development & consulting company specialising in designing, developing and integrating custom .Net and Java applications. With over 190 software technology professionals on staff, DSI provides solutions for clients in the private and public sectors. DSI focuses on Architecture Blueprinting, Bespoke Application Development, eCommerce, Product Development and Digital Innovation.
Reason(s) for Participation in Skillnets TNP	DSI immediately recognised the potential advantages of becoming a Skillnet member and have been enthusiastic proponents from the outset. Aside from the obvious advantages of subsidised training, the Skillnet also facilitates our staff benefiting from locally delivered training that might not otherwise be available, delivered at the right time, and with content that is truly relevant. This is in contrast to publicly delivered courses delivered in disparate often inconvenient locations with default content. An added bonus is the networking opportunities afforded our staff attending courses with staff from other organisations who have similar training and development needs.
Experience of TNP / Training To-Date	<p>Our skilled software professionals require regular updating of their skillsets. With a modestly sized HR department, it is difficult to deliver on this in isolation. With Skillnets we have delivered a wide range of training to staff of various levels of experience, from newly hired graduate developers (a programme of four 5-day modules over 18 months) to senior software architects. The efficiency and responsiveness of local Skillnets administrators has ensured the process of scoping, tendering, selecting and delivering high quality training events has been like a seamless extension of our HR department.</p> <p>A sample of courses delivered in the last 24 months includes:</p> <ul style="list-style-type: none"> • Spring Frameworks & Hibernate • ASP.NET using MVC and Test driven development • Web Application development • .NET using C# • SQL server 2012 for Developers • Biztalk Server • Advanced SQL
Business Impacts	<ul style="list-style-type: none"> • Increased levels of overall training activity • Increased quality and consistency of training • Graduate Training Programme attracts high quality graduates • Enhanced Technical skills among staff • Retained staff • Retained customers • Secured new projects • Greatly reduced administrative and logistical burden on HR department in delivery of effective training
Concerns, Challenges and Opportunities for Improvement of Skillnets TNP	DeCare Systems have a concern from a future policy point of view that more companies do not actively participate in the Skillnets organisations. Skillnets marketing efforts seem not to gain sufficient traction. A lot of potential demand for training remains unexploited. This may in time reduce exchequer support for this very worthwhile programme. Sometimes Skillnets can find it challenging to get training providers capable of delivering niche courses.
<i>Source: DeCare Systems Ireland Limited</i>	

3.5 Programme Cost-Effectiveness and Deadweight

Assessing the extent to which the networks successfully leveraged state and member-company funding in order to provide training and achieve their aims, we must also consider whether this was carried out in a cost effective way.

3.5.1 Cost per Training Day and Cost per Trainee

The table below examines the recent movements in the unit costs of TNP training by reference to the average cost/expenditure per trainee and per training day over the period 2013-2015. While there are annual variations evident, unit costs have remained broadly stable since 2013.

Table 3.10: TNP Cost-Effectiveness – Costs Per Trainee and Training Day 2013 - 2015					
Year	Total Training Days	Total Number of Trainees	Total Expenditure	Cost Per Training Day	Cost Per Trainee
2015	231,213	43,661	€18,964,564	€82.02	€434.36
2014	213,185	41,079	€17,918,327	€84.05	€436.19
2013	206,861	40,704	€17,150,913	€82.91	€421.36
Source: Indecon analysis of Skillnets SONRAI data					
Notes: Both employed and jobseeker trainees and training days are included in the above figures.					

3.5.2 State Funding Costs and Member Company Costs per Trainee

The following table has broken down this cost per trainee by the source of the funding for TNP. In 2015 the state cost per trainee was €207.83 compared to €207.36 in 2014. Thus state cost on a per-trainee basis has remained broadly stable over the last two years. Member companies are contributing more on a per-trainee basis, at €226 per trainee in 2015 and this was also broadly stable compared with 2014 levels.

Table 3.11: TNP Cost-Effectiveness - State and Member Company Costs Per Trainee 2013 - 2015				
Year	Total Number of Trainees	Total State Grant Funding	State Cost Per Trainee	Member Company Cost Per Trainee
2015	43,661	€9,073,887	€207.83	€226.53
2014	41,079	€8,518,000	€207.36	€228.83
2013	40,704	€8,069,068	€198.24	€223.12
Source: Indecon analysis of Skillnets SONRAI data & 2014 Evaluation of Skillnets				
Notes: Both employed and jobseeker trainees and training days are included in the above figures.				

3.5.3 Assessment of Programme Deadweight

An analysis of deadweight associated with a programme is important to ensure a policy is addressing an unmet need and/or is incentivising an outcome that would not otherwise have occurred. Deadweight relates to the instance where the outputs or outcomes of a programme would have occurred in the absence of the programme.

Indecon's research among trainees and member companies however provides an input to the assessment of programme deadweight associated with the TNP, including possible overlap in quality and accessibility of other training programmes. An econometric model comparing outcomes to a counterfactual position would be required to fully evaluate deadweight. This was, however, outside the scope of this evaluation.

As shown in the next table, according to the findings of the research among individuals/trainees who undertook TNP in-employment training during 2015, 20.6% of respondents indicated that it would not have been difficult, while 51.8% suggested it would have been somewhat difficult to have accessed training of a similar quality elsewhere from other, non-Skillnets providers. This would suggest the presence of at least 21% 'pure' deadweight. This is comparable with the levels found in Indecon's previous evaluation of 2013 activities.

Table 3.12: TNP In-Employment Training 2015 – Programme Deadweight as Measured by Trainees Ability to Access Similar Training Elsewhere	
If the Skillnets training you undertook had not been available, how difficult do you believe it would have been to access training of a similar quality elsewhere?	% of Responses
Not Difficult	20.6%
Somewhat Difficult	51.8%
Very Difficult	20.3%
Extremely Difficult	7.3%
Total	100.0%
<i>Source: Indecon Confidential Survey of TNP Employed Trainees in 2015</i>	

It is also instructive to consider the views of member companies on this issue. The findings from Indecon's survey of TNP member companies are summarized in the table overleaf and indicate that 29.6% of respondents would have arranged equivalent alternative training elsewhere, while 39.4% of firms stated that they would have arranged other training but to a lesser degree, e.g., shorter courses or offering them to fewer people. Together these represent 69.0%. Only 15% suggested that they would not have arranged any training at all. As with the indications from trainees, the views of member companies suggest the presence of some deadweight; however, these are broadly comparable with the levels found in Indecon's previous evaluation of 2013 TNP activities.

Table 3.13: TNP Member Companies 2015 - Indicative Estimate of Deadweight	
In the absence of the Skillnets training, please indicate the likely decisions your organisation would have made.	% of Respondents
We would have arranged alternative training no different to that received through Skillnets	29.6%
We would have arranged alternative training but to a lesser degree (e.g. through shorter courses and/or offered to fewer people)	39.4%
We would have arranged alternative training but at a later date	15.9%
We would not have arranged any training at all	15.0%
Total	100.0%
<i>Source: Indecon Confidential Survey of TNP Member Companies 2015</i>	

While the analysis indicates some evidence of deadweight, it is Indecon's experience that some deadweight will be present in all programmes. What is crucial is that efforts are made so that this deadweight is as small as possible and its impacts are minimised. This can be achieved through careful and appropriate design of the eligibility criteria for participation in the programme and design of training, and it is important that training is designed to be as specific and tailored as possible, so as to minimize the possibility that similar courses and programmes can be accessed from other providers. In addition, mitigating the impacts of deadweight in terms of value for money in the utilization of NTF funding also requires maximization of the contribution from matching company funding.

3.6 Future Skills Needs Programme and New Certified Programme Development

The Future Skills Needs Programme (FSNP) and the New Certified Programme Development (NCPD) are funding programmes for the development of new training programmes which were first introduced in 2011, and were continued in 2015.

3.6.1 FSNP - Financial Performance

The FSNP was designed in conjunction with the Expert Group on Future Skills Needs (EGFSN) with the strategic intent of upskilling current and future employees in priority sectors identified as having specific skills gaps. This approach was aimed at supporting the competitiveness of Member Companies, sustaining and increasing market growth, and enhancing employment opportunities for jobseekers.

8 networks successfully applied for the opportunity to develop 14 courses across the FSNP programme in 2015. In 2015, the FSNP spend was marginally below its budget of €163,020. Actual expenditure amounted to €159,685. This was made up of company matching funds of €34,685 and state grant funding of €125,000.

Table 3.14: FSNP Performance, Impacts and Effectiveness - Expenditures in 2015					
	Budgeted Expenditure (€)	Actual Expenditure* (€)	<i>*of which company matching funds</i>	<i>*of which state grant funding</i>	Actual Expenditure as % of Budget
FSNP	163,020	159,685	€34,685	€125,000	98%
<i>Source: Indecon analysis of Skillnets Sonrai Database</i>					

The programmes provided within the FSNP have grown in number since Indecon's previous evaluation in 2013 and now cover a variety of industries, including Pharmaceuticals, Food & Drink, and Visual Effects/Animation. A comprehensive list of programmes is presented in the table overleaf, which includes their associated network, and the certification or award associated with trainees' successful completion.

Table 3.15: FSNP – Overview of Programmes 2015		
Network Name	Programme	Certification / Award
PharmaChem Skillnet	JSSP Programme in Science in Bioanalysis	Level 8
	JSSP Programme in Science in Bio Manufacturing and Laboratory practices	Level 8
First Polymer Training Skillnet	Plastics Design	Level 7
IMDA Skillnet	Development Benchmark Model - Product Development	Not Certified
	M.Sc. In Medical Technology Regulatory Affairs	Level 9
	Digital Marketing for Medical Technology Companies	Not Certified
Taste 4 Success Skillnet	Technical Services Skills - Pork Butchery	Level 6
	Technical Dispenser Management	Level 5
FDII Skillnet	Knifing and Boning Skills	Level 4
Animation Skillnet	VFX & Animation Traineeship	Industry Certification (Level 7 / 8 Equivalent)
ISA Software Skillnet	Scala Executive Product Management Series	N/A
	Zenith Programme - Strategic Funding Journey for Tech CEOs	N/A
Source: Skillnets		

3.6.2 Selected FSNP Networks

Animation Skillnet

The animation Skillnet has facilitated a flexible and innovative development model for the Visual Effects and Animation industry in Ireland. The VFX & Animation programme allows for technical skill development through the matching of 12 programme partners with 12 eligible trainees. The year-long programme provides trainees with in-house studio experience by allowing them to work with professionals in the industry. Further training is also provided off-site by the Animation Skillnet and Screen Training Ireland. Successful completion of the programme results in an industry certification of NFQ Level 7 / 8 standard. The VFX & Animation Traineeship was launched in May 2015 and trainees commenced training in September.

ISA Software Skillnet

The ISA Software Skillnets offers two programmes in 2015 in the areas of project management and strategic funding for tech CEO's. The Scala Executive Product Management Series is made up of 3 one-day programmes designed by academics at DIT and delivered by industry professionals. These three programmes cover the essentials of business models specifically targeting a software-orientated audience, a quickstart to product management, and training to improve engagement with relevant stakeholders.

3.6.3 NCPD - Financial Performance

Fostering the development of new certified training has been an integral part of Skillnets strategy. The aim of the New Certified Programme Development (NCPD) is to provide additional funding streams for networks with a proven track record of high demand for training from businesses. These new training programmes will be industry or NFQ certified and access will be made available after enterprises meet specific criteria. The overall aim of the programme is to provide a significant increase in the availability of new certified training to network Member Companies. The NCPD underspent its budget in 2015 by 38%. Expenditure amounted to €163,121. This was comprised of €32,624 of company matching funds and €130,497 of state funding (see table below).

Table 3.16: NCPD Performance, Impacts and Effectiveness - Expenditures in 2015					
	Budgeted Expenditure	Actual Expenditure*	* of which state grant funding	**of which company matching funds	Actual Expenditure as % of Budget
NCPD	€261,125	€163,121	€130,497	€32,624	62%
Source: Indecon analysis of Skillnets Sonrai Database					

The training programmes provided within the NCPD cover a wide range of industries, including broadcasting & Communications, Human Resources, and Retail. Across the 15 programmes offered, the certifications awarded for the successful completion of the course range from Level 9 professional diplomas to industry certified awards (see table overleaf).

Table 3.17: NCPD – Overview of Programmes 2015

Network Name	Programme to be Developed	Certification / Award
Learning Waves Skillnet	Radio Programme Production	Industry Certification (Level 6 Equivalent)
Trainers Learning Skillnet	Establishing and Measuring the Impact & ROI of Training	Level 7
	E-Learning, IT & Social Media in Learning & Development	Level 7
	Professional Practice Certificate in Training & Development - Blended Learning	Level 6
Innovation & Lean Sigma Skillnet	Professional Diploma in Innovation - Pharmaceuticals	Level 9
	Six Sigma Green Belt Programme for Retail	N/A
	Breakthrough Unemployed Course	Level 6
CPA Ireland Skillnet	Certificate in the Company's Act	Industry Certification (Level 8 Equivalent)
National Organic Training Skillnet	Organic Snail Farming Production	Not Certified
Business Excellence Skillnet	Professional Employment Services Practitioner	Level 8
IBEC Retail Skillnet	Honours BBS in Retail Management Practice	Level 8
	Retail Occupational Qualifications	Level 5
	Managing Work based Learning Programmes	Level 7
<i>Source: Skillnets</i>		

3.6.4 Selected NCPD Networks

IBEC Retail Skillnet

The Retail Skillnet Ireland⁷ was created to develop and maintain training and development schemes for those employed in the retail sector and offers three programmes under the NCPD. An Honours BBS degree is available to retail employees and allows part-time participation. This was developed and commenced in Q3 2015. Retail occupational qualifications and managing work-based learning programmes are also available.

Learning Waves Skillnet

A certificate in music presentation for radio has now been made available by the Learning Waves Skillnet, in conjunction with the Broadcasting Authority of Ireland (BAI). Twenty participants from the JSSP programme took part in this programme which involved formal course material, comprehensive assessments, and a formal work placement. An advanced programme is currently under development in 2016 for those trainees who wish to further their training in this area. The successful completion of this programme culminated with an awards ceremony in which an industry-certified level 6 award was granted. For 2016, both employed trainees from the TNP, and jobseekers from the JSSP, will be partaking in the Advanced Programme.

⁷ Formerly IBEC Retail Skillnet

3.6.5 Conclusions re FSNP and NCPD

Indecon would make the following overall observations/conclusions in relation to the FSNP and NCPD programmes during 2015:

- ❑ The FSNP and NCPD programmes have played a significant role in identifying and facilitating the development of new programmes and courses which respond to requirements in priority sectors identified as having specific skills gaps. This included 25 new certified course modules or full courses in 2015, delivered across fourteen networks, in areas including medical devices, ICT, pharma, animation, broadcasting, human resources, and retail.
- ❑ Overall, however, the combined expenditure on the FSNP and NCPD programmes amounted to €322,806 was equivalent to just 1.3% of overall Skillnets expenditure during 2015. This suggests that while the programmes to-date have assisted in addressing a number of relevant skill areas (primarily in sectorally focussed networks), the scale of investment is low and they remain a relatively under-utilised resource within the overall context of Skillnets activities and expenditure. Enhancing the level of investment and expanding the utilisation of FSNP and NCPD across the networks would be important if their potential role is to be fully realised.
- ❑ FSNP and NCPD can play an important role in ensuring that Skillnets continues to differentiate its value-added offering to member companies, and to ensuring that off-the-shelf, generic training provision and resulting potential duplication with other providers is minimised.
- ❑ No dedicated programme has been developed in 2015 to address skill requirements in the Hospitality sector and this is an important area requiring support in the context of the Government's National Skills Strategy and Further Education and Training Strategy.
- ❑ Indecon would not perceive an obvious rationale for the operation of two separate programmes/channels in the form of the NCPD and FSNP to address new skill requirements, and potential re-alignment or merger of the programmes would merit consideration from the perspective of minimising fragmentation and maximising scale economies and effective delivery.

3.7 Summary of Main Findings

This section examined the funding, activities and outcomes from the TNP programme, focusing in this case on in-employment training delivered during 2015. The key findings from the assessment were as follows:

- ❑ The TNP continued to achieve its objectives and to receive positive stakeholder feedback.
- ❑ TNP programme expenditure amounted to €18.7 million in 2015 within 59 networks and 11,937 member companies, and across a diverse range of sectors. There has been a continued strong focus on SMEs (95% of firms).
- ❑ Almost a quarter of TNP member companies that responded to Indecon's survey indicated that they had not participated in TNP training prior to 2015. The fact that almost a quarter of member companies were new in 2015 suggests that TNP has been able to attract new member companies and develop new partnerships.

- ❑ The programme provided in-employment upskilling to 39,740 trainees over 222,911 training days during 2015. Training days increased by 9.9% and 6% in 2015 and 2014 respectively. Trainee numbers have expanded as the wider Irish economy and labour market has recovered, increasing by over 7% during 2015.
- ❑ The research found high levels of employment retention among TNP trainees, with 98.5% of respondents to Indecon's survey of trainees who undertook employed training during 2015 still in employment in April/May 2016.
- ❑ There is also evidence that training partially or primarily contributed to certain pre-defined career development outcomes among trainees. The most significant outcomes attributable to the TNP training were considered by trainees to include securing a promotion; receiving a salary increase; and moving to a more satisfactory job within the company.
- ❑ TNP trainees have indicated generally high levels of satisfaction with the overall quality of in-employment training provided.
- ❑ TNP Member Companies have indicated strong levels of training effectiveness in addressing skills gaps (89%), while 94% of firms indicated that they were satisfied with Skillnets training during 2015.
- ❑ Where companies participated prior to 2015, a majority indicated that they believed the overall quality of Skillnets training had improved since they first engaged.
- ❑ Research among trainees and member companies indicates the presence of some deadweight, but these are broadly comparable with the levels found in Indecon's previous evaluation of 2013 TNP activities. It is important from the perspectives of maximising net impacts and value for money in the utilisation of public funding through the NTF that ongoing efforts are made to minimise this deadweight and to mitigate its impacts through maximizing member company matching funding.
- ❑ The FSNP and NCPD programmes have played a significant role in identifying and facilitating the development of new programmes and courses which respond to emerging and future skill requirements. However, the scale of investment is low and the programmes remain relatively under-utilised. Enhancing the level of investment and expanding the utilisation of FSNP and NCPD across the networks would be important if their potential role is to be fully realised.
- ❑ In terms of business impacts, Indecon sought the views of TNP member companies in relation to the benefits of membership of TNP. Among the benefits, it was found that 76.4% of responding firms considered that membership of their TNP network contributed to enhancing the long-term performance of their business.

4 Evaluation of Finuas Networks Programme

4.1 Introduction

In this section we focus on the impact of the Finuas Networks Programme, with emphasis on inputs, activities, outputs and outcomes surrounding the provision of in-employment training. The evaluation of jobseeker training under the Finuas Main programme is presented in Section 6.

4.2 Background and Programme Context

The Finuas programme provides training in specialist skills to enhance expertise in and the global competitiveness of the International Financial Services (IFS) sector in Ireland. This covers banking/asset financing, corporate treasury, investment management, aviation finance, securitisation, reinsurance and associated technology and professional services.

The financial services sector provides total direct employment of over 35,000 people and contributes over €2bn annually to the Irish Exchequer.⁸

A significant proportion of Ireland's financial sector activities are carried out in the International Financial Services Centre (IFSC) in Dublin. Over 500 firms that are active in the IFSC provided 13.5% of the €4.6 bn in total corporation tax revenues collected by the exchequer in 2015.⁹

The sector is also active in 19 counties outside Dublin where approximately 10,000 of the 35,000 plus jobs are located.¹⁰ Finuas provides training inside and outside Dublin, in particular to IFSC-based companies and to the cluster of Shannon/Limerick-based aviation leasing/finance companies.

Importantly in relation to the wider policy context, Finuas is aligned with and integrated within the Government's strategy for the IFS sector, IFS2020, and had responsibility for the delivery of two actions within this strategy during 2015 (increasing to five in 2016).

4.3 Aims and Objectives of Programme

Finuas has an overall strategic objective to support the international financial services sector in maintaining Ireland's position as a major international financial services centre through investment in the specialist skills and expertise of its workforce.

The table overleaf summarises the specific aims and objectives for the Finuas programme.¹¹

⁸ 2016 study conducted by Accenture for Financial Services Ireland / IBEC.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Finuas 2020 Strategy

Table 4.1: Finuas Programme – Aims and Objectives of Finuas

- ☐ To promote an enterprise-led approach to learning within the international financial services sector through the establishment of Finuas networks where groups of enterprises can develop strategic answers to their joint training needs.
- ☐ To develop the skills of existing staff and expand the pool of high value, specialised and market-appropriate skills within the industry.
- ☐ To increase the supply and mix of current training and education provision and create flexible learning opportunities.
- ☐ To make available new or revised industry-specific course materials, programmes, modules and awards that are aligned to identified business/market needs.
- ☐ To enable strategic high-level education provision, to be newly created or updated, in line with industry developments and provide opportunities for specialization.
- ☐ To put in place a flexible process to enable rapid response to industry changes or developments.
- ☐ To create value-added training by promoting best international practice within the training, including impact measurement, benchmarking and strategic approaches to learning and development.
- ☐ To support jobseekers in updating their skills, networking and increasing their employability through industry-led training.

Source: Finuas

4.4 Assessment of Programme Inputs

4.4.1 Analysis of Financial Inputs

The annual overall expenditures undertaken by Finuas networks over the last three years are described in the table below. Overall programme expenditure totalled just over €1.7 million in 2015, which was within budgeted levels. This represented an increase of close to 10% on the 2014 level of spend.

Table 4.2: Financial Overview – Finuas Expenditures 2013 - 2015

	No of Networks	Network Total Expenditure	% Annual Change
2015	3	€1,734,062	9.7%
2014	3	€1,581,125	5.2%
2013	3	€1,502,562	-9.3%

Source: Indecon analysis of Skillnets SONRAI data and 2014 Evaluation Report

The following table provides additional detail in relation to the breakdown and funding of Finuas expenditures during 2015. Of the overall spend, €1.42 million or 81.9% related to provision of training programmes, while 18% concerned network management costs.

Table 4.3: Financial Overview – Breakdown of Finuas Expenditures in 2015			
Category	Budgeted Expenditure (€)	Actual Expenditure (€)	Actual as % of Budget
Training Expenditure	€1,421,438	€1,421,438	100.0%
Management Expenditure	€309,735	€312,624	100.9%
Total Expenditure*	€1,751,926	€1,734,062	99.0%
*Of which, State funds	€812,495	€762,000	93.8%
*Of which, company matching funds	€939,431	€972,062	103.5%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>			
*Total Budgeted Expenditure not equal to sum of training and management expenditure due to budgeted overheads			

4.4.2 Funding leverage

From the previous table, Finuas member companies' matching funds represented 56.1% of total level of network expenditure in 2015. This compared with 51.6% when Indecon last evaluated the programme's activities in 2013. This increase in funding leverage is important in the context of mitigating programme deadweight and maximising value for money in the use of public (NTF) funds.

4.4.3 Network company characteristics

The three Finuas networks comprised 433 member companies in 2015. This compares with 344 companies when Indecon last evaluated the programme in 2013, indicating a strong growth in membership of 26% over the two-year period. It is estimated that 93% of Finuas member companies are SMEs, while 34% are micro enterprises with less than 10 people employed.

Table 4.3: Finuas Member Companies 2015 - Overview of Member Company Size	
Company Size	% of Total*
Micro (1-9 employees)	34%
Small (10-49 employees)	42%
Medium (50-250 employees)	17%
Large (>250 employees)	7%
Total	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>	
* Based on a 97% sample for which data was available.	

As regards the sectoral breakdown of Finuas member companies shown in the next table, professional, legal and taxation service companies dominated in 2015, accounting for over half the member companies (54%, compared with 46% in 2013). Other concentrations are evident in aircraft finance/leasing (11%), funds and investment management (9%) and financial services (8%). A new/emerging area is Financial Technology (FinTech), with 14 companies being members of Finuas in 2015.

Table 4.4: Finuas Member Companies 2015 - Breakdown of Member Companies by Sector		
Sector	Number of Companies	% of Total
Air Finance / Leasing	48	11%
Banking and Capital Markets	28	6%
Financial Services	36	8%
Financial Technology (FinTech)	14	3%
Funds and Investment Management	38	9%
Insurance / Reinsurance	26	6%
Other	8	2%
Professional Legal and Taxation Services	235	54%
Total	433	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>		

4.4.4 Prior training activity of member companies

A majority of member companies responding to the Indecon survey indicated that they had participated in Finuas since at least 2011 (see table below). Many are likely to have been involved since the Finuas programme commenced in 2009.

Table 4.5: Finuas Member Companies 2015 - First Year of Finuas Participation	
Year	% of Responses
2015	13.3%
2014	10.0%
2013	3.3%
2012	6.7%
2011 or Earlier	66.7%
Total	100.0%
<i>Source: Indecon Confidential Survey of Finuas Member Companies 2015</i>	

4.5 Assessment of Programme Outputs and Outcomes

4.5.1 Analysis of Training Outputs

In relation to training outputs, the table below shows a strong (46%) increase in the overall number of Finuas training courses provided in 2015 (200) compared with 2013 (137) when Indecon last reviewed the programme. The number of networking events has remained stable and this is an area where further development would be merited in the future.

Table 4.4: Finuas In-Employment Training Outputs – Number of Courses and Events		
Event Type	No of Events/Courses	
	2015	2013
No. of Training Courses Provided	200	137
No. of Networking Events	19	19
<i>Source: Indecon analysis of Skillnets SONRAI data & Annual Report 2014</i>		

4.5.2 Profile of trainees who undertook in-employment training during 2015

The vast majority of Finuas in-employment training participants already held a degree-level qualification when they commenced their Finuas training in 2015 (see table below). This is consistent with the high levels of expertise and knowledge required in the international financial services and aviation finance sectors, which attracts highly qualified recruits and supports the need for continuing professional development of staff.

Table 4.6: Finuas In-Employment Training 2015 – Pre- Training Qualification Levels of Participants	
Level of Award on NFQ	Percentage
Levels 1-5	4%
Level 6	5%
Level 7	9%
Level 8	59%
Level 9	22%
Level 10	1%
Grand Total	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>	
* Based on an 88% sample for which data was available.	

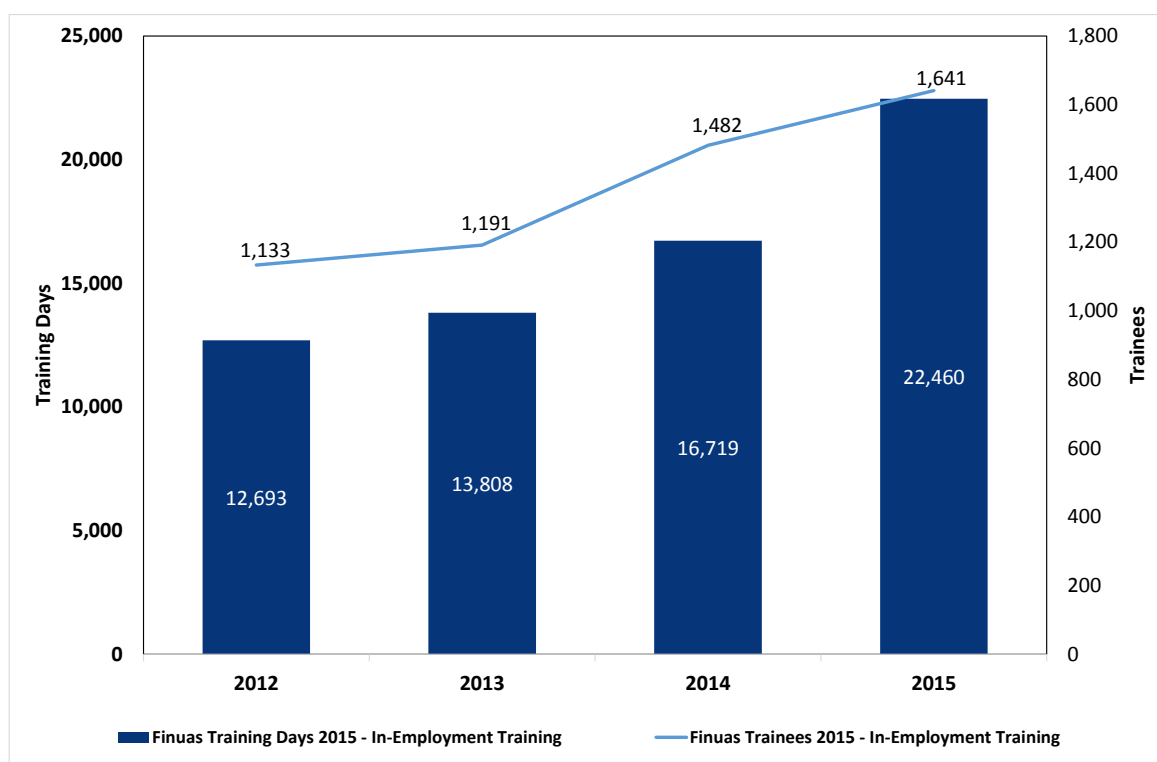
4.5.3 Training activities and outcomes

The table below describes the recent developments in Finuas in-employment training activities, in terms of trainees and training days delivered. Finuas training activity levels have seen strong recent growth, with in-employment training provided to 1,641 trainees over 22,460 training days during 2015 – levels that were 11% and 35% higher than 2014 respectively, indicating strong demand for in-employment training within the IFS sector.

Table 4.7: Finuas Training Outcomes – In-Employment Training – No. of Trainees and Training Days 2013-2015			
Indicator	2015	2014	2013
Programme	Finuas	Finuas	Finuas
No. of Trainees	1,641	1,482	1,191
<i>Annual % Change</i>	<i>10.7%</i>	<i>24.4%</i>	-
No. of Training Days Delivered	22,460	16,719	13,808
<i>Annual % Change</i>	<i>34.3%</i>	<i>21.1%</i>	-
Average No. of Training Days per Trainee	13.7	11.3	11.6
<i>Annual % Change</i>	<i>21.3%</i>	<i>-2.7%</i>	
<i>Source: Indecon analysis of Skillnets SONRAI data & 2014 / 2013 Evaluation of Skillnets</i>			

The recent trends in Finuas in-employment training activities over the period 2012-2015 are also described in the figure overleaf. Since 2012, Finuas has maintained a continuous upward trend in trainee numbers and in-employment training days delivered, driven by demand for existing and new areas of specialized training.

Figure 4.1: Finuas In-Employment Training 2015 – Trends in Finuas Trainees and Training Days



Source: Indecon analysis of Skillnets SONRAI data

Progression Outcomes among Trainees

Current status of individuals who undertook in-employment training during 2015

Indecon's research among individuals who undertook Finuas in-employment training during 2015 suggests high levels of employment retention among Finuas trainees, with over 97% of individuals who undertook in-employment training in 2015 still in employment in April-May 2016. This reflects in part the strong growth of the sector, which has successfully developed niche areas in Ireland.

Benefits and Impacts of Training

2015 Finuas employed trainees were asked to consider whether any of five specific outcomes, if they had occurred since completion of the training, were partially or primarily attributable to the Finuas training, or were likely to occur in the next 6-18 months, or were due to some other factor. The findings are presented in the table overleaf. The two shaded columns in the table overleaf indicate the extent to which the various outcomes are partially or primarily the result of the Finuas training. Combining the results in the two columns, the more significant outcomes attributable to the Finuas training are considered to be securing a promotion (8.5%); receipt of a salary increase (10.1%); and moving to a more satisfactory job within the company (7.6%).

Table 4.8: Finuas In-Employment Training 2015 – Trainee Views on Outcomes Attributable to Finuas Training					
If any of the following specific benefits have occurred since you completed your Finuas training, please indicate if the changes occurred as a result of this training?	Outcome has Not Occurred	Outcome has Occurred but Not Related to Finuas Training	Outcome Partially Due to Finuas Training	Outcome Primarily Due to Finuas Training	Outcome is Likely to Occur in the Next 6-18 Months
I have secured a promotion	67.3%	16.6%	7.5%	1.0%	7.5%
I have received a salary increase	52.5%	33.3%	8.6%	1.5%	4.0%
I have moved to a more satisfactory job within the company	82.1%	9.2%	5.6%	2.0%	1.0%
I have moved to a more satisfactory job outside the company	92.8%	2.6%	0.5%	1.0%	3.1%
I have become self-employed	96.9%	2.1%	1.0%	0.0%	0.0%
Average	78.3%	12.7%	4.7%	1.1%	3.1%
<i>Source: Indecon Confidential Survey of Finuas Employed Trainees 2015</i>					

The table overleaf considers the views of trainees on certain possible additional benefits from undergoing the Finuas training.

Table 4.9: Finuas In-Employment Training 2015 – Views of Trainees on Additional Benefits/Impacts of Finuas Training

Did the Finuas training contribute to any of the following additional benefits / impacts?	Fully Contributed	Partially Contributed	Did Not Contribute
Has improved my motivation	16.6%	54.1%	29.3%
Has encouraged me to undertake further training or education	21.0%	47.3%	31.7%
Has helped me to make better decisions about my career	13.6%	49.0%	37.4%
Has helped me to achieve a qualification/certification	31.2%	22.0%	46.8%
Has helped to fast-track my career	5.0%	28.9%	66.2%
Has helped me to keep my present job	6.9%	26.2%	66.8%
Average	15.7%	37.9%	46.4%

Source: Indecon Confidential Survey of Finuas Employed Trainees 2015

Motivation is seen as the main additional area of benefit for trainees, with 70.7% of respondents indicating that participation in Finuas training during 2015 helped to improve their motivation. A similar proportion (68.3%) considered that Finuas participation encouraged further training or education, while 62.6% indicated that it helped them to make better career decisions. In over half the cases (53.2%), it helped trainees to achieve a qualification or some other form of recognition/certification.

The findings from our research among member companies on the impacts of Finuas membership are summarised overleaf. Generally across the impact dimensions assessed, between 55% and 94% of responding companies saw positive impacts from participation in Finuas. Importantly, 93.5% considered Finuas training as helping to address skills gaps generally within their organisations.

Table 4.10: Finuas Member Companies 2015 – Impacts of Finuas Membership			
To what extent would you agree or disagree with each of the following statements as a result of being a member of a Finuas network during 2015?	Positive Impact	No Impact	Negative Impact
Addressed skills gaps generally within our organisation	93.5%	6.5%	0.0%
Staff received certification, which benefits our business	80.0%	20.0%	0.0%
Helped to enhance the long-term performance of our business	74.2%	25.8%	0.0%
Improved business processes and/or productivity and enhanced competitiveness	74.2%	22.6%	3.2%
Increased staff engagement	70.0%	30.0%	0.0%
Enhanced our service/product quality	64.5%	32.3%	3.2%
Increased attraction/retention of key staff	56.7%	43.3%	0.0%
Improved customer care	54.8%	41.9%	3.2%
Helped lower business costs	35.5%	58.1%	6.5%
Contributed to increased turnover / sales	25.8%	71.0%	3.2%
Assisted our business to develop new markets	22.6%	74.2%	3.2%
Source: Indecon Confidential Survey of Finuas Member Companies 2015			

Delving further into the perceived benefits of Finuas membership from the perspective of member companies, the table overleaf summarises the findings from Indecon's research in respect of a range of specified benefits of membership. Among the dimensions examined, the aspects where a majority of respondents indicated that they strongly agree or agreed that membership provided a specific benefit included that membership 'Will encourage future investment in staff development and training' (80.7% of respondents), 'Our company/business had a formal training programme and/or clearly identified need for training' (73.3%), '[Membership] has increased awareness within our company of the importance of training' (71%), 'An increased number of people are now offered training at our organisation' (70.9%) and 'Membership helped us to meet/network with other like-minded businesses' (58.1%).

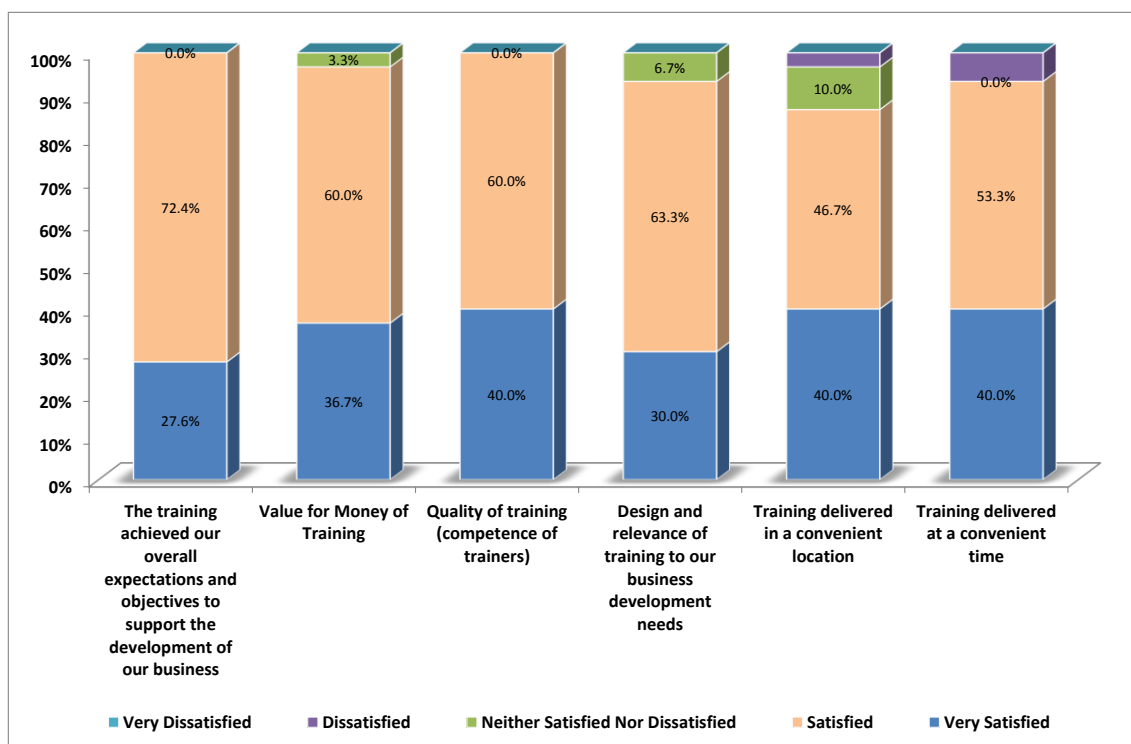
Aspects where respondents indicated less strong agreement were that 'The Training Needs Analysis conducted by the Finuas network fully reflected the training needs of our company/business' (42%) and that membership has 'enabled some staff to be trained for the first time' (41.9%). Notably, 19.4% of respondents to the survey stated that this was the first time they had engaged in planned (Finuas or other) training.

Table 4.11: Finuas Member Companies 2015 – Views on Benefits of Finuas Membership						
To what extent would you agree or disagree with each of the following statements as a result of being a member of a Finuas network during 2015?	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	Total
Will encourage future investment in staff development and training	22.6%	58.1%	19.4%	0.0%	0.0%	100%
Our company/business had a formal training programme and/or clearly identified need for training	30.0%	43.3%	23.3%	0.0%	3.3%	100%
An increased number of people are now offered training at our organisation	16.1%	54.8%	22.6%	6.5%	0.0%	100%
Has increased awareness within our company of the importance of training	6.5%	64.5%	16.1%	9.7%	3.2%	100%
Membership helped us to meet/network with other like-minded businesses	19.4%	38.7%	35.5%	3.2%	3.2%	100%
The Training Needs Analysis conducted by the Finuas network fully reflected the training needs of our company/business	6.5%	35.5%	51.6%	3.2%	3.2%	100%
Has enabled some staff to be trained for the first time	3.2%	38.7%	32.3%	12.9%	12.9%	100%
This was the first time we engaged in planned (Finuas or other) training	9.7%	9.7%	12.9%	22.6%	45.2%	100%
Source: Indecon Confidential Survey of Finuas Member Companies 2015						

4.5.4 Satisfaction Levels with Training

The following chart considers how satisfied member companies were with different aspects of Finuas training. In all respects respondents expressed themselves as 86.7% either very satisfied or satisfied. This includes a very high rating of 96.7% for value for money of the training. The aspects that generated some level of dissatisfaction were inconvenience in timing and location of training courses. While this might be to some extent expected for any joint classroom-based training, i.e., not in-house, particularly at a time of economic recovery and emerging skills shortages, it underlines the importance of Finuas adopting more flexible asynchronous and blended learning methods to reduce trainees' time off the job and to fit in with their work schedules.

Figure 4.2: Finuas Training 2015 – Views of Member Company Respondents on Satisfaction with Aspects of Training



Source: Indecon Confidential Survey of Finuas Member Companies 2015

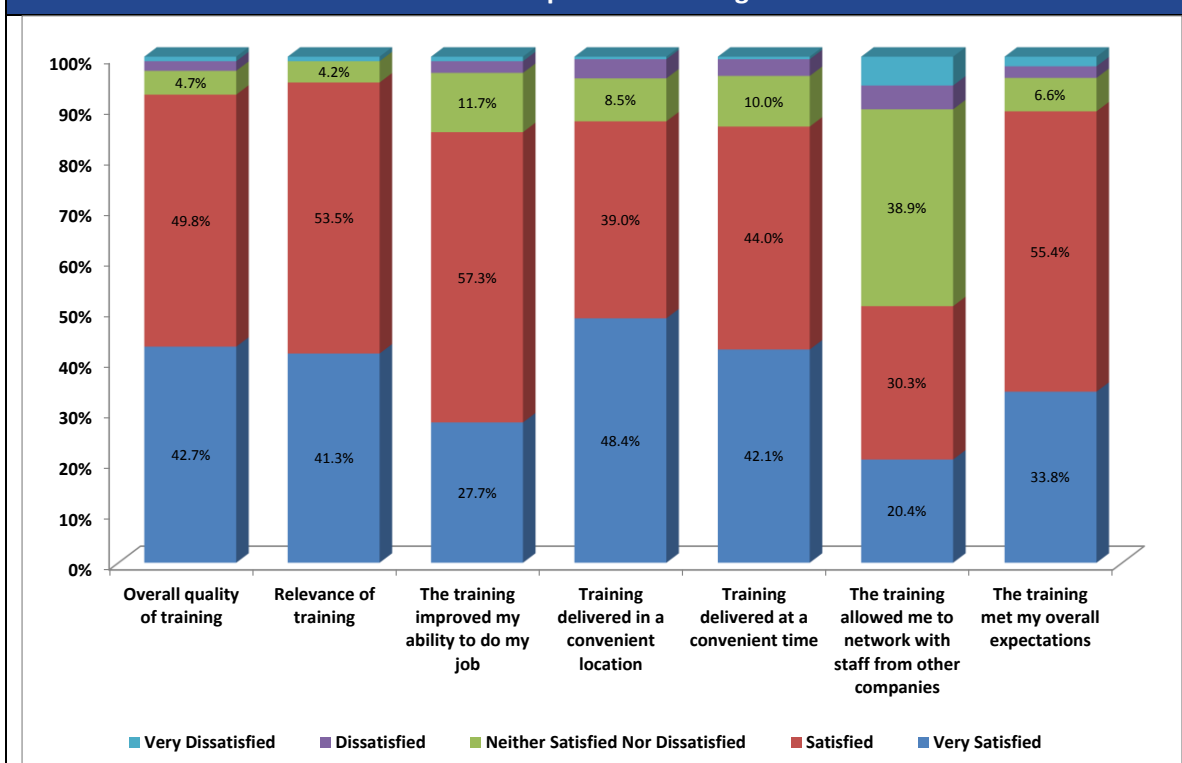
In the next table it is notable that none of the survey respondents indicated a decrease in the quality of training provided since they first engaged with Finuas, although it should be added that 37.5% of them nevertheless considered that the quality was largely unchanged. This may suggest that there is some room for a continuous improvement approach to course development.

Table 4.12: Finuas Member Companies 2015 – Developments in Quality of Finuas Training

If you participated in Finuas prior to 2015, how do you believe the overall quality of Finuas training has changed over the period since you first engaged with Finuas?	% of Respondents
Greatly Improved	8.3%
Improved	54.2%
Largely Unchanged	37.5%
Worsened	0.0%
Greatly Worsened	0.0%
Total	100.0%
Source: Indecon Confidential Survey of Finuas Member Companies 2015	

Seen from the trainees' point of view, except in one respect, they were more than 85% either very satisfied or satisfied with their training, a score that would typically be targeted by many training providers. 89.2% of trainees felt that overall, their expectations had been met. One aspect where satisfaction levels felt relatively short concerned networking possibilities afforded by the training.

Figure 4.3: Finuas In-Employment Training 2015 – Views of Trainee Respondents on Satisfaction with Aspects of Training



Source: Indecon Confidential Survey of Finuas Employed Trainees 2015

4.5.5 Case Study Example of Finuas Member Company

It is also instructive to consider an example of how Finuas operates in practice. As part of this evaluation, a case study example of a Finuas member company was prepared, which illustrates how businesses interact with the network and the impacts of training provided. This case study example is presented in the box overleaf.

Box 4.1: Finuas Member Company Case Study	
Company Name	Citco Fund Services (Ireland) Ltd.
Brief description of firm	<p>The Citco Group of companies is a worldwide group of independent financial service providers offering hedge fund administration, custody and fund trading, financial products and trust planning solutions for over 70 years.</p> <p>Citco Fund Services (Ireland) Limited was established as an authorised investment intermediary in the IFSC in October 1999 and opened an additional office in Cork in 2006. 550 employees currently administer approx. 500 funds, representing \$164 billion in assets under administration.</p>
Reason(s) for Participation in Skillnets Finuas	The availability of a wide range of funded training courses and education programmes which are highly relevant to the learning needs of our employees and complement Citco's in-house talent development initiatives.
Experience of Finuas Programme / Training To-Date	<p>Citco Fund Services (Ireland) Limited is very appreciative of the funding provided by Finuas towards the Claritas Investment Certificate. All new hires in junior roles are encouraged to complete this course to gain a clear understanding of the global investment industry, the essentials of finance, ethics and investment roles.</p> <p>Institute of Banking courses have also been very popular with Citco's employees for many years. They offer a range of broad programmes appealing to new entrants to the industry as well as highly specialised (e.g. IoB Cert in Data Protection and IoB Cert in Operational Risk Management) courses which support the specialisation and up-skilling of experienced employees.</p>
Business Impacts	<ul style="list-style-type: none"> - A wide range of CPD opportunities are available which enhance the knowledge and skills of our employees. This in turn improves productivity and client servicing. - Insight and participation in industry developments through briefings and networking events.
Concerns, Challenges and Opportunities for Improvement of Finuas	<p>A concern is the significant reduction in grant funding levels available since the network started in 2009. Also in Q4 2015 we were informed that no further funding was available as the allocated budget for the year had been utilised.</p> <p>Regarding opportunities for improvement, Citco would welcome further engagement with Finuas to explore mutually beneficial initiatives and ensure that the network is responsive to the ever changing training needs of the fund administration and wider financial services industry.</p>
Source: Citco Fund Services (Ireland) Ltd.	

4.6 Programme Cost-Effectiveness and Deadweight

This section considers the cost-effectiveness of Finuas training during 2015 by reference to a number of unit cost metrics. We also consider the issue of programme deadweight.

4.6.1 Cost per Training Day and Cost per Trainee

The table below describes the recent developments in the unit/average costs per trainee and per training day associated with the delivery of Finuas training over the period 2013-2015. On a per-trainee basis, unit costs of training activity were broadly stable between 2014 and 2015, averaging €1,057 per trainee in 2015. There has been a more noticeable decline in overall costs per training day, with unit costs falling to €77 per day in 2015 compared with €95/day in 2014 and €103/day in 2013. This reflects the relatively strong growth in Finuas training days relative to expenditure growth over this period. Of importance concerns not only the cost of training but also the quality of training, but the analysis suggests that training is being delivered on a more cost-effective basis when measured based on average unit costs.

Table 4.13: Finuas Programme Effectiveness – Costs Per Training Day and Trainee 2013 - 2015

Year	Total Training Days	Total Number of Trainees	Total Expenditure	Cost Per Training Day	Cost Per Trainee
2015	22,460	1,641	€1,734,062	€77	€1,057
2014	16,719	1,482	€1,581,125	€95	€1,067
2013	14,580	1,309	€1,502,562	€103	€1,148

Source: Indecon analysis of Skillnets SONRAI data and 2014 Evaluation Report

4.6.2 State Funding Costs and Member Company Cost per Trainee

Given the importance of demonstrating value for money in the utilisation of state funds allocated to Finuas via the National Training Fund, it is also instructive to consider the recent movements in the unit costs of Finuas training in terms of state funding costs and matching company funding. The analysis in the table overleaf indicates that the state funding cost of Finuas training has declined from €556 per trainee in 2013 to €464 in 2015, a reduction of 16.5% over two years, whereas member company cost per trainee is at €592, the same in 2015 as it was in 2013, albeit with a small dip in 2014. This suggests an improvement in unit costs from the perspective of the State and this has been assisted through the increased contribution from matching company funding.

Table 4.14: Finuas Programme Effectiveness – State and Member Company Costs Per Trainee 2013 - 2015

Year	Total Number of Trainees	Total State Grant Funding	Total Member Company Matched Funding	State Cost Per Trainee	Member Company Cost per Trainee
2015	1,641	€762,000	€972,062	€464	€592
2014	1,482	€723,566	€857,559	€488	€579
2013	1,309	€727,872	€774,690	€556	€592

Source: Indecon analysis of Skillnets SONRAI data and 2014 Evaluation Report

4.6.3 Assessment of Programme Deadweight

As in the case of our examination of the TNP, of importance concerns the extent of deadweight associated with the operation of the Finuas programme, where this relates to the instance where the outputs or outcomes would have occurred in the absence of the programme. Indecon's research among trainees and member companies provides an input to the assessment of programme deadweight associated with the Finuas programme, including possible overlap in quality and accessibility of other training programmes.

The table below summarises the findings from Indecon's research among 2015 Finuas in-employment trainees in relation to whether they believed it would have been possible to access training of a similar quality elsewhere. In this case the research found that 76.4% of Finuas 2015 trainees reported that it would have either been "not difficult" (22.6%) or only "somewhat difficult" (53.8%) to access training of a similar quality elsewhere.

Table 4.15: Finuas Employed Training in 2015 – Programme Deadweight as Measured by Trainees Ability to Access Similar Training Elsewhere

If the Finuas training you undertook had not been available, how difficult do you believe it would have been to access training of a similar quality elsewhere?	% of Responses
Not Difficult	22.6%
Somewhat Difficult	53.8%
Very Difficult	17.5%
Extremely Difficult	6.1%
Total	100.0%

Source: Indecon Confidential Survey of Finuas Employed Training in 2015

In terms of what companies would have actually done if the Finuas training was not available, the next table shows that 93.3% would have arranged alternative training that was the same (16.7%) or to a lesser extent (73.3%) or at a later date (3.3%). In only 6.7% of case would companies have not arranged any alternative training at all. The 6.7% compares with 15.0% of TNP companies who would not have arranged any alternative training as described in Section 3 of this report.

Table 4.16: Finuas Member Companies 2015 - Indicative Estimate of Programme Deadweight	
In the absence of the Finuas training, please indicate the likely decisions your organisation would have made?	% of Respondents
We would have arranged alternative training no different to that received through Finuas	16.7%
We would have arranged alternative training but to a lesser degree (e.g. through shorter courses and/or offered to fewer people)	73.3%
We would have arranged alternative training but at a later date	3.3%
We would not have arranged any training at all	6.7%
Total	100.0%
Source: Indecon Confidential Survey of Finuas Member Companies 2015	

Overall, the above findings suggest comparatively higher incidence of programme deadweight in terms of training accessibility and likely company decisions in absence of Finuas when compared to the TNP programme. The evidence also suggests that the extent of deadweight within Finuas may have increased somewhat compared to when Indecon last examined the programme's activities in 2013 (notably, in 2013, 14.3% of Finuas in-employment trainees believed that it would not have been difficult to access similar quality training elsewhere, whereas this proportion increased to 22.6% among 2015 trainees). This is likely to have been influenced by the wider economic and sectoral environment. A potential mitigating factor, however, is the strong level of private funding leverage through member company co-funding evident in the case of Finuas. Ensuring careful design of Finuas training to maximise its specificity and added-value to companies, while also maximising member company matching funding, will remain important in keeping deadweight and its impacts to a minimum.

4.7 Summary of Main Findings

This section examined the Finuas programme during 2015. The main findings from the evaluation were as follows:

- ❑ The Programme was delivered across the Summit Finuas, Law Society Finuas and Aviation Finance Finuas networks, and involving 433 member companies in 2015, 93% of which were SMEs.
- ❑ Overall Finuas programme expenditure for 2015 mounted to €1.7 million, which was within budgeted levels. Just under €1 million or 56% of spend was supported by matching member company funds.
- ❑ Finuas training activity levels have seen strong recent growth, with in-employment training provided to 1,641 trainees over 22,460 training days during 2015 – levels that were 11% and 35% higher than 2014 respectively, indicating strong demand for in-employment training within the IFS sector.
- ❑ Generally high levels of satisfaction with Finuas training in 2015 were evident among both member companies and trainees, including in relation to training relevance, quality and value for money.
- ❑ The research found high levels of employment retention among Finuas trainees, with over 97% of individuals who undertook in-employment training in 2015 still in employment in April-May 2016. This reflects in part the strong growth of the sector, which has successfully developed niche areas in Ireland.
- ❑ There is also some evidence of positive career outcomes linked to training. The more significant outcomes attributed by trainees to Finuas training include securing a promotion; receipt of a salary increase; and moving to a more satisfactory job within their company.
- ❑ The research suggests a comparatively higher incidence of programme deadweight in terms of training accessibility and likely company decisions in absence of Finuas. There is also some evidence that this has increased since 2013, which is likely to be influenced by the wider economic and sectoral environment. A potential mitigating factor, however, is the level of private funding leverage through member company co-funding evident in the case of Finuas, which, at 56.1% in 2015 was higher than in 2013 (51.6%), and was also higher than that achieved in the TNP (52% in 2015).
- ❑ In relation to business impacts, it was notable that 74.2% of Finuas member companies responding to Indecon's survey research indicated that membership of a Finuas network contributed to enhancing the long-term performance of their business.

5 Evaluation of ManagementWorks Programme

5.1 Introduction

The Government's Action Plan for Jobs established the ManagementWorks programme in 2012. Its focus is on management capabilities and growing these among SME member companies. This is done in an attempt to increase efficiency, improve business performance and increase output. The tailored programmes offered by ManagementWorks in 2015 were:

- ☐ Business Growth Programme
- ☐ Business Leadership Programme
- ☐ Lean Business Programme
- ☐ Management Team Programme
- ☐ Postgraduate Diploma in Management
- ☐ Postgraduate Diploma in Strategy and Innovation
- ☐ Postgraduate Diploma in Leadership.

5.2 Aims and Objectives of Programme

Table 5.1 sets out the aims and objectives on the ManagementWorks programme below, including the development of management capability and the meeting of the thematic areas of TNP.

Table 5.1: ManagementWorks Programme Aims and Objectives

The following are the aims and objectives of ManagementWorks:

- ☐ Develop the management capability of SME firms with a particular emphasis on owner managers with a view to protecting and growing employment as a result of improved business performance.
- ☐ Build engagement with management development activity amongst firms with no history of investing in management development.
- ☐ Provide a progression path in management development to owner managers of small firms wishing to engage in their own development.

Source: ManagementWorks

5.3 Assessment of Programme Inputs

5.3.1 Analysis of Financial Inputs

The funds for the ManagementWorks Programme come from two sources, the Department of Education and Skills and matching funding from member companies. State funding comprised 62.4% of actual expenditure. This led to overall expenditure being 13% below budget in 2015, while matching company funding was 44% below budget. While expenditures must also be considered alongside training targets, which were exceeded (see further below), this level of under-spend would raise some concern with regard to the level of awareness and reach of the ManagementWorks programme.

Table 5.2: Financial Overview – Breakdown of ManagementWorks Expenditure in 2015			
Category	Budgeted Expenditure (€)	Actual Expenditure (€)	Actual as % of Budget
Total Programme Expenditure	€1,931,103	€1,672,994	87%
<i>Of which, State funds</i>	€984,603	€1,044,000	106%
<i>Of which, company matching funds</i>	€946,500	€628,994	66%
<i>Company funds as % of total</i>	49.0%	37.6%	-
<i>Source: Indecon analysis of Skillnets SONRAI data</i>			

5.3.2 Funding Leverage

The analysis of funding performance of ManagementWorks member companies showed that leverage of State funding was low, given that for every €1 of State funding, matching funding from companies was only €0.60 or 37.6% of total funding, although the enterprise contribution has increased compared to the levels seen when Indecon last examined the programme (26.4%). These levels of funding leverage must be interpreted within the context of the nature and relative youth of ManagementWorks, including the requirements to enhance SME management capacity and incentivise engagement in intensive (six-month) training among time-poor (typically owner-) managers. However, to minimise the impacts of programme deadweight (see Section 5.5.3), it is important that ongoing efforts are made to boost the level of member company co-funding.

5.4 Assessment of Programme Outputs and Outcomes

5.4.1 Analysis of Training Outputs

Table 5.2 overleaf describes the performance of ManagementWorks compared to Department of Education and Skills targets for 2015. ManagementWorks achieved the targets set for both number of trainees (105% of target) and for the number of training days (102% of target) in 2015. However, of importance in the context of the reach and development of what is a relatively young programme was the decline of almost 15% in the number of trainees evident in 2015 compared to 2014.

Table 5.2: ManagementWorks – Training Activity Performance in 2015

KPI's	Actual	DES Target	Actual as % of Target
Employees/Trainees	847	810	105%
Training Days*	15,911	15,557	102%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>			
* Training days include 'taster' events and briefing sessions			

One important aspect in relation to the quality of training as perceived by participants concerns the extent to which training is certified or recognised. In 2015, overall 97% of training days with ManagementWorks were certified, with 83% being NFQ-certified (see table below).

Table 5.3: ManagementWorks Trainees 2015 – Certified Training Days

Certified Training Days	Percentage of Total Training Days*
NFQ	83.0%
Industry-recognized	8.0%
Non-certified	5.8%
Total Certified Training Days	96.8%
Total Training Days	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>	
* Based on a 97% sample of available data.	

5.4.2 Network Structure and Size

Indecon's analysis of the size structure of ManagementWorks member companies shows that 92% of ManagementWorks companies were SMEs. It is notable that 229 of the firms (47%) were micro enterprises, meaning that they employ fewer than 10 employees. A further 29% employed 10-49 employees, whilst 9% were classified as large companies employing over 250 companies.

Table 5.4: ManagementWorks Companies 2015 - Overview of Member Company Size

Company Size	Number of Companies	Percentage
Micro (1-9 employees)	229	47%
Small (10-49 employees)	140	29%
Medium (50-250 employees)	80	16%
Large (>250 employees)	42	9%
Total	491	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>		

Company participation levels

In relation to participation levels, it should be noted that the overall number of companies/businesses participating in the programme has seen a decrease of over 5% over the last two years, with the number in 2015 (491) comparing with 518 member companies when Indecon last evaluated the programme in 2013. This raises concerns in relation to the effective reach of ManagementWorks, particularly when these developments are set against the context of the recovery in the Irish economy since 2012/13.

5.4.3 Prior Training Activity

Among respondents to Indecon's survey, it is noted that in almost three-quarters of instances companies indicated that 2015 was the first time they participated in ManagementWorks training. However, the finding that 26% of respondents had previously participated since the programme commenced in 2012 would suggest significant potential to build relationships and develop return business.

Table 5.5: ManagementWorks Member Companies 2015 – Year of First Participation	
Year	% of Responses
2015	74%
2014	10%
2013	12%
2012	4%
Total	100%
<i>Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015</i>	

Other Member Company Characteristics

According to the primary research conducted by Indecon, there was a wide range of sources of information about ManagementWorks courses. Almost one-third of respondents stated that they first heard of ManagementWorks through colleagues within their company (32.8%). A further 14.1% indicated that they heard of ManagementWorks through a Skillnets Network Manager contacting their business. Only four respondents said that they heard of the programme through the promotional efforts of their local network. In Indecon interviews, a number of interviewees said that they came across ManagementWorks by chance rather than because of any particular ManagementWorks marketing effort.

Table 5.6: ManagementWorks Member Companies 2015 - Source of Information about Courses

How did your company/business first hear about ManagementWorks?	% of Responses
From colleagues within my company	32.8%
Recommended by a friend	7.8%
Recommended by contacts in other companies/organisations	8.6%
Referred by a State agency/body/website	5.5%
Through an internet search	5.5%
Through my local network's promotional efforts via email/media/social media, etc.	3.1%
A Skillnets Network Manager contacted our company/business	14.1%
Through ManagementWorks' other national promotional efforts via media/social media, etc.	10.9%
Other	11.7%
Total	100.0%
<i>Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015</i>	

An issue related to programme demand and expansion concerns the extent of integration of ManagementWorks within the Skillnets network structure. Potential clients of ManagementWorks can be referred through the TNP and Finuas networks. However, we understand that less than 5% of actual referrals to the programme during 2015 took place through the networks. This is important in the context of maximising potential uptake of the programme, particularly given the potential to leverage relationships built up through the networks.

Training Programme Participation

Having discussed the source of information for companies with regards to ManagementWorks, Indecon will now examine the breakdown of the courses in which businesses participated in 2015. According to primary research just over one-quarter of companies partook of the Business Growth Programme (26.1%). A further 23.2% took part in the Lean Business Programme. Among the respondent group, the lowest proportion (6.5%) indicated participation in the IMI Postgraduate Diploma in Management. However, it should be noted that this programme commenced in 2014 and ended in May 2015 (it has recently re-commenced in 2016). The diploma programmes are scheduled to allow participants to undertake three different diplomas over a specified period, with the objective of achieving a Masters degree, with the three programmes being rotated.

Table 5.7: ManagementWorks Member Companies 2015 - Programme Participation	
Which of the tailored ManagementWorks programmes below did your company/business participate in during 2015?	% of Responses
Business Growth Programme	26.1%
Lean Business Programme	23.2%
Postgraduate Diploma in Leadership*	12.3%
Postgraduate Diploma in Strategy and Innovation*	11.6%
Business Leadership Programme	10.1%
Management Team Programme	10.1%
Postgraduate Diploma in Management*	6.5%
Total	100.0%
* Irish Management Institute courses: all 3 combined lead to award of a Master's degree	
Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015	

Profile of Trainees

Table 5.8 shows the pre-training qualifications of those who participated in ManagementWorks training in 2015. As in 2014, the majority of participants (491) were educated to NFQ Level 7 prior to undertaking ManagementWorks training. This reflects that the type of training available through ManagementWorks is likely to attract those with higher levels of education.

Table 5.8: ManagementWorks Trainees 2015 – Pre Training Qualifications of Trainees			
NFQ Level	Number	%	2014 %
Level 1	16	2%	4%
Level 2	8	1%	
Level 3	18	2%	
Level 4	16	2%	
Level 5	81	10%	10%
Level 6	226	27%	32%
Level 7	125	15%	14%
Level 8	166	20%	17%
Level 9	178	21%	21%
Level 10	13	2%	1%
Grand Total	847	100%	100%
Source: Indecon analysis of Skillnets SONRAI data and Skillnets Annual Report 2014			

5.4.4 Analysis of Training Outcomes

Benefits of Training

The following table shows the views of member companies on the benefits of undertaking ManagementWorks training. The majority of respondents stated that they had experienced positive impacts on the enhancement of the long-term performance of the business (91.8%), skills gaps within the management team (91.1%), business processes/productivity/competitiveness (82.1%) and product/service quality (76.2%). There were some companies, albeit a small minority, who felt that the training had a negative impact on the development of new export (9.8%) and domestic (5.0%) markets or had increased business costs (4.1%).

Table 5.9: ManagementWorks Member Companies 2015 – Impacts of Training			
To what extent has staff training with ManagementWorks helped achieve the following business benefits?	Positive Impact	No Impact	Negative Impact
Is likely to enhance the long-term performance of our business	91.8%	8.2%	0.0%
Has addressed specific skills gaps within our management team	91.1%	8.9%	0.0%
Has improved business processes and/or productivity and enhanced competitiveness	82.1%	17.9%	0.0%
Has enhanced our product / service quality	76.2%	23.0%	0.8%
Has contributed to increasing our turnover / sales	50.0%	47.5%	2.5%
Has helped lower our business costs	37.2%	58.7%	4.1%
Has assisted our business to develop new domestic markets	35.8%	59.2%	5.0%
Has assisted our business to develop new export markets	18.9%	71.3%	9.8%
Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015			

While the above measures are important indicators of the benefits of ManagementWorks, expansion in the size of the company's workforce as a result of the training is a key measure when assessing the success of the scheme. The research findings summarised in Table 5.10 overleaf indicate that one-third of respondents felt that either the number has increased since 2014 or will increase in the next six to 12 months as a result of ManagementWorks training. However, two-thirds felt that ManagementWorks had no effect on the number of employees in the organization.

Table 5.10: ManagementWorks Member Companies 2015 – Impact of ManagementWorks	
Has participation in ManagementWorks contributed directly or indirectly to an expansion in the size of the company/business's workforce since 2014?	% of Responses
(a) Yes, number of employees has increased since 2014 as a result of direct or indirect impacts of ManagementWorks	13.2%
(b) We are likely to increase staff numbers within 6 to 12 months as a result of direct or indirect impacts of ManagementWorks	20.7%
(c) No, we would not observe any impact of ManagementWorks on workforce levels	66.1%
Total	100.0%
<i>Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015</i>	

Among those companies who said that the size of their workforce had increased, the average increase in full-time staff was seven employees, and one additional part-time employee. The average number of additional employees is heavily affected by one firm which employed an additional 70 employees following the training.

Table 5.11: ManagementWorks Member Companies 2015 - Increase in Employment Numbers				
If you selected (a) in the previous question, i.e. staff numbers have increased since 2014 as a result of ManagementWorks, please indicate the approximate number of additional persons employed and the estimated average hours worked by these members of staff:	Number of Additional Persons			
	Mean	Median	Min	Max
Additional No. of Persons - Full-Time Staff	7	2	1	70
Additional No. of Persons - Part-Time Staff	1	0	0	2
Average Hours Worked per Week (Part Time Staff)	Number of Hours			
	Mean	Median	Min	Max
Average No. of Hours Worked per Week - Part-Time Staff	13	8	0	40
<i>Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015</i>				

In the next table, Indecon estimates, based on the responses of member companies associated with ManagementWorks, that between 747 and 983 jobs were created across all ManagementWorks companies in 2015. This relates to an expected increase in the workforce of between 5.4% and 7.1%. These additional employees would have wider benefits through increased taxation revenue and decreased social welfare payments. Overall, the above estimates of employment impact should, however, be interpreted with caution due to the difficulties involved in attributing business performance to participation in a training programme such as ManagementWorks.

Table 5.12: Scenarios for Estimated Employment Impact of ManagementWorks during 2015		
Estimated % Increase in Company Workforce Directly or Indirectly associated with participation in ManagementWorks:	Lower Bound Estimate	Upper Bound Estimate
95% Confidence Interval	5.4%	7.1%
Implied Number of Jobs Created in 2015 across all ManagementWorks Companies (491)	747.3	983.1
Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015		

Perceptions of ManagementWorks among participating businesses

Table 5.13 below presents the findings of Indecon's primary research on the perceptions of companies who participated in the ManagementWorks programme. A large majority (84.5%) of companies agree that their investment in ManagementWorks training represented value for money, with most (77.1%) also saying that they are now more likely to engage and invest in management training. Notably, two-thirds of firms agreed that ManagementWorks meant that staff had participated in a management training programme for the first time. Overall levels of disagreement with the statements were low with, at most, less than a quarter feeling that ManagementWorks did not help them develop new partnerships or joint projects.

Table 5.13: ManagementWorks Member Companies 2015 - Agreements with the Following Statements Regarding Participation in ManagementWorks					
To what extent would you agree or disagree with each of the following statements as a result of your company/business's participation in ManagementWorks training during 2015?	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Staff participated in a management training programme for the first time	28.3%	38.3%	9.2%	15.8%	8.3%
Our company/business had a formal management training programme and/or clearly identified need for training	12.5%	45.0%	20.0%	15.8%	6.7%
We are now more likely to invest in management training	19.7%	57.4%	18.9%	4.1%	0.0%
Has improved our networking with other businesses and organisations	20.7%	33.1%	37.2%	9.1%	0.0%
Enabled sharing of up-to-date industry knowledge/market developments	16.4%	33.6%	40.2%	9.0%	0.8%
Helped us to develop new partnerships or joint projects	10.8%	25.0%	40.8%	19.2%	4.2%
Our investment in ManagementWorks training represents value for money	32.0%	52.5%	13.9%	1.6%	0.0%
Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015					

As well as their level of agreement with various statements, member companies were also requested to rate their levels of satisfaction with various elements of the programme. The majority of member companies were either satisfied or very satisfied with each of the aspects outlined in Table 5.14 below. 84.3% were satisfied or very satisfied with the value for money of the training, with 93.4% of member companies indicating satisfaction with the standard of workshop instructors. A very small minority felt dissatisfaction with the training, with 3.3% dissatisfied with the design of the training and its relevance to their business needs.

Table 5.14: ManagementWorks Member Companies 2015 – Satisfaction of the Following Aspects of ManagementWorks Training

	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied
Value for Money of Training	43.0%	41.3%	13.2%	1.7%	0.8%
Design and relevance of training to our business development needs	32.5%	56.9%	7.3%	3.3%	0.0%
Training delivered in a convenient location	45.9%	45.9%	6.6%	1.6%	0.0%
Training delivered at a convenient time	46.7%	47.5%	4.9%	0.8%	0.0%
Quality of Programmes – Competence of Workshop Instructors	62.6%	31.7%	4.9%	0.8%	0.0%
Quality of Programmes – Competence of Mentors (if applicable)	54.0%	36.3%	8.8%	0.9%	0.0%
Level of Accreditation Attached to Programmes (if applicable)	36.9%	41.4%	19.8%	1.8%	0.0%
The training achieved our overall expectations and objectives to support the development of our business	43.4%	45.9%	9.8%	0.0%	0.8%
<i>Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015</i>					

5.4.5 Case Study Example of ManagementWorks Participant

As with the previous programmes Indecon has conducted a case study to provide a more in depth example of the views of a member company on their reasoning for participating with ManagementWorks, their experience with the programme, the business impacts of their association with the programme and the concerns, challenges and opportunities for improvements of Skillnets ManagementWorks. The box below presents a case study of one of the programme participants during 2015, in this case the Paul Gallagher Sports Injury and Rehabilitation who undertook ManagementWorks training in 2015.

Box 5.1: ManagementWorks Member Company Case Study	
Company Name	Paul Gallagher Sports Injury and Rehabilitation
Brief description of firm	It is a single person sports injury practice where I deal with everything from treating individuals' injuries/aches/pains to marketing and sales to finances to answering the phone.
Reason(s) for Participation in Skillnets ManagementWorks	With my scientific background and work experience, I had very little knowledge of or interest in the ins and outs of running a business. But I knew that to start up a business it would be important to be educated and coached on a programme such as Skillnets ManagementWorks.
Experience of ManagementWorks Programme / Training To-Date	I completed the programme which included the following: (i) Financial Planning, (ii) Time Management, (iii) Marketing and Niche Mastery, and (iv) Sales. I found each module to be very interesting and the delivery of the information was excellent. The real life examples of success (or perhaps not) provided by Rory and Stephen grounded me very quickly. The programme challenged me to think differently and to avoid less fruitful business methods. They coached me and made useful suggestions of alternative approaches.
Business Impacts	<p>Six months after starting my own business, without the MW training and coaching it is very probable my books would be looking very grim and I would be questioning my decision to pursue the venture.</p> <p>The research-based information provided has really helped me to make good objective business choices particularly with marketing and time management strategies. MW got me off to a solid start.</p>
Concerns, Challenges and Opportunities for Improvement of Skillnets ManagementWorks	<p>I was only introduced to Skillnets ManagementWorks by chance, by a friend, rather than through any Skillnets marketing or sales effort. As such a valuable programme, it should be better promoted.</p> <p>For me personally, coming into the program with zero business knowledge, I was frequently lost with the "Business Lingo". What are e.g. Leads, Conversion Rates, Margins, etc. Most participants had been in business long term and sometimes vital discussions went over my head due to terminology and abbreviations used without prior explanation.</p> <p>It could be an idea to customise a MW programme purely for start-ups.</p>
Source: Paul Gallagher Sports Injury and Rehabilitation	

5.5 Programme Cost Effectiveness

As with previous programmes Indecon will now evaluate whether the ManagementWorks programme was delivered in a cost-effective manner. The costs per training day and per trainee will be assessed, as well as the level of deadweight associated with the programme.

5.5.1 Cost per Training Day and Trainee

In 2015 the total expenditure associated with ManagementWorks was €1,672,994. This corresponded to an average cost per training day of €105 and cost per trainee of €1,975. While the cost per trainee is significantly higher than that in either TNP or Finuas, which may be explained in part by the nature of ManagementWorks training involving management development interventions over extended training programmes, the cost per training day has declined since Indecon last examined this in 2013.

Table 5.15: ManagementWorks Programme Effectiveness – Costs Per Training Day and Trainee 2015					
Year	Total Training Days	Total Number of Trainees	Total Expenditure	Cost Per Training Day	Cost Per Trainee
2015	15,911	847	€1,672,994	€105	€1,975
Source: Indecon analysis of Skillnets SONRAI data					

5.5.2 State Funding and Member Company Cost per Trainee

Given that the majority of funding is from state grants compared to member-company matching funding, the state cost per trainee (€1,233) is higher than the member company cost per trainee (€743) in 2015.

Table 5.16: ManagementWorks Programme Effectiveness – State and Member Company Costs Per Trainee 2015					
Year	Total Number of Trainees	Total State Grant Funding	Total Member Company Matched Funding	State Cost Per Trainee	Member Company Cost per Trainee
2015	847	€1,044,000	€628,994	€1,233	€743
Source: Indecon analysis of Skillnets SONRAI data					

5.5.3 Assessment of Programme Deadweight

Similar to the approach applied in assessing potential programme deadweight in respect of the TNP and Finuas programmes, in our research with ManagementWorks participant companies, Indecon asked companies whether or not they would have organized training and to what extent they would have done so in the absence of ManagementWorks. The research findings, summarised in the table below, indicate that almost 40% of responding companies that participated in the programme during 2013 indicated that in the absence of ManagementWorks the company would not have arranged any management training at all, while 44.1% of respondents indicated that they would have arranged training either to a lesser degree or at a later date. The research also found that over 16% of firms considered that in the absence of the programme they would have arranged alternative training no different to what they received through ManagementWorks. This compares with 2.9% of firms in this category when Indecon previously engaged with programme participants in 2013 and therefore suggests an increase in the level of deadweight associated with the programme over the last two years. This would not be unduly concerning for such programmes and the apparent increase in deadweight would also be influenced by the wider economic recovery and likely improvement in business training budgets. Overall, however, the research suggests the presence of some deadweight attached to the programme and this will require vigilance to maximise the overall value for money in the application of public funds to the programme.

Table 5.17: ManagementWorks Member Companies 2015 - Indicative Estimate of Deadweight	
In the absence of the ManagementWorks training, please indicate the likely decisions your organisation would have made.	% of Responses
We would have arranged alternative management training no different to that received through ManagementWorks	16.1%
We would have arranged alternative training but to a lesser degree (e.g. through shorter duration and/or offered to fewer people)	16.1%
We would have arranged alternative training but at a later date	28.0%
We would not have arranged any management training at all	39.8%
Total	100.0%
<i>Source: Indecon Confidential Survey of ManagementWorks Member Companies 2015</i>	

5.6 Summary of Findings

This chapter reviewed the expenditures on, and activity levels and outcomes evident from, the operation of ManagementWorks during 2015. The main findings from the evaluation of the programme are summarised below:

- ❑ ManagementWorks programme expenditure amounted to €1.67 million in 2015. However, this was 13% below budgeted levels. While expenditures must also be considered alongside training targets, which were exceeded, this level of underspend would raise some concern with regard to the level of effective reach of the programme.
- ❑ 92% of ManagementWorks companies were SMEs. It is notable that 229 of the firms (47%) were micro enterprises employing below 10 employees. In addition, two-thirds of firms agreed that ManagementWorks enabled staff to participate in a management training programme for the first time.
- ❑ While ManagementWorks continues to be well-received by companies, a key issue concerns the levels of awareness and reach of the programme. The programme achieved the DES targets set for both number of trainees and training days in 2015. However, of importance in the context of the reach and development of what is a relatively young programme was the decline of almost 15% in the number of trainees evident in 2015 compared to 2014, while company participation levels have also declined (491 companies in 2015 compared with 518 member companies in 2013).
- ❑ There were generally high levels of satisfaction reported by participating companies in 2015, including in relation to relevance of training, quality and value for money.
- ❑ Based on the research undertaken among participating companies, Indecon estimates that between 747 and 983 jobs were created across all ManagementWorks companies during 2015 which companies consider could be related directly or indirectly to participation in the programme. These estimates should, however, be interpreted with caution due to the difficulties involved in attributing business performance to participation in a training programme such as ManagementWorks.
- ❑ Deadweight: though not unduly concerning, there is evidence of increased deadweight, in terms of likely company decisions in absence of the programme, since Indecon last evaluated the programme in 2013. As with other programmes, this is likely to be influenced by the economic recovery.
- ❑ Overall, ManagementWorks has largely demonstrated 'proof of concept' since its launch in 2012/13. This is observed in the positive feedback received from participants. There are also particular challenges faced in encouraging SME owner managers in particular to participate in management training and there is an acknowledged substantial unmet need at a national level in this area. This, however, highlights the urgent need for ManagementWorks to respond effectively to meeting this need through more intensive marketing and promotion of the programme and the benefits of participation, and better positioning of the programme to leverage existing relationships built up within TNP and Finuas networks.
- ❑ In terms of business impacts, a majority (91.8%) of ManagementWorks participants who responded to Indecon's survey research considered that participation yielded positive impacts in relation to enhancing the long-term performance of their business.

6 Evaluation of Jobseeker Assistance Programmes

6.1 Introduction

This section evaluates the impact of the Skillnets' TNP and Finuas Networks Programmes in relation to jobseekers who undertook training within these networks during 2015. In addition to the jobseekers training under the main TNP Programme, the evaluation also examines the activities and impacts of the dedicated Jobseekers Support Programme (JSSP).

6.2 Background and Overview of Skillnets Jobseeker Training Activities

6.2.1 Background

The background to Skillnets' jobseeker training activities is that in 2010 Skillnets made the decision, with support from the Department of Education and Skills, to adapt its operating model to accommodate the skills-development needs of jobseekers. By focusing on the emerging needs of industry and identified skills gaps, Skillnets has sought to implement relevant training programmes to enable job activation, conversion programmes and employment progression.

6.2.2 Overview of Jobseeker Training Programmes

Skillnets provides a broad range of relevant, free training to unemployed people through a number of key programmes. The needs of unemployed people are addressed through integrated training with employees as part of TNP and Finuas courses, as well as dedicated conversion courses and work placements in areas of employment potential through the JSSP, which is a dedicated, fully-funded programme.

The Training Networks Programme (TNP) supports jobseekers through its wide range of training options in a variety of industry sectors and geographical regions. The three Finuas networks deliver specialised training in the international financial services (IFS) sector to jobseekers. During 2015, specialised training provided included aircraft leasing, legal and investment fund services. In the case of TNP and Finuas main programme jobseeker supports, jobseekers train alongside employees from network member companies and participate in the same courses.

The JSSP supports training and work placements for jobseekers covering a broad range of training in areas of high employment potential. The programme includes conversion courses to increase employability by up-skilling and cross-skilling jobseekers to re-enter previous employment sectors or transfer into alternative sectors.

Having examined overall outcomes in relation to Skillnets jobseeker training activity during 2015 relative to the overall targets set by the Department of Education and Skills in Section 2, this section presents a detailed description and assessment of the activities and outcomes of TNP and Finuas main programme jobseeker training during 2015 in Section 0, while the JSSP is evaluated separately in Section 6.4.

6.3 TNP and Finuas Main Programme Jobseeker Training

6.3.1 Aims and Objectives

Since it started supporting jobseekers in 2010, Skillnets has aimed to achieve a target that a minimum of 10% of the overall annual number of trainees on its main TNP and Finuas programmes would be unemployed persons. Eligible jobseekers participate on the main programmes in training alongside employed trainees on a zero direct cost basis. The aim of recruiting jobseekers through this channel is to provide individuals with the opportunity to participate in training that is industry specific and relevant, as well as to avail of networking opportunities with companies and employees in their chosen sector. Training places for jobseekers are allocated based on available places once employed trainees are placed on individual programmes, with the costs of jobseeker places effectively being cross-subsidised by the employed trainee places.

Although there are no direct training-related costs associated with the provision of training to jobseekers on the main TNP and Finuas programmes, there is an indirect economic cost insofar as these training places could have been allocated to fully-paid employed trainee places. This is important in the context of the demand for jobseeker versus in-employment training, and how Skillnets responds to these demands. In addition, the costs associated with recruiting, selection and managing of unemployed trainees are also absorbed into existing network budgets for employed training. However, the main advantages relative to the fully-funded JSSP are that the marginal unit costs associated with assisting jobseekers through the main programmes are lower, while jobseekers benefit from undertaking their training alongside employed individuals within a business environment.

6.3.2 Profile of Main Programme Jobseeker Trainees

In understanding the outcomes from and impacts of jobseeker training, it is important to take into account the characteristics of trainees. An overview of the profile of TNP and Finuas main programme jobseekers during 2015 is presented below and overleaf, focussing on the age, prior educational attainment and previous unemployment history of trainees.

Age Profile

Table 6.1 presents an age breakdown of trainees who participated in either TNP or Finuas main programme jobseeker training during 2015. The analysis of Skillnets' data suggests a wide spread of participation in terms of age, with a relative focus on 20-29, 30-29 and 40-49 age cohorts.

Table 6.1: TNP/Finuas Jobseeker Trainees – Age Profile	
Age	% of Trainees
< 20	2%
20 - 29	21%
30 - 39	29%
40 - 49	26%
50 - 59	17%
> 60	4%
Total	100%
<i>Source: Indecon analysis of Skillnets SONRAI data</i>	

Prior Educational Attainment

It is necessary to take the prior educational attainment of the jobseeker trainees into account when assessing the progression outcomes of the trainees. Indecon's primary research, summarised below, shows that 43.4% of respondents who undertook TNP or Finuas jobseeker training during 2015 were educated to primary degree level or higher, with a further 26.2% having attained a Higher Education Certificate or Diploma (see table below). Thus, over two-thirds of TNP/Finuas Main Programme unemployed respondents had achieved education levels beyond second-level education.

Table 6.2: TNP/Finuas Main Programme Jobseeker Trainees 2015 – Highest Level of Education Achieved Prior to Skillnets Participation	
	% of Respondents
Completed education before Junior Certificate	1.0%
Junior Certificate or equivalent	4.5%
Leaving Certificate or equivalent	13.4%
Higher Education Certificate or Diploma	26.2%
Primary (e.g. Bachelors) Degree	25.0%
Master's Degree or Higher	18.4%
Other	11.5%
Total	100.0%
Source: Indecon Confidential Surveys of TNP and Finuas Unemployed Trainees 2015	

Previous Unemployment History

In addition to prior educational attainment, previous unemployment history is an important factor to consider when assessing the potential progression of jobseeker trainees. Furthermore, the Department of Education and Skills, in its annual allocation letter to Skillnets, requested that in achieving training activity targets "Skillnets shall endeavour to target places specifically for those on the Live Register for 12 months or more, with access to appropriate interventions. The analysis presented in Table 6.3 overleaf, which is based on Indecon's survey research among TNP and Finuas main programmes jobseeker trainees in 2015, suggests a wide spread in relation to trainees with different durations of prior unemployment, while 47.4% were previously unemployed for 12 months or more. This compares with findings from Indecon's previous evaluation of Skillnets programmes, which found that in the respect of TNP jobseeker trainees, 34.1% were previously unemployed for 12 months or more.

Table 6.3: TNP/Finuas Main Programme Jobseeker Trainees 2015 – Unemployment Prior to Skillnets Training

How long were you unemployed prior to Skillnets training?	% of Respondents
Less than 3 months	15.9%
3 to 6 months	17.2%
Over 6 months and up to 12 months	19.4%
Over 12 months and up to 3 years	26.6%
More than 3 years	20.8%
Total	100.0%
<i>Source: Indecon Confidential Surveys of TNP and Finuas Unemployed Trainees 2015</i>	

6.3.3 Training Outputs and Outcomes

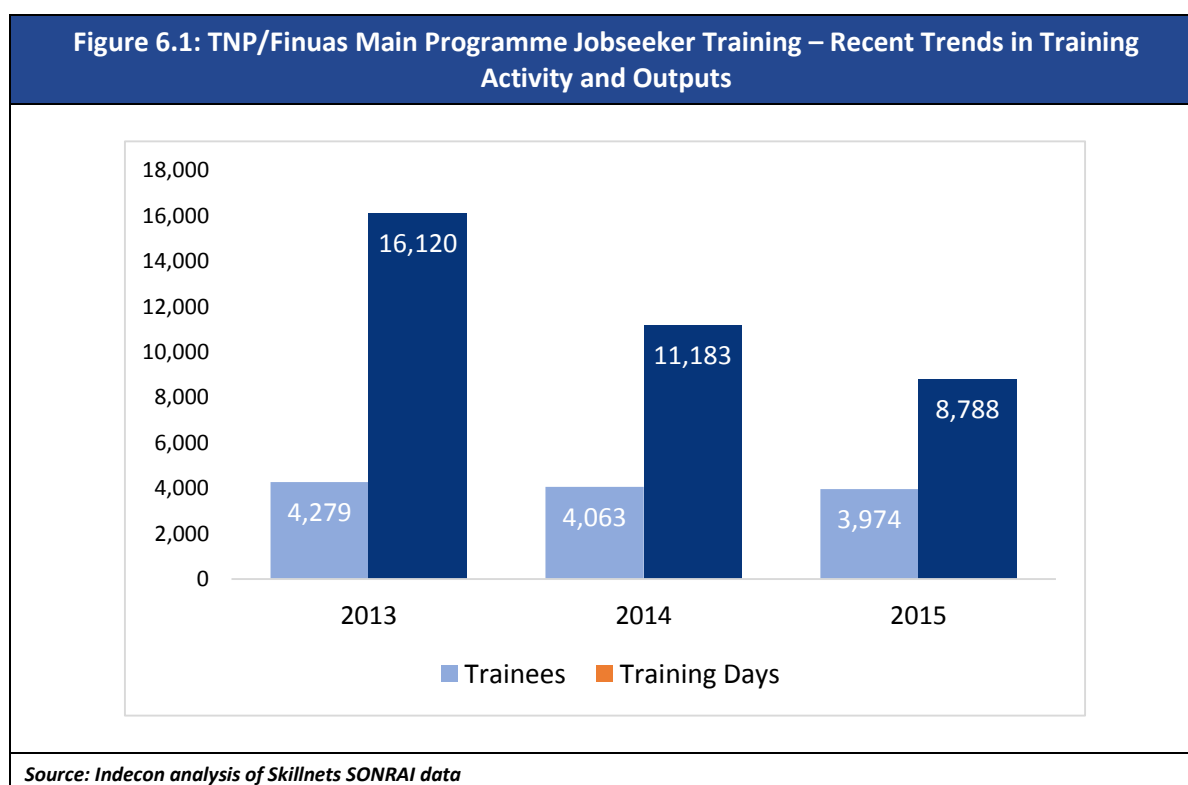
TNP/Finuas main programme jobseeker training activities in 2015

The table below presents an overview of the outputs in relation to the TNP and Finuas main programme component of Skillnets' jobseeker training activities during 2015, comparing these with the outturns for 2014. Overall in 2015, Skillnets assisted a total of 3,974 jobseeker trainees via its main TNP and Finuas programmes, providing a total of 8,788 training days to these individuals. The vast majority of this activity was delivered through TNP networks. However, 2015 saw a decline in main programme jobseeker training activity. This was most noticeable in relation to training days, with the overall number of days provided falling by over 21% in 2015 compared to 2014 levels, although the decline was much smaller in relation to the number of jobseeker trainees (-2.2%). It is also notable that jobseeker training activity levels saw much greater declines during 2015 in relation to the Finuas programme.

Table 6.4: TNP and Finuas Main Programme Jobseeker Training Activities and Outputs – 2015 and 2014

Programme	Indicator	2015	2014	Percentage Change 2014-2015
TNP	No. of Trainees	3,921	3,964	-1.1%
	No. of Training Days	8,303	10,352	-19.8%
Finuas	No. of Trainees	53	99	-46.5%
	No. of Training Days	485	831	-41.6%
Total Main Programme Jobseeker Training	No. of Trainees	3,974	4,063	-2.2%
	No. of Training Days	8,788	11,183	-21.4%
<i>Source: Indecon analysis of Skillnets SONRAI data & 2014 Evaluation of Skillnets</i>				

Figure 6.1 below provides an overview of the recent trends in jobseeker training activities and outputs within the TNP and Finuas main programmes over the period 2013-2015. This further demonstrates the continued downward trend in jobseeker training activity, both in terms of trainee numbers and particular training days provided since the peak reached in 2012/13.



Overall, the outcomes in relation to main programme jobseeker training are likely to reflect the improved labour market environment since 2013/14, particularly in the financial services sector (impacting on Finuas), impacting on the demand for jobseeker training. The developments are consistent with the evidence from engagement with network managers of increased challenges associated with recruitment of jobseekers and the increased pressure on availability of ‘free spaces’ to facilitate jobseeker training alongside employed trainees, with the demand for in-employment training accelerating with the economic recovery. Of importance concerns the implications of these trends for Skillnets strategy and positioning in relation to in-employment and jobseeker training.

Training outcomes – qualifications received

Of the 8,303 days provided as part of TNP main programme jobseeker training during 2015, 84% were either NFQ- or industry-certified. In the case of Finuas, 98% of training days were certified in 2015. These outcomes are important to jobseekers due to the credibility and employability associated with certification or accreditation.

Table 6.5: TNP/Finuas Main Programme Jobseeker Training 2015 – Certified Training Days

	Certified Training Days	Number of Training Days	% of Total Training Days
TNP	NFQ	3,404	41%
	Industry-recognised	3,570	43%
	Total Certified Training Days	6,974	84%
	Total Training Days	8,303	100%
Finuas	NFQ	475	98.0%
	Industry-recognised	0	-
	Total Certified Training Days	475	98.0%
	Total Training Days	485	100%

Source: Indecon analysis of Skillnets SONRAI data

Progression Outcomes of TNP/Finuas Main Programme Jobseeker Trainees

Current Status of Trainees

Including employees and those who are self-employed, just over half (50.2%) of respondents to Indecon's research who undertook TNP or Finuas main programme jobseeker training during 2015 indicated in April/May 2016 that they were currently in employment. An additional 5.4% held employment on a short-term basis at some stage since they completed their Skillnets training. 26.2% of respondents were on the Live Register, while 14.7% were pursuing further education or training and 11.2% were on an employment activation programme.

Table 6.6: TNP/Finuas Main Programme Jobseeker Training 2015 – Current Status of Trainees*

	% of Respondents
Employed full-time	22.9%
Employed part-time	15.9%
Self-employed	11.4%
Total Currently in Employment (April/May 2016)	50.2%
Was employed on a short-term contract, which has now ended	5.4%
Unemployed (on Live Register)	26.2%
Pursuing further education or training	14.7%
On another employment activation scheme (e.g. Job-Bridge, Community Employment scheme, Tús, Gateway)	11.2%
Have emigrated	0.7%
Total	100.0%

Source: Indecon Confidential Surveys of TNP/Finuas Main Programme Jobseeker Trainees 2015
 * Status as at April/May 2016

The employment outcomes of jobseeker trainees will reflect a range of factors, including their age, previous educational attainment and prior unemployment history, the wider labour market conditions (which have improved significantly since 2012/13), and the impacts of TNP/Finuas training in enhancing their skills and employability. We consider the benefits of training in detail below and in the subsequent pages.

Benefits of Training for Trainees

As part of our research among TNP/Finuas Main Programme jobseeker trainees, we asked trainees to provide an indication of the extent to which they believed their training contributed to a range of benefits/impacts. The findings are summarised in the table below. A majority of respondents considered that their Skillnets training contributed in some way, with the highest proportion (84.1%) indicating that training contributed to improving their motivation and self-confidence, while 73.6% of respondents stated that Skillnets jobseeker training contributed, either fully or partially, to an increase in their chances of getting a job. Furthermore, a majority of respondents felt that the training contributed in some way to the development of their skills and the attainment of qualifications.

Table 6.7: TNP/Finuas Main Programme Jobseeker Training 2015 – Contribution of Benefits of Skillnets Training				
Has the Skillnets training contributed to any of the following additional benefits/impacts?	% of Respondents			
	Fully Contributed	Partially Contributed	Has Not Contributed	Don't Know
Increased my chances of getting a job	27.2%	46.4%	17.0%	9.4%
Has made me more aware of employment opportunities	24.7%	44.3%	25.3%	5.7%
Has developed new skills that will help me to change career	33.7%	41.3%	20.2%	4.8%
Has developed skills to help me set up my own business	18.6%	25.9%	39.4%	16.0%
Has helped me to achieve a qualification/certification	33.7%	24.3%	36.1%	5.9%
Has enhanced my CV/interview skills	38.3%	37.9%	20.8%	2.9%
Has improved my motivation and self-confidence	42.7%	41.4%	13.0%	2.8%
<i>Source: Indecon Confidential Surveys of TNP/Finuas Main Programme Unemployed Trainees in 2015</i>				

Trainee satisfaction levels

Table 6.8 below summarises the findings from Indecon's survey of TNP/Finuas Main Programme jobseeker trainees in relation to levels of satisfaction or dissatisfaction with the jobseeker training they undertook during 2015. In general, a substantial majority of respondents indicated that they were either very satisfied or satisfied with this training. Among the different dimensions considered, 92.5% of respondents stated that they were satisfied with the quality of the training, while 87.4% indicated that the training met their overall expectations.

Table 6.8: TNP/Finuas Main Programme Jobseeker Training 2015 – Levels of Satisfaction/Dissatisfaction with Jobseeker Training					
How satisfied were you with the following aspects of the training?	% of Respondents				
	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied
I found it straight-forward to book a place on the course	62.2%	31.9%	4.1%	1.3%	0.6%
Assistance provided by the Skillnets network to secure my training place	51.1%	35.2%	12.0%	1.1%	0.6%
Quality of the training	60.9%	31.6%	5.1%	1.3%	1.1%
Relevance to my chosen career/job search	54.3%	33.8%	8.6%	2.3%	0.9%
Training delivered in a convenient location	55.6%	33.0%	8.2%	2.4%	0.7%
Training delivered at a convenient time	59.2%	35.0%	4.9%	0.4%	0.6%
Length of time required to attend/complete the training	49.9%	37.7%	7.9%	3.2%	1.3%
The training met my overall expectations	54.0%	33.4%	7.5%	3.2%	1.9%
<i>Source: Indecon Confidential Surveys of TNP/Finuas Main Programme Jobseeker Trainees 2015</i>					

6.3.4 Programme Deadweight

In assessing the overall net impact of jobseeker training, of importance concerns the extent of programme deadweight in terms of the likelihood that certain positive progression outcomes would occur in the absence of training supports. One perspective or approach to estimating potential programme deadweight, which Indecon applied in its research among TNP/Finuas Main Programme jobseeker trainees in 2015, is to ask trainees to indicate their view on how difficult it would have been to access training of a similar quality from other providers, if Skillnets jobseeker training had not been available. The findings are summarised in the table overleaf.

Table 6.9: TNP/Finuas Main Programme Jobseeker Training 2015 – Estimates of Programme Deadweight

If Skillnets Was Not Available, How Difficult do you Believe it Would Have Been to Access Training of Similar Quality?	% of Respondents
Not Difficult	11.8%
Somewhat Difficult	43.2%
Very Difficult	29.0%
Extremely Difficult	16.0%
Total	100.0%
<i>Source: Indecon Confidential Surveys of TNP/Finuas Main Programme Jobseeker Trainees 2015</i>	

The analysis suggests the presence of some deadweight, with 11.8% of respondents indicating that it would not have been difficult for them to find similar quality training elsewhere, while a further 43.2% considered that it would have been somewhat difficult. However, these findings are broadly consistent with the findings from Indecon's previous evaluation of 2013 jobseeker training, in which a total of 51.2% of respondents indicated that they would have found it not difficult or somewhat difficult to find training of a similar quality.

6.3.5 Case Study Example of Skillnets Main Programme Jobseeker Training

It is also instructive to provide a concrete example of how jobseeker training under the main Skillnets programmes has impacted on individual participants. This evaluation prepared a case study example to highlight the experience of one individual who undertook jobseeker training alongside employed trainees under the main TNP programme during 2015. This case study is presented in the box overleaf.

Box 6.1: TNP Main Programme Jobseeker Trainee Case Study

Trainee Background	Willie O'Reilly worked in warehousing since he can remember. He was presented with the opportunity to go and work in the Cayman Islands and while he was there he reflected on what he wanted to do with his life. He decided to return home knowing it was time for a career change. Willie had looked after people his whole life and, after researching the options available in a care setting, Willie was recommended Leading Healthcare Providers Skillnet by All In Care. Willie was apprehensive about returning to a classroom setting so he met with the Network Manager of LHP Skillnet, Chris Huet, through this meeting Chris gave Willie the confidence to return to the classroom and complete the Certificate in Healthcare Support.
Experience of Programme	Willie completed Modules in Communications, Care of the Older Person, Care Skills, Health & Safety at Work, Work Practice, Team Work, Palliative Care and Care Support. Willie undertook the programme with staff from network member companies and other jobseekers who, like Willie, participated free of charge. Delivered over 26 weeks, the certificate is one of the Department of Health and Children's recommended qualifications for Healthcare Assistants (HCA). It also meets the requirements of the National Standards for Residential Care Facilities which are in place since June 2010. All modules were taught by registered nurses with level 8 or above teaching qualifications. On completion of the Programme, trainees obtain a QQI NFQ Level 5 Certificate in Healthcare Support for Healthcare Assistants (HCA).
Impact	According to Willie, taking part in the course combined with the attainment of the certificate, gave him a "direction in life" when it came to his career and the course "changed his life for the better". While Willie was completing the programme, he secured full-time, permanent employment with a provider of services for adults and children with learning disabilities, mental ill health, acquired brain injury, and to older people, including people with dementia. Willie is still working with his current employer. He enjoyed the programme immensely and felt that there was great guidance given from the lecturers, with enough time for assignments, something which he is was worried about before starting. Willie said that the course and what it has lead him on to do was an "amazing experience" and he wanted to say thanks to everyone involved in the programme, and that he would recommend the course to anyone.
Source: Skillnets	

6.4 Job Seekers Support Programme (JSSP)

6.4.1 Aims and Objectives

The JSSP differs from TNP and Finuas main programme jobseeker training as it is a dedicated programme, designed exclusively for unemployed people, with programmes specifically tailored to the needs of this group of trainees based on needs identified by companies operating in a particular sector or region. The programme was launched in 2010 with the aim of up-skilling jobseekers in an enterprise-based environment in order to increase their chances of finding employment. Importantly, the JSSP includes formal industry-specific training as well as a work placement component. The main aims and objectives of the JSSP are summarised below.

Table 6.10: Jobseekers Support Programme – Aims and Objectives of JSSP

- ☐ Up-skill jobseekers on a pathway to re-enter a previous employment sector or transfer into an alternative sector
- ☐ Offer relevant work experience with member companies and the opportunity to embed the skills learned as part of the programme of training or education.
- ☐ Develop a talent pool of skilled people for potential recruitment with member companies

Source: Skillnets Annual Report 2013

In the remainder of this section we examine in detail the level of expenditure on the programme, the training activities and outputs, benefits and impacts, and value for money achieved by the JSSP from the perspective of the exchequer/taxpayer.

6.4.2 Assessment of Programme Inputs

Analysis of Financial Inputs

The JSSP is a fully-funded programme, supported through the National Training Fund. An analysis of the financial inputs to JSSP, in terms actual versus budgeted expenditures during 2015 compared to 2014, is presented in the table overleaf. A total of 40 networks operated the JSSP during 2015, while overall programme spend amounting to €2.9 million. Overall JSSP expenditure showed a decrease of 3.6% compared with the level recorded in 2014. The decrease in the number of networks operating the programme and the decline in overall spend is consistent with the overall fall-off in demand for jobseeker training and with the evidence from engagement with network managers of increased challenges associated with recruitment of jobseekers.

Table 6.11: Financial Overview – JSSP Expenditures 2014 - 2015

Year	No of Networks	Actual Expenditure	% Annual Change in Actual Expenditure	Average Expenditure per Network	Budgeted Expenditure	Actual as a % of Budgeted
2015	40	€2,895,454	-3.6%	€72,386	€2,988,579	97%
2014	42	€3,004,000	-	€71,524	€3,025,000	99%

Source: Indecon analysis of Skillnets SONRAI data

Note: JSSP is 100% grant funded, with no matching company funding required. However voluntary matching contributions are eligible, and in the case of **three** networks (ICT Ireland, ISA Software & Positive2 Work Skillnet), matching contributions were made by some companies hosting work placements.

6.4.3 Profile of JSSP Trainees

According to Indecon's analysis of Sonraí data, 45% of JSSP participants during 2015 were educated to NFQ Level 5 (Leaving Certificate or equivalent) or below, while 41% held third-level bachelor degree equivalent or higher level qualifications. An understanding of the pre-training qualification levels of these trainees is important when it comes to analysing the outcomes of the JSSP.

Table 6.12: JSSP Trainees 2015 - Pre-Training Qualification Level of Programme Participants

Level of Award on NFQ	Number of JSSP Trainees	% of Total
Level 1	14	1%
Level 2	25	1%
Level 3	193	8%
Level 4	400	18%
Level 5	389	17%
Level 6	334	15%
Level 7	243	11%
Level 8	418	18%
Level 9	252	11%
Level 10	12	1%
Total	2,280	100%

Source: Indecon analysis of Skillnets SONRAI data

Prior duration of unemployment of JSSP participants

In relation to the prior duration of unemployment experienced by JSSP trainees, analysis of the findings from Indecon's survey of 2015 JSSP trainees indicates that 55% of participants were previously unemployed for up to one year, while 45% were on the Live Register for over a year. These percentages are broadly similar to those seen among the TNP/Finuas Main Programme jobseeker training group (as shown in Table 6.3), while they are also consistent with the proportions indicated in Indecon's previous evaluations of 2013 JSSP participants.

Table 6.13: JSSP 2015 Trainees - Length of Unemployment Prior to Training

	% of Respondents
Less than 3 months	18.4%
3 to 6 months	14.4%
Over 6 months and up to 12 months	22.2%
Over 12 months and up to 3 years	26.7%
Over 3 years	18.2%
Total	100.0%
<i>Source: Indecon analysis of confidential JSSP Trainees survey 2015</i>	

6.4.4 Assessment of Programme Outputs and Outcomes

Analysis of Training Activities and Outputs

An overview of the training activities and outputs achieved under the JSSP during 2014 and 2015 is presented in the table below. The JSSP supported a total of 2,721 trainees and provided a total of 51,631 training days during 2015. Notably, training activity levels in 2015 compared to 2014 were broadly flat or slightly lower in terms of trainee numbers, but 8.7% higher in 2015 in terms of the number of JSSP training days provided. Skillnets substantively achieved its own internal target for 2015 in respect of the number of trainees, but fell short by 22% in relation to its target for training days.

Table 6.14: JSSP Training Outcomes – JSSP Trainees and Training Days 2014 and 2015

Indicator	Jobseeker Trainees - 2015	Jobseeker Trainees - 2014
Actual Trainees	2,721	2,795
Target Trainees	2,835	2,859
<i>Actual Trainees as a % of Target Trainees</i>	<i>96.0%</i>	<i>97.8%</i>
Actual Training Days	51,631	47,503
Target Training Days	66,367	45,506
<i>Actual Training Days as a % of Target Training Days</i>	<i>77.8%</i>	<i>104.4%</i>
<i>Source: Indecon analysis of Skillnets SONRAI data & 2014 Evaluation of Skillnets</i>		
Notes: Targets shown relate to Skillnets internal figures set across the networks during the annual budgeting process. These differ from the high-level targets for trainees and training days set by the Department of Education and Skills		

Figure 6.2 overleaf provides a longer historic perspective on JSSP training activities and outputs over the period 2012-2015. This shows a stable, albeit declining, annual outcome in terms of the number of trainees participating and an upward trend in the number of training days provided via the programme.

Figure 6.2: JSSP – Recent Trends in Trainees and Training Days



Source: Indecon analysis of Skillnets SONRAI data

A further observation in the context of Skillnets' overall jobseeker training activities is that the JSSP accounted for almost 41% of the overall number of jobseekers but 85% of the overall number of training days provided by Skillnets across all of the organisation's jobseeker training activities during 2015. If these proportions are compared with the position in 2013 when Indecon last evaluated the JSSP, it is evident that the JSSP supported a similar proportion of overall jobseeker trainees in 2015 compared to 2013, but the programme has seen an increase in its relative contribution to overall jobseeker training days, from 75% in 2013 to 85% in 2015. The greater focus on jobseeker training days provided via the JSSP as opposed to the main programmes may reflect the development of the former over time to include longer duration training activities and work placements, a more deliberate focus by Skillnets on the JSSP, and the evident recent increasing pressures on main programme jobseeker training given the improving labour market and accelerating demand for in-employment training.

Source of information about JSSP

A factor determining the overall impact of the JSSP concerns the visibility of the programme and awareness levels among jobseekers, officials and the general public, as well as the intensity of efforts made to market the programme to potential participants. One perspective on this issue is available from Indecon's research among 2015 JSSP trainees, in which we asked trainees how they heard about the programme. The findings are summarised in the table below. The majority of respondents indicated that they hear about JSSP either through an internet search (22.4%), recommendation from a friend or a family member (20.5%), or that they were referred by an employment service or other State agency/service (21%). Interestingly, only 5.5% of respondents stated that they heard through their local Skillnets networks' promotional efforts via email/media/social media, etc, suggesting the potential for intensification of network marketing and promotional activities in recruiting jobseekers to participate in the programme.

Table 6.15: JSSP 2015 Trainees – Source of Information about Courses

	% of Responses
Recommended by a friend or family member	20.5%
Recommended by a local community or voluntary organisation	7.3%
Referred by an employment service or other State agency/service	21.0%
Through an internet search	22.4%
Through my local networks' promotional efforts via email/media/social media, etc.	5.5%
Through Skillnets national promotional efforts via media/social media, etc.	15.6%
Other	7.7%
Total	100%
Source: Indecon analysis of confidential JSSP Trainees survey 2015	
* Greater than number of respondents due to multiple choice option	

Extent of completion of training

In addition to participant profile including educational attainment and prior unemployment history, the potential impacts of a training programme such as the JSSP will also be influenced by the extent to which trainees fully complete their training. Indecon's research among 2015 JSSP participants found that overall 89.3% of trainees fully completed their training, but a lower 56.5% fully completed both the training and work placement elements of the programme.

Given that a significant minority did not fully complete their training and work placement, it would be important that the factors explaining non-completion are fully understood if the effectiveness of the programme is to be maximised. Potential reasons for non-completion may include where trainees took up offers of employment during the programme; changes in personal and/or family circumstances; financial issues (e.g. travel costs incurred while travelling to/from host organisations); refusal by some participants to undertake work placements; motivational factors; and evolving economic and labour market conditions impacting on available work placements.

Table 6.16: JSSP 2015 Trainees - Extent of Completion of Training	
Please indicate below the extent to which you completed different elements of the JSSP:	% of Responses
Started, but did not fully complete my JSSP training	10.7%
Completed my JSSP training but did not undertake a work placement	27.0%
Completed my JSSP training but did not fully complete my JSSP work placement	5.8%
Fully completed my JSSP training and work placement	56.5%
Total	100.0%
Source: Indecon analysis of confidential JSSP Trainees survey 2015	

Certified training

As noted previously in this section in respect of the main programme TNP/Finuas jobseeker training, certification and accreditation are becoming increasingly important to jobseekers who seek portability of qualifications to enhance career progression possibilities. In this respect, analysis of Skillnets data indicates that 90% of training days provided to JSSP trainees during 2015 were either NFQ-certified or industry-recognised (see table overleaf).

Table 6.17: JSSP Trainees 2015 – Certified Training Days		
Certified Training Days	No. of Training Days	% of Training Days
NFQ	36,743	71%
Industry-recognised	9,708	19%
Non-certified	4,936	10%
Not Given	244	0.5%
Total Certified Training Days	46,451	90%
Total Training Days	51,631	100%
Source: Indecon analysis of Skillnets SONRAI data		

JSSP Work Placements

An important difference between JSSP supports and jobseeker training provided alongside employed trainees through the main TNP and Finuas programmes is that the JSSP includes a work placement component. This work placement component can vary in duration and previous Indecon research found that JSSP work placements were typically of short (one month or less) duration.¹² Work placements may be impacted as the economy and labour markets recover, and skilled JSSP participants may have a greater range of employment options and might therefore be less likely to commit to extended placements. In addition, enterprises may also be less likely to offer extended placements as they are recruiting new staff to accommodate operational demands placed on them by organisational growth. However, the availability of good quality work placements is an important differentiating feature of the JSSP and the quality and potential impact of the programme on trainees' progression outcomes, and expanding the duration of placements was among the recommendations issued by Indecon in previous evaluations.

Progression outcomes - Current Status of 2015 JSSP trainees

As in the case of TNP and Finuas main programme jobseeker training, a key aspect for the evaluation is to assess the progression outcomes achieved by jobseekers following their training. The analysis presented below summarises the findings from Indecon's survey of 2015 JSSP participants in respect of trainees current status (as at April/May 2016). The research found that 54.6% of JSSP 2015 trainees surveyed are currently in some form of employment (including self-employment). This is a higher proportion in employment than that found in Indecon's evaluation of 2013 training, and is likely to reflect the generally improving economic and labour market conditions over the last 2-3 years.

Table 6.18: JSSP 2015 Trainees – Current Status

Please indicate which of the following best describes your current situation:	% of Responses
Employed full-time in the same company in which I undertook my JSSP training	9.8%
Employed part-time in the same company in which I undertook my JSSP training	5.2%
Employed full-time in another company	17.6%
Employed part-time in another company	10.7%
Self-employed	11.3%
Total Currently in Employment (April/May 2016)	54.6%
Was employed on a short-term contract, which has now ended	4.6%
Unemployed (on Live Register)	28.3%
Pursuing further education or training	14.6%
On another employment activation scheme (e.g. JobBridge, Community Employment scheme, Tús, Gateway)	6.1%
Have emigrated	1.3%
<i>Source: Indecon analysis of confidential JSSP Trainees survey 2015</i>	
Note: Percentages do not add up to 100% due to respondents being able to select multiple options	

¹² During 2015, a number of JSSP trainees undertook their placement via the JobBridge scheme. However, this was a small proportion (68 trainees or just 2.5% of the overall number of trainees in 2015).

Also noteworthy from our research is the finding that among JSSP participants in 2015 who gained employment following their training, the majority (58.2%) believe that their current job is likely to last, with a further 32.8% saying they felt that it was possible their job would last (see summary below).

Table 6.19: JSSP 2015 Trainees – Probability of Current Employment Lasting		
	Number of Responses	% of Responses
Likely	135	58.2%
Unlikely	21	9.1%
Possibly	76	32.8%
Total	232	100.0%
<i>Source: Indecon analysis of confidential JSSP Trainees survey 2015</i>		

Update on Status of 2014 JSSP Trainees

Given that the time elapsed since 2015 participants undertook their JSSP training was relatively short at the time of completion of the current evaluation, Indecon also conducted a survey of those who had completed JSSP training during 2014, with the objective of identifying the stats of those participants in early-2016. The available sample size was lower than for the survey of 2015 trainees (338 respondents to the current status question versus 540 for the 2015 JSSP survey) and caution should be taken in direct comparison across survey analysis of JSSP yearly cohorts due to methodological and sampling issues. In addition, both sets of results were based on a survey of a different number and sample of JSSP trainees, which may lead to results being statistically significantly different from one another. It is notable, however, that almost 68% of respondents to the survey of 2014 JSSP participants indicated that they were currently in employment in April/May 2016 (see below).

Table 6.20: JSSP 2014 Trainees – Current Status	
	% of Respondents
Employed full-time in the same company in which I undertook my JSSP training	15.1%
Employed part-time in the same company in which I undertook my JSSP training	3.0%
Employed full-time in another company	30.8%
Employed part-time in another company	9.8%
Self-employed	8.9%
Total Currently in Employment (April/May 2016)	67.6%
Was employed on a short-term contract, which has now ended	4.4%
Unemployed (on Live Register)	17.8%
Pursuing further education or training	14.2%
On another employment activation scheme (e.g. JobBridge, Community Employment scheme, Tús, Gateway)	5.6%
Have emigrated	1.2%
Total Respondents	
Source: Indecon analysis of confidential JSSP Trainees survey 2014	
* Note: %s do not sum to 100% as respondents may select more than one category	

Benefits of Training for Trainees

Table 6.21 shows the range of benefits/impacts and the feelings of the respondents as to whether the JSSP training contributed to their development. The majority of 2015 JSSP trainees stated that their training had fully or partially contributed to a number of specified benefits, with a uniformity evident in relation to the positive impacts of programme participation reported by former trainees (see table below). For example, over 50% of respondents stated that JSSP training fully contributed to the achievement of qualification/certification and had developed new skills that would help them change career.

Table 6.21: JSSP 2015 Trainees – Contribution of JSSP Training to Specific Benefits/Impacts				
Has the JSSP training you undertook during 2015 contributed to any of the following additional benefits/impacts:	Fully Contributed	Partially Contributed	Has Not Contributed	Not Applicable
Increased my chances of getting a job	38.9%	37.3%	16.1%	7.7%
Has made me more aware of employment opportunities	40.6%	38.5%	15.6%	5.3%
Has developed new skills that will help me to change career	53.3%	29.1%	11.6%	6.1%
Has developed skills to help me set up my own business	23.0%	24.7%	20.0%	32.3%
Has helped me to achieve a qualification/certification	51.7%	25.5%	12.0%	10.8%
Has enhanced my CV/interview skills	45.5%	32.7%	13.0%	8.7%
Has improved my motivation and self-confidence	48.0%	32.8%	13.8%	5.5%
<i>Source: Indecon analysis of confidential JSSP Trainees survey 2015</i>				

Satisfaction Levels with Training

Indecon's research also found that a majority of 2015 JSSP trainees were satisfied with the training they received (see findings presented in the table overleaf). There were notably higher levels of satisfaction in respect of aspects such as ease of booking a course (91.8%), the timing of the delivery of the course (93.3%) and the quality of the training (89.7%). There were low levels of dissatisfaction among the trainees across the various aspects of the training. 7.2% were very dissatisfied with the quality of work placement, suggesting that some pockets of dissatisfaction existed.

Table 6.22: JSSP 2015 Trainees – Views on Satisfaction Levels with Training

How satisfied or dissatisfied were you with the following aspects of JSSP training you undertook during 2015?	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied
I found it straight-forward to book a place on the course	60.1%	31.7%	6.3%	1.2%	0.8%
Extent to which the JSSP network worked with me to identify and address my training needs, and secure a place on the course	43.4%	36.8%	16.4%	1.2%	2.2%
Quality of the training, including trainers/tutors, equipment/facilities, and balance of theory and practice	57.8%	31.9%	5.9%	2.4%	2.0%
Relevance to my chosen career/job search	50.2%	34.7%	11.3%	2.8%	1.0%
Training delivered in a convenient location	53.1%	32.8%	9.9%	3.6%	0.6%
Training delivered at a convenient time	57.2%	36.1%	6.2%	0.4%	0.2%
Length of time required to attend/complete the training	45.5%	38.0%	11.7%	3.2%	1.6%
The training met my overall expectations	49.2%	35.2%	9.4%	3.5%	2.6%
Quality of the work placement	40.4%	23.5%	22.6%	6.3%	7.2%

Source: Indecon analysis of confidential JSSP Trainees survey 2015

6.4.5 Programme Cost Effectiveness and Deadweight

An important aspect of the overall assessment of a programme concerns its cost-effectiveness. We examine cost-effectiveness by reference to the recent movements based on a range of unit cost metrics. Table 6.23 overleaf considers the recent developments in JSSP programme costs per trainee and per training day over the period 2011-2015. In overall cost terms, JSSP unit costs per training day declined to €56 per day in 2015 compared with €63 per day in 2014 and €61/day in 2013, as the overall number of training days has expanded at a faster pace than expenditure levels. On the other hand, unit costs per trainee supported remained broadly stable in 2015 compared with 2014. If one compares these metrics over a longer timeframe, this would suggest that Skillnets has benefited from some economies of scale in the operation of the JSSP, as more or less stable overall annual expenditures have been spread over an increasing number of trainees and training days. It would be important, however, to examine unit costs at a network level, to ensure that economies of scale are maximised.

Table 6.23: JSSP Programme Effectiveness – Costs Per Training Day and Trainee – 2011-2015

Year	Total Training Days	Total Number of Trainees	Total Expenditure	Cost Per Training Day	Cost Per Trainee
2015	51,631	2,721	€2,895,454	€56	€1,064
2014	47,503	2,795	€3,004,000	€63	€1,075
2013	48,447	3,027	€2,796,731	€58	€924
2012	39,695	2,938	€3,392,877	€86	€1,155
2011	27,065	1,875	€2,810,561	€104	€1,499

Source: Indecon analysis of Skillnets SONRAI data and 2014 Evaluation Report

Programme Deadweight

As in the case of the TNP/Finuas main programme jobseeker training, to assess the extent of deadweight associate with the programme Indecon also asked JSSP participants who undertook their training during 2015 to indicate their view on how difficult it would have been to access training of a similar quality from other providers, if JSSP training had not been available. The findings are summarised in the table below. The findings indicate that almost 10% of respondents considered that they would not have found it difficult to access similar quality training elsewhere, while 38.3% suggested it would have been 'somewhat difficult'. These proportions are broadly consistent with the findings from Indecon's previous evaluation of the JSSP in 2013. It should be noted that this measure of deadweight relates to programme deadweight as it concerns the degree to which participants can access similar quality training elsewhere. It does not relate to outcome deadweight in terms of progression outcomes from participation that may occur in absence of participation on the programme, which is addressed in the assessment of exchequer value-for-money in Section 6.4.6.

Table 6.24: JSSP 2015 Trainees – Programme Deadweight as Measured by Trainees Ability to Access Similar Training Elsewhere

'If the JSSP training you undertook had not been available, how difficult do you believe it would have been to access training of a similar quality elsewhere?'	% of Responses
Not Difficult	9.8%
Somewhat Difficult	38.3%
Very Difficult	33.8%
Extremely Difficult	18.1%
Total	100.0%

Source: Indecon analysis of confidential JSSP Trainees survey 2015

6.4.6 Exchequer Value for Money Assessment of JSSP

An important issue concerns the extent of value for money achieved in the operation of Skillnets' training programmes, particularly from the perspective of the utilisation of scarce public funding via the National Training Fund. As part of this evaluation, Indecon has completed a value for money assessment of the JSSP programme in 2015 and also in 2014. As with Indecon's previous evaluations, the assessment factors in the likely deadweight through considering what would happen in terms of trainee progression outcomes in the absence of the programme. In this section we outline our approach to this assessment. It should be noted that this does not constitute a wider cost-benefit evaluation of the JSSP and instead focuses on a narrower exchequer impact analysis.

Basis for Assessment

The approach applied in assessing the value for money achieved by JSSP follows that applied by Indecon in its evaluations of Skillnets 2013 and 2012 operations (conducted during 2014 and 2013). Specifically, the assessment examines the extent to which the JSSP increases the likelihood that participants will secure employment and leave the Live Register. The key issue here is that not all (or perhaps even most) of the beneficial impacts of the programme should be taken into account as a net benefit. This is because for many unemployed people, unemployment is short-term in duration, and we take this into account in our estimates.

The overall value for money from the scheme is estimated by reference to the potential net savings to the Exchequer in the form of reduced social welfare payments through removing individuals from unemployment, as well as the additional tax revenues generated from employment, adjusted to reflect estimated deadweight. These adjusted benefits are then related to the costs of operating the JSSP programme. Our analysis focuses on the cohort of scheme participants who undertook training and a work placement under JSSP during 2015, but we have also completed an assessment of 2014 trainees, which is informed by a fresh survey of 2014 participants and their current (2016) labour market status.

Assumptions

As with previous Indecon evaluations, a number of modelling assumptions are applied in completing the value for money assessment. These assumptions are set out in the subsequent tables and relate to the following dimensions:

- ☐ Programme activity, including the numbers of JSSP trainees in each year (2015 and 2014) and the proportion that have completed their training and work placement;
- ☐ The estimated exit rate from the Live Register among JSSP trainees who have completed their training and work placement;
- ☐ Cost of weekly social welfare 'top-up' payment (for JSSP work placements undertaken via the JobBridge scheme);
- ☐ Cost of social welfare unemployment benefit/assistance;
- ☐ State-funded part of JSSP programme expenditure;
- ☐ Current average hours worked and average hourly income levels among programme finishers; and
- ☐ Estimated extent of programme deadweight.

2015 JSSP Cohort

The estimated annualised exchequer benefits arising from the operation of the JSSP in 2015 are computed in the table below.

Table 6.25: Value for Money Cost-Benefit Assessment of Job Seekers Support Programme (JSSP) 2015 – Estimated Annualised Exchequer Benefits	
	JSSP 2015
Number of JSSP Completions in 2015 (= 2,721 JSSP trainees * estimated 56.5% completion rate (full completions of training and/or work placement))	1,536
Assumed exit rate from Live Register post-JSSP (based on Indecon survey of JSSP Trainees)	71.7%
Estimated Number of JSSP Exits from Live Register (No. of Completions * Assumed Exit Rate)	1,101
Estimated Annual Savings in Jobseeker Benefit/Assistance Payments (assuming weekly rate of UB/UA of €179 * 52 weeks)	€10,249,235
<i>Estimated Tax Revenues from Employment Income</i>	
Median gross weekly pay (before taxes and other deductions) (Indecon Survey) - €	€438.00
Estimated annualised median gross pay - €	€26,000
Estimated Average Annual Income Tax, PRSI, USC and other deductions per JSSP Participant Employed - Single Person Taxpayer	€3,905
Estimated Additional Annual Tax Revenues (Estimated No. of JSSP Exits from Live Register * % Exit-to-Employment Rate * Average Annual Income Tax)	€3,277,685
Estimated Total Gross Annual Exchequer Benefits (Benefit Savings + Tax Revenues)	€13,526,920
<i>Estimated Scheme Deadweight</i>	
Overall estimated Deadweight	61.1%
Estimated Annual Exchequer Benefits adjusted for Deadweight (Gross Annual Exchequer benefits * (100% - Assumed Deadweight %))	€5,261,972
Source: Indecon analysis	

We estimate that annual savings in social welfare (Jobseekers Benefit/Assistance) payments of €10.2 million could arise as a result of exits from the Live Register among JSSP participants who undertook their training during 2015. This is based on an estimated of 1,536 JSSP completions during 2015 (who fully completed their training and/or work placements) and assuming that 71.7% of these completions, i.e. 1,101 participants subsequently exited the Live Register, based on analysis of Indecon's survey research among JSSP trainees.

In addition to social welfare savings, as JSSP finishers secure employment, this will also generate further benefits for the Exchequer in the form of income tax payments. This will be dependent on average income levels and in our base case scenario we assume an average annualised gross income among JSSP participants of €26,000 per annum, based on the findings from our survey research among programme participants. If one assumes that all JSSP participants who secure employment are single person taxpayers, this would indicate an average tax deduction/contribution of €3,905 per person per annum based on the 2015 tax code and rates (this includes PAYE, PRSI and USC deductions). These figures would suggest an estimated total income tax contribution among employed 2015 JSSP participants of €3.3 million annually.¹³ Adding the estimated savings in unemployment-related welfare payments would indicate total exchequer benefits (savings + income tax) arising from the removal of programme finishers from the Live Register and the employment of a proportion of these individuals (it is estimated that of JSSP exits from the Live Register, 76.2% of these found employment) amounting to an estimated €13.5 million on an annual basis.

Outcome Deadweight

The above estimate represents the *gross* exchequer benefit and to assess the effective net impact of the JSSP it is necessary to factor in the deadweight associated with the programme, i.e., the extent to which some of these benefits would be realised in the absence of the JSSP. When dealing with a large cohort in the labour force who are participating in a labour market programme, it is possible to compare exit rates for such a group with exit rates for the overall Live Register to obtain a measure of deadweight taking account of differences between the groups such as age, duration of unemployment, etc. However, this is much more difficult for a relatively small programme such as the JSSP. A rigorous assessment of programme deadweight and net impact would require a detailed counterfactual impact evaluation, supported by appropriate econometric techniques and relevant microdata on programme participants and a suitable control group of non-participants. As this was outside the scope of this evaluation, in order to estimate deadweight arising in the JSSP for the purposes of this exercise, Indecon utilised the findings from our survey research among programme participants. This entailed using a measure of deadweight based on participants' own assessment of the additional benefits that the programme provided in helping them to find a job. Our research with JSSP 2015 trainees indicates that 38.9% of trainees believed that the JSSP had fully contributed to helping them find a job. This implies an estimate for programme deadweight in relation to participant employment progression of 61.1%. Applying this estimate for programme deadweight to our estimate of gross exchequer benefits implies an estimate for *net* exchequer benefits amounting to €5.3 million in annual terms in 2015 (see Table 6.25 above).

Programme Costs

To assess the overall value for money to the State associated with the JSSP programme, it is necessary to also factor in the publicly funded costs of operating the programme. The costs arising during 2015 are shown in the table overleaf.

¹³ Based on the estimated number of JSSP exits from the Live Register multiplied by the percentage exit-to-employment rate multiplied by the average annual tax paid on an average income of €26,000.

Table 6.26: Value for Money Cost-Benefit Assessment of Job Seekers Support Programme (JSSP) 2015 – Estimated Scheme Costs

	2015 - €
<i>Scheme Costs</i>	
JSSP Programme - State funding via National Training Fund	€2,770,000
Cost of Weekly 'Top-Up' Payments - JobBridge transferees (68 transferees)	€133,770
Total Exchequer Costs - 2015 JSSP Participants	€2,903,770
Source: Indecon analysis	

The primary cost element relates to the State-funded element of total expenditure on the JSSP, which during 2015 amounted to €2.77 million of National Training Fund support. In addition, it is also necessary to factor in the costs associated with JSSP participants who undertook their work placements via the Department of Social Protection's JobBridge scheme. According to Skillnets, a total of 68 JSSP participants transferred to JobBridge during 2015. Once on JobBridge, in addition to their normal social welfare jobseeker benefits each participant is entitled to receive a weekly 'top-up' payment of €52.50 while they undertake their internship/work placement. Across the JSSP transferees to JobBridge during 2015, these 'top-up' payments would have amounted to an estimated €133,770 (assuming average internship duration of 37.5 weeks). A breakdown of these cost elements is presented in the table below, indicating an overall State funding cost amounting to just over €2.9 million for JSSP 2015 participants.

Estimated Scheme Overall Net Benefit/Cost

The overall net benefit/cost, and therefore value for money to the Exchequer associated with the JSSP, is a function of the estimated savings in unemployment-related social welfare payments plus the additional tax revenues from employment relative to the costs of operating the programme. The potential benefits will, however, depend on how long individuals who find work remain in employment and off the Live Register. Due to the short amount of time elapsed since the 2015 cohort of JSSP trainees completed their training, it was not feasible at the time of completion of this assessment to obtain a robust estimate of the length of time participants who found employment remained in work. To account for this in our modelling, we analyse the estimated net benefits/costs of the scheme under alternative assumptions regarding the length of time JSSP participants who secure employment remain off the Live Register. The findings, based on the 2015 cohort of JSSP completions, are presented in the table overleaf by reference to the estimated net benefit/cost of the programme, if participants remain off the Live Register for three months, six months, 12 months, 18 months or two years.

Table 6.27: Value for Money Cost-Benefit Assessment of JSSP 2015 – Scenarios for Estimated Net Exchequer Benefit/Cost					
	Based on No. of Months off Live Register and in Employment since JSSP Completion =				
	3 Months	6 Months	12 Months	18 Months	24 Months
Estimated Net Benefit/Cost of Scheme	-€1,588,277	-€272,784	€2,358,202	€4,989,188	€7,620,174
Minimum No. of Months to Achieve Positive Net Return to Exchequer	6.6				
Source: Indecon analysis					

The results suggest that under the progression outcomes and conservative/prudent estimates of deadweight levels assumed, the 2015 cohort of JSSP would be likely to achieve a positive net benefit to the Exchequer if participants secure employment and remain off the Live Register for a minimum period of about seven months. The results also suggest that if on average participants stay in employment for 12 months or longer, the net benefits increase significantly.

2014 JSSP Cohort

Indecon also completed an exchequer value-for-money assessment on the 2014 cohort of JSSP participants using a similar methodology to that used in the preceding analysis. The analysis of the estimated annualised exchequer benefits arising from the 2014 group of JSSP participants is presented in the table overleaf. Taking into account the estimated level of programme completion and exit rate from the Live Register in 2014, and assuming similar average incomes and deadweight, it is estimated that the programme was associated with €6.5 million in annual exchequer benefits after adjusting for deadweight.

Table 6.28: Value for Money Cost-Benefit Assessment of Job Seekers Support Programme (JSSP) 2014 – Estimated Annualised Exchequer Benefits	
	JSSP 2014
Number of JSSP Completions in 2014 (= 2,795 JSSP trainees * estimated 57.2% completion rate (full completions of training and/or work placement))	1,598
Assumed exit rate from Live Register post-JSSP (based on Indecon survey of JSSP Trainees)	82.2%
Estimated Number of JSSP Exits from Live Register (No. of Completions * Assumed Exit Rate)	1,315
Estimated Annual Savings in Jobseeker Benefit/Assistance Payments (assuming weekly rate of UB/UA of €178 * 52 weeks)	€12,192,662
<i>Estimated Tax Revenues from Employment Income</i>	
Average gross weekly pay (before taxes and other deductions) (Indecon Survey) - €	€500.00
Estimated annualised average gross pay - €	€26,000
Estimated Average Annual Income Tax, PRSI, USC and other deductions per JSSP Participant Employed - Single Person Taxpayer	€4,079
Estimated Additional Annual Tax Revenues (Estimated No. of JSSP Exits from Live Register * % Exit-to-Employment Rate * Average Annual Income Tax)	€4,397,784.02
Estimated Total Gross Annual Exchequer Benefits (Benefit Savings + Tax Revenues)	€16,590,446
<i>Estimated Scheme Deadweight</i>	
Overall estimated Deadweight	61.1%
Estimated Annual Exchequer Benefits adjusted for Deadweight (Gross Annual Exchequer benefits * (100% - Assumed Deadweight %))	€6,453,683.41
Source: Indecon analysis	

The direct and indirect costs of providing the 2014 JSSP are summarised in the table overleaf. Taking into account direct state funding costs and indirect costs associated with JobBridge transferees, it is estimated that the JSSP costs amounted to almost €3 million in 2014.

Table 6.29: Value for Money Cost-Benefit Assessment of Job Seekers Support Programme (JSSP) 2014 – Estimated Scheme Costs	
	€
<i>Scheme Costs</i>	
JSSP Programme Expenditure - 2014 (State-funded part)	€2,800,000
Cost of Weekly 'Top-Up' Payments - JobBridge transferees (84 transferees)	€149,500
Total Exchequer Costs - 2014 JSSP Participants	€2,949,500
Source: Indecon analysis	

Then estimated net exchequer benefits arising from the operation of the JSSP in 2014 under different scenarios pertaining to duration of employment is indicated in the table below. The analysis suggests that the 2014 programme would be likely to have achieved a positive net benefit to the Exchequer if participants secured employment and remained off the Live Register for a minimum period of about six months. The evidence from our research among 2014 participants is that individuals who have found employment have typically been at work for between 7-12 months, suggesting that the 2014 programme is likely to have returned a positive exchequer contribution based on assumptions applied in relation to programme deadweight and average incomes among participants who successfully found employment.

Table 6.30: Value for Money Cost-Benefit Assessment of JSSP 2014 – Scenarios for Estimated Net Exchequer Benefit/Cost					
	Based on No. of Months off Live Register and in Employment since JSSP Completion =				
	3 Months	6 Months	12 Months	18 Months	24 Months
Estimated Net Benefit/Cost of Scheme	-€1,336,079	€277,342	€3,504,183	€6,731,025	€9,957,867
Minimum No. of Months to Achieve Positive Net Return to Exchequer	5.5				
Source: Indecon analysis					

6.4.7 Case Study Example on JSSP Training Participant

To provide an indication of the impacts of the JSSP in concrete terms, the evaluation has also developed a case study example of a trainee who participated in the programme during 2015. This summarises the individual's background and experience of the programme, as well as highlighting their views on the main outcomes/impacts which they attribute to their participation. The case study is presented below.

Box 6.2: JSSP Trainee Case Study	
Trainee Background	<p>Francie was made redundant from full time employment in 2008. He decided to return to college in 2011 to Dundalk IT to study Construction Technology. Francie finished in DkIT in May 2015 and found some casual work, but nothing full time. Francie was on the mailing list for CITA Skillnet, he received an email from them for a 10 Day Advanced BIM Training and Project Collaboration course which also included a work placement. Francie was particularly interested in gaining Revit software certification and the work placement element, which this course offered.</p>
Experience of Programme	<p>Francie commenced Advanced BIM Training and Project Collaboration with CITA Skillnet in November 2015. While he enjoyed the course he said travelling from Dundalk to Sandyford was a challenge and also expensive. 12 people participated in the JSSP-funded programme and came from a variety of backgrounds including construction, retail and hospitality. On completion of this programme the delegates developed a good understanding of working together in a collaborative BIM environment, increased their chances of gaining employment and slotting into a project team. All trainees were offered to sit the Autodesk Examination & Certification at the end of the 10 days, which is a reliable international and industry recognized validation of the trainee's skills and knowledge, which can lead to accelerated professional development, improved productivity, and enhanced credibility for their CV.</p> <p>The extended programme includes:</p> <ul style="list-style-type: none"> • 2 Days Training on Advanced BIM Management • 2 Days Refresher Training on Autodesk Revit Essentials • 2 Days Training on Autodesk Navisworks • 3 Days Project Collaboration Work • ½ Day Training on Revit Certified Exam • ½ Day Training on CV Writing and Interview Presentation Skills
Impact	<p>For Francie, the key benefit of the programme was that it "gave him certification and experience in Revit and CAD software". Francie completed his work placement as part of the course and gained full-time employment in the same company when the placement came to an end. Francie's contract has just been extended as a Technician in the same company where he completed his work placement through CITA Skillnet.</p>
Source: Skillnets	

6.5 Summary of Findings

This section evaluated Skillnets' operations during 2015 in relation to the provision of training for jobseekers. The main findings from Indecon's evaluation are summarised below:

- ❑ Skillnets assisted a total of 3,974 jobseeker trainees via its main TNP and Finuas programmes during 2015, providing a total of 8,788 training days to these individuals. 2015 saw a decline in main programme jobseeker training activity. This was most noticeable in relation to training days, with the overall number of days provided falling by over 21% in 2015 compared to 2014 levels, with a smaller decline evident in relation to trainees (-2.2%). These findings are consistent with the evidence from engagement with network managers of increased challenges associated with recruitment of jobseekers. There is also increased pressure on availability of 'free spaces' to facilitate jobseeker training on main programmes.
- ❑ The dedicated JSSP programme provided training to 2,721 trainees over 51,631 training days during 2015, representing 41% and 85% of overall Skillnets jobseeker trainees and days respectively.
- ❑ Indecon's research suggests positive progression/employment outcomes among Skillnets jobseeker trainees, with 55% of 2015 JSSP trainees and 68% of 2014 trainees currently in employment, while 46% of TNP main programme jobseeker trainees are currently employed (as at April/May 2016).
- ❑ Indecon's formal value-for-money assessment of the JSSP has examined the impacts on the exchequer of programme activities in 2014 and 2015. The assessment suggests that under the progression outcomes and conservative/prudent estimates of deadweight levels assumed, the 2015 cohort of JSSP trainees would be likely to achieve a positive net benefit to the Exchequer if participants secure employment and remain off the Live Register for a minimum period of about seven months. The results also suggest that if on average participants stay in employment for 12 months or longer, the net benefits increase significantly. We also examined the current status of 2014 JSSP trainees and the assessment suggests that the 2014 programme is likely to have provided a positive net return as reduced jobseeker payments and increased tax receipts more than offset programme exchequer costs.
- ❑ An important overall issue concerns the appropriate strategy for Skillnets in terms of its positioning in relation to in-employment and jobseeker training. These activities do not necessarily have to be mutually exclusive, though the organisation will need to continue to respond effectively and flexibly to the evolving external labour market context. However, the evolving labour market will likely require a phased shift over time in relation to the balance between in-employment and jobseeker training.

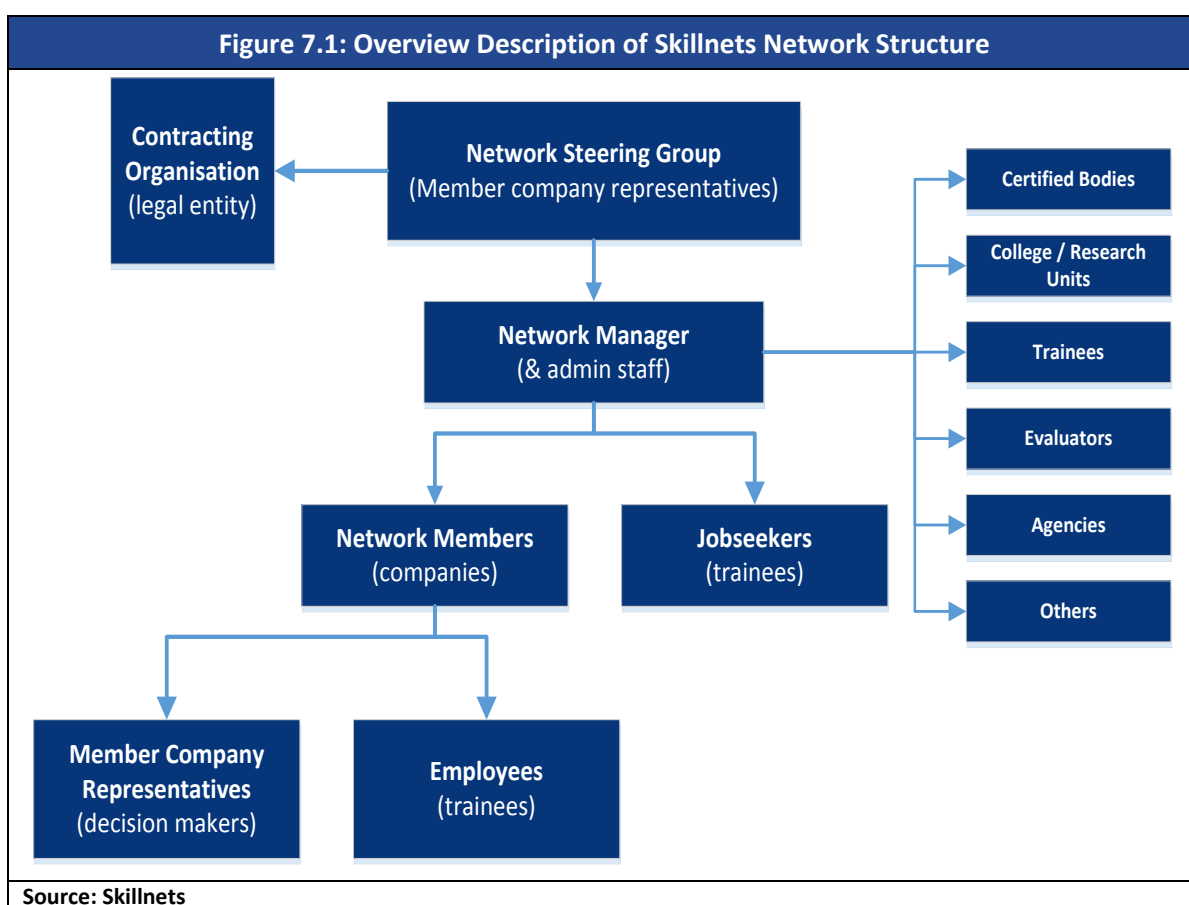
7 Evaluation of Network Model

7.1 Introduction

This section of the evaluation presents an assessment at the level of the network model as a whole. Included in this analysis are the views of Network Managers and Promoters as well as those of Member Companies, regarding the performance of the networks and the effectiveness and suitability of the networks model.

7.2 Overview of Network Model

Figure 7.1 below presents the overall structure of the Skillnets Network and demonstrates how networks are used to provide training to trainees.



The figure demonstrates the multifaceted nature of the Skillnets Network structure, with Member Companies being at the core of the network. The interactions and relationships within and between networks are considered in this section, with the views of Network Promoters and Managers analysed based on Indecon's research.

7.3 Views of Network Promoters

7.3.1 Aims, Objectives and Relationship with Network

The table below summarises the findings from Indecon survey research among TNP network promoters in 2015. The findings suggest broad agreement among network promoters within each programme that the aims and objectives of their own network and of TNP networks generally were well-defined and clear.

Table 7.1: Network Promoters 2015 - Aims and Objectives (Percentage of Responses)						
To what extent do you agree that the aims and objectives of (a) your Network and (b) the Training Networks Programme are clear and well defined?	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know	Not Applicable
Your Network	62.8%	37.2%	0.0%	0.0%	0.0%	0.0%
The Training Networks Programme (TNP)	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
Source: Indecon confidential survey of Skillnets Network Promoters 2015						

Indecon's research also found that Network Promoters generally agreed that their network successfully engaged with and represented their target employers. This was true of their own network (97.7% in agreement) and TNP in general (95.6% in agreement), as shown in the table below.

Table 7.2: Network Promoters 2015 - Engaging With and Representing Target Employers (Percentage of Responses)					
To what extent would you agree that the network successfully engages with and represents your target employers?	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
Your Network	56.8%	40.9%	0.0%	0.0%	2.3%
The Training Networks Programme (TNP)	44.4%	51.1%	4.4%	0.0%	0.0%
Source: Indecon confidential survey of Skillnets Network Promoters 2015					

7.3.2 Views on Network Expectations and Satisfaction Levels

Indecon also asked Network Promoters whether or not the network had met their expectations in relation to a number of different dimensions. The findings showed generally high levels of success in meeting promoters' expectations. Areas where promoters felt that their expectations were only partially being met were in relation to assisting jobseekers and improving employability and job prospects for unemployed trainees (24.4%). Notably, while a strong majority were positive, a significant minority (15.6%) of promoters expressed the view that their network only partially met employers' workforce development needs (15.6%).

Table 7.3: TNP and Finuas Network Promoters 2015 – Success in Meeting Expectations – Percentage of Responses					
Please indicate the extent to which the network has met your expectations as a promoter during 2015.	Fully Met	Mostly Met	Partially Met	Not Met at All	Don't Know
Meeting employers' workforce development needs	37.8%	46.7%	15.6%	0.0%	0.0%
Enabling employees to participate in certified training activity that they would otherwise not have done	44.4%	51.1%	4.4%	0.0%	0.0%
Improving future career prospects for employed trainees (e.g. promotional possibilities)	44.4%	48.9%	6.7%	0.0%	0.0%
Assisting jobseekers and improving employability and job prospects for unemployed trainees	37.8%	37.8%	24.4%	0.0%	0.0%
Providing tailored training that wouldn't be available elsewhere	48.9%	44.4%	6.7%	0.0%	0.0%
Contributing to the enhancement of member companies' competitiveness and performance	40.0%	51.1%	8.9%	0.0%	0.0%
Overcoming barriers to training/making training more accessible	57.8%	31.1%	11.1%	0.0%	0.0%
Average	44.4%	44.4%	11.1%	0.0%	0.0%
<i>Source: Indecon confidential survey of TNP and Finuas Network Promoters 2015</i>					

Indecon also enquired about promoters' levels of satisfaction with various aspects of the Skillnets Network model. The results of Indecon's research, presented in Table 7.4 overleaf, suggest that there was generally positive or neutral feedback from Network Promoters on a variety of aspects of the network model. This is evident in relation to the fit between the network activities and their organisation's strategic objectives (on which 48.9% of network promoters indicated that they were very satisfied), the relationships established between the network and member companies (46.7% very satisfied) and communications between the network and their organisation (44.4% very satisfied). However, perhaps unsurprisingly, there were relatively low levels of satisfaction related to the level of financial support available to networks, with 11.4% of Promoters dissatisfied and 2.3% very dissatisfied.

Table 7.4: TNP and Finuas Network Promoters 2015 - Views on Satisfaction Levels - Percentage of Responses

Please indicate your level of satisfaction with each of the following aspects of the Skillnets network model during 2015.	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied	Don't Know
Overall effectiveness of the Skillnets Model	33.3%	60.0%	6.7%	0.0%	0.0%	0.0%
The relationships established between the network and member companies	46.7%	48.9%	4.4%	0.0%	0.0%	0.0%
The fit between the network activities and your organisation's strategic objectives	48.9%	46.7%	2.2%	2.2%	0.0%	0.0%
The level of financial contributions from member companies	33.3%	55.6%	11.1%	0.0%	0.0%	0.0%
The level of financial support available to networks from Skillnets	13.6%	43.2%	29.5%	11.4%	2.3%	0.0%
Communications between the network and your organisation	44.4%	51.1%	0.0%	2.2%	2.2%	0.0%
Information, communication and support from Skillnets	40.0%	42.2%	8.9%	6.7%	2.2%	0.0%
Average	37.2%	49.7%	9.0%	3.2%	1.0%	0.0%

Source: Indecon confidential survey of TNP and Finuas Network Promoters 2015

7.4 Views of Network Managers

Having discussed the views of TNP and Finuas Network Promoters Indecon will now present the findings of our primary research in relation to TNP and Finuas Network Managers. This analysis will focus on the expected future activity levels, future challenges and the impact of the Skillnets Network model.

Table 7.5 overleaf contains the results of Indecon's primary research into the changes in activity levels in 2015 among networks. Almost half of network managers stated that they had seen an increase in the extent to which employers were co-operating to customise or develop new course for their sector or region. Network managers also indicated greater levels of employer cooperation in identifying training needs (60.7% stating an increase). The majority of managers also felt that the level of activity in relation to employers co-operating on non-training issues as a result of the network had increased, while 51.8% of managers considered that the extent to which employers were co-operating to develop skills standards within the sector or region remained the same during 2015.

Table 7.5: TNP and Finuas Network Managers 2015 - Change in Activities (Percentage of Responses)

In relation to activity levels in your network, please indicate the extent to which the following activities changed during 2015:	Increased	Stayed the Same	Decreased
Employers co-operating to identify training needs	60.7%	35.7%	3.6%
Employers co-operating on non-training issues as a result of the network	37.5%	60.7%	1.8%
Employers co-operating to customise or develop new courses for the sector/region	50.0%	44.6%	5.4%
Employers co-operating to develop skills standards within the sector/region	46.4%	51.8%	1.8%
Average	48.7%	48.2%	3.1%

Source: Indecon confidential survey of TNP and Finuas Network Managers 2015

Table 7.6 shows the results of Indecon's research in relation to whether or not Network Managers felt there would be a change in future activity levels in different areas regarding Skillnets. The majority of Managers stated that they anticipated an increase in network membership levels (73.2%), the number of training days (69.6%), and employers co-operating to identify training needs (58.9%). It may be the case that these expected increases reflect the opinions of managers on the wider labour market. A minority (12.5%) of managers felt that there would be decreases in activity levels in relation to employers releasing staff for extended training.

Table 7.6: TNP and Finuas Network Managers 2015 - Views on Future Activity Levels (Percentage of Responses)

Please also provide your view on what you would anticipate is likely to happen in the following areas during 2016:	Increase	Stay the Same	Decrease	Total
Network membership levels	73.2%	25.0%	1.8%	100.0%
Training being delivered (number of training days)	69.6%	26.8%	3.6%	100.0%
Employers co-operating to identify training needs	58.9%	39.3%	1.8%	100.0%
Employers co-operating on non-training issues as a result of the network	42.9%	55.4%	1.8%	100.0%
Employers seeking accredited training	23.2%	67.9%	8.9%	100.0%
Employers releasing staff for extended training	33.9%	53.6%	12.5%	100.0%
Average	50.3%	44.6%	5.1%	100.0%

Source: Indecon confidential survey of TNP and Finuas Network Managers 2015

When asked about the significance of expected challenges, Network Managers generally felt a significant challenge in recruiting (73.2% very significant or significant), guiding (69.7%), and following-up (71.4%) with jobseeker trainees. Table 7.7 below shows that managers generally viewed work relations with Skillnets positively. 36.4% believed that the retention of existing company members was not a challenge, with a greater proportion of managers finding the recruitment of new companies to be a greater challenge than retaining existing members.

Table 7.7: TNP and Finuas Network Managers 2015 - Significance of Expected Challenges (Percentage of Responses)						
Please indicate the extent to which the following areas presented a challenge to your network during 2015:	Very Significant Challenge	Significant Challenge	Neither Significant Nor Insignificant Challenge	Insignificant Challenge	Not at all a Challenge	Don't Know/ Not Applicable
Recruitment of new company members – SMEs	3.6%	26.8%	39.3%	12.5%	16.1%	1.8%
Recruitment of new company members – larger firms	1.8%	28.6%	41.1%	14.3%	10.7%	3.6%
Retention of existing company members in the network	0.0%	5.5%	43.6%	9.1%	36.4%	5.5%
Securing matching funds/other financial investment from companies	1.8%	16.1%	30.4%	23.2%	28.6%	0.0%
Achieving participation of companies in training needs analysis	5.4%	23.2%	32.1%	23.2%	16.1%	0.0%
Sourcing of high-quality trainers	0.0%	12.7%	29.1%	29.1%	29.1%	0.0%
Procurement/tendering	10.9%	25.5%	27.3%	23.6%	12.7%	0.0%
Recruiting unemployed/jobseeker trainees	32.1%	41.1%	5.4%	10.7%	8.9%	1.8%
Working with jobseekers to guide and match them to appropriate training	26.8%	42.9%	12.5%	7.1%	5.4%	5.4%
Follow-up with and assessing progression outcomes of jobseeker trainees	23.2%	48.2%	17.9%	7.1%	1.8%	1.8%
Network monitoring, record keeping and financial control	1.8%	37.5%	30.4%	16.1%	14.3%	0.0%
Building and developing working relationships with active member companies	1.8%	14.5%	30.9%	21.8%	30.9%	0.0%
Managing working relationships with Skillnets/Finuas	0.0%	7.1%	37.5%	19.6%	33.9%	1.8%
Other network-building activities (e.g. non-formal activities and networking events)	0.0%	8.9%	39.3%	30.4%	19.6%	1.8%
Average	7.8%	24.2%	29.8%	17.7%	18.9%	1.7%
Source: Indecon confidential survey of TNP and Finuas Network Managers 2015						

7.4.1 Views on Impacts of Network Activities

Indecon also asked for the views of network managers in relation to the impact of their network. Managers generally felt their network provided unique training not available elsewhere, with 46.4% stating that this was a very significant impact (see Table 7.8). The majority of Managers viewed the impact in relation to each of the areas as either very significant or significant with 94.6% of Managers believing this to be the case in relation to the contribution of the Skillnets Network to the enhancement of member companies' competitiveness and performance.

Table 7.8: TNP and Finuas Network Managers 2015 - Views on Significance of Networks' Impact (Percentage of Responses)						
Please indicate the extent of the Network's impact in the following areas in 2015:	Very Significant	Significant	Neither Significant Nor Insignificant	Insignificant	No Impact	Don't Know/Not Applicable
Meeting employers' workforce development needs	25.0%	66.1%	7.1%	0.0%	0.0%	1.8%
Enabling employees to participate in certified training activity that they would otherwise not have done	16.1%	64.3%	17.9%	0.0%	0.0%	1.8%
Enhancing future career prospects (including promotion potential) for employed trainees	23.2%	62.5%	12.5%	0.0%	0.0%	1.8%
Assisting jobseekers and improving employability and job prospects for unemployed trainees	32.1%	42.9%	16.1%	3.6%	0.0%	5.4%
Providing tailored training that would not be available elsewhere	46.4%	33.9%	17.9%	0.0%	0.0%	1.8%
Contributing to the enhancement of member companies' competitiveness and performance	32.1%	62.5%	3.6%	0.0%	0.0%	1.8%
Overcoming barriers to training/making training more accessible	35.7%	53.6%	8.9%	0.0%	0.0%	1.8%
Average	30.1%	55.1%	12.0%	0.5%	0.0%	2.3%

Source: Indecon confidential survey of TNP and Finuas Network Managers 2015

Table 7.9 overleaf presents the levels of satisfaction of Network Managers with the Skillnets Network. For most of the aspects the majority of Managers were very satisfied or satisfied. Managers were either very satisfied or satisfied with the relationship that have been established between employers in the network (84%), the effectiveness of the steering group (82.1%) and the information, communication and support from Skillnets (71.5%). However, there were a large minority of Managers who were dissatisfied or very dissatisfied with the following aspects: the level of financial supports available to networks (32.7%), monitoring and reporting requirements (32.2%) and the funding application procedure (23.2%).

Table 7.9: TNP and Finuas Network Managers 2015 - Views on Satisfaction Levels (Percentage of Responses)

Please indicate your level of satisfaction with each of the following aspects of the Skillnets network model:	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied	Don't Know/ Not Applicable
The effectiveness of your steering/management group	37.5%	44.6%	10.7%	5.4%	1.8%	0.0%
The relationships that have been established between employers in the network	41.1%	42.9%	16.1%	0.0%	0.0%	0.0%
The level of financial support available to networks	10.9%	34.5%	20.0%	29.1%	3.6%	1.8%
The funding application procedure	5.4%	39.3%	30.4%	19.6%	3.6%	1.8%
Monitoring and reporting requirements	3.6%	37.5%	26.8%	26.8%	5.4%	0.0%
Information, communication and support from Skillnets	17.9%	53.6%	23.2%	5.4%	0.0%	0.0%
Average	19.4%	42.1%	21.2%	14.4%	2.4%	0.6%

Source: Indecon confidential survey of TNP and Finuas Network Managers 2015

7.4.2 Views on Overall Effectiveness of Skillnets Model

Overall, Network Managers continue to view the Skillnets networks model as being generally effective, as shown in Table 7.10. 40 of the 56 Managers responded saying that they felt that the current Skillnets Network model was either effective or very effective. There is, however, some evidence to suggest potential for improvement, with 26.8% of respondents saying that the Network was neither effective nor ineffective.

Table 7.10: TNP and Finuas Network Managers 2015 - Views on Effectiveness of Skillnets Network Model

Overall, how effective do you consider the current Skillnets network model to be?	Percentage of Responses
Very Effective	17.9%
Effective	53.6%
Neither Effective Nor Ineffective	26.8%
Ineffective	1.8%
Not at all Effective	0.0%
Total	100.0%

Source: Indecon confidential survey of TNP and Finuas Network Managers 2015

7.5 Summary of Findings

This chapter analysed the views of Network Promoters and Managers on the Skillnets Network model. The following are some of the key findings from this assessment:

- ❑ While the results of survey research must be interpreted with caution given their respective roles, network promoters and managers were generally very positive in relation to the operation and impacts of their networks during 2015.
- ❑ 41.9% of Network Promoters strongly agreed, on average, that the aims and objectives of their network the TNP and Finuas Programmes clearly and well-defined.
- ❑ Almost all network promoters who responded to Indecon's research agreed that their network successfully engages with and represents target employers, while they also believed that Skillnets fully, mostly or partially met their expectations in 2015.
- ❑ There were relatively high levels of satisfaction among Network Managers in relation to meeting the employers' workforce development needs, the contribution of the Network to the enhancement of member companies' competitiveness and performance, and the increased accessibility of training.
- ❑ Almost half of network managers stated that they had seen an increase in the extent to which employers were co-operating to customise or develop new course for their sector or region. Network managers also indicated greater levels of employer cooperation in identifying training needs (60.7% stating an increase). The majority of managers also felt that the level of activity in relation to employers co-operating on non-training issues as a result of the network had increased, while 51.8% of managers considered that the extent to which employers were co-operating to develop skills standards within the sector or region remained the same during 2015.
- ❑ Perhaps unsurprisingly, network managers continue to show some dissatisfaction with the level of financial supports available to networks, the funding application procedure, and monitoring and reporting requirements, but these are broadly consistent with Indecon's previous findings in 2013.
- ❑ Managers have reported significant challenges/constraints in relation to recruiting unemployed/jobseeker trainees, guiding and matching jobseekers to appropriate training, and following up with and assessing outcomes among jobseekers.
- ❑ Despite the ongoing challenges associated with network operation, managers remain supportive of the Skillnets network model, and when asked their views on the overall effectiveness of the Skillnets model, 71.5% of managers stated that they considered the model to be effective.

8 Overall Conclusions and Recommendations

This section integrates the detailed analyses and assessments completed in the preceding section to present our overall conclusions from the evaluation of Skillnets TNP, Finuas and ManagementWorks in 2015. We also set out recommendations to further enhance the effectiveness and impacts of Skillnets programmes in the future.

8.1 Conclusions from Evaluation

Overall Performance – Funding and Expenditures

Skillnets operated a total of 63 networks across the Training Networks Programme (TNP), Finuas and ManagementWorks programmes during 2015. This included the associated Job Seekers Support Programme (JSSP), the Future Skills Needs Programme (FSNP) and the New Certified Programme Development (NCPD).

In relation to expenditures, total expenditure across the 63 networks and involving 12,861 member companies associated with Skillnets programmes amounted to €25.6m in 2015. At programme level, the TNP represented the majority (€19 million or 74.1%) of Skillnets' overall expenditure during 2015.

Overall, Skillnets remained within budget during 2015, with total expenditure, including network and other costs, amounting to just over €28 million versus a budget of €28.7 million. Operating costs during 2015, including central administration and programme support costs, remained below 9% of overall expenditure, while network management costs (including ManagementWorks) remained significantly below the DES ceiling of 25% of network expenditure.

Skillnets achieved a matching company funding rate of 51.2% in 2015 relative to state funding of the TNP, Finuas, ManagementWorks and FSNP/NCPD programmes, implying that the state funding component for these programmes was 48.8%. This implies that in terms of leverage, for every €1 of State funding, member companies provided €1.05 of matching funds in 2015. Continuing to maximize the contribution from member company funding will be important from the perspective of demonstrating value for money in the application of public funds, but also in relation to mitigating the deadweight associated with any such training programmes.

The JSSP is a fully-funded programme (i.e. max. 100% grant available), supported through the National Training Fund. A total of 40 networks operated the JSSP during 2015, with overall programme spend amounting to €2.9 million, which was within budget.

Overall Performance – Training Activities

Of importance in the context of demonstrating value for money concerns the training activities, outputs and outcomes achieved from the expenditure of National Training Fund supports. Skillnets performed strongly in relation to achieving the high-level targets for training set by the Department of Education and Skills. The organisation provided training to a total of 48,076 trainees across a total of 321,701 training days during 2015, which compares to the DES requirements of 42,000 trainees and 250,000 training days, implying that Skillnets exceeded the DES targets by 14% and 29% respectively.

These overall achievements mask significant variation between in-employment and jobseeker training activities. In-employment training, which represents the core of Skillnets' activities, accounted for 41,381 trainees and 245,371 training days (81% of overall training days) during 2015, and expanded by 7.2% and 12% respectively compared with 2014 levels, while also exceeding the Department's targets for in-employment trainees and training days in 2015 by 22% and 26% respectively.

Skillnets continued to contribute to the Action Plan for Jobs during 2015 through its main programme jobseeker training and the dedicated JSSP programme, focussing on longer-term unemployed persons. The organisation met the Department's target for jobseeker training, in that it exceeded the required minimum number of training days (60,419 training days versus a target of 55,000 days). However, the number of jobseeker trainees assisted, at 6,695, fell noticeably behind the 8,000 target. The recent movements in training participation and activity levels have been influenced by the wider economic and labour market environment, including the recovery in member companies' training budgets and demand for in-employment training, and the decline in the Live Register.

Training Networks Programme (TNP)

At programme level, the TNP remains Skillnets primary programme delivering in-employment training across a wide range of sectors and skill requirements. Training activities are designed to meet the objectives of providing training that influences the transferability of skills, fosters company diversification or transferability within a sector or to another sector, facilitates increased performance and growth in priority sector and enhances the general competency skills of lifelong learners. Indecon's evaluation of the TNP indicates that the programme continued to meet these objectives and to receive positive stakeholder feedback during 2015. The key achievements of the TNP during the year were as follows:

- ❑ TNP programme expenditure amounted to just under €19 million in 2015 within 59 networks and 11,937 member companies, and across a diverse range of sectors. There has been a continued strong focus on SMEs (95% of firms).
- ❑ Almost a quarter of TNP member companies that responded to Indecon's survey indicated that they had not participated in TNP training prior to 2015. The fact that almost a quarter of member companies were new in 2015 suggests that TNP has been able to attract new member companies and develop new partnerships.
- ❑ The programme provided in-employment upskilling to 39,740 trainees over 222,911 training days during 2015. Training days increased by 9.9% and 6% in 2015 and 2014 respectively. Trainee numbers have expanded as the wider Irish economy and labour market has recovered, increasing by over 7% during 2015.
- ❑ The research found high levels of employment retention among TNP trainees, with 98.5% of respondents to Indecon's survey of trainees who undertook employed training during 2015 still in employment in April/May 2016.
- ❑ There is also evidence that training partially or primarily contributed to certain pre-defined career development outcomes among trainees. The most significant outcomes attributable to the TNP training were considered by trainees to include securing a promotion; receiving a salary increase; and moving to a more satisfactory job within the company.

- ❑ TNP trainees have indicated generally high levels of satisfaction with the overall quality of in-employment training provided.
- ❑ TNP Member Companies have indicated strong levels of training effectiveness in addressing skills gaps (89%), while 94% of firms indicated that they were satisfied with Skillnets training during 2015.
- ❑ Research among trainees and member companies indicates the presence of some deadweight, but these are broadly comparable with the levels found in Indecon's previous evaluation of 2013 TNP activities. It is important from the perspectives of maximising net impacts and value for money in the utilisation of public funding through the NTF that ongoing efforts are made to minimise this deadweight and to mitigate its impacts through maximizing member company matching funding.
- ❑ The FSNP and NCPD programmes have played a significant role in identifying and facilitating the development of new programmes and courses which respond to emerging and future skill requirements. However, the scale of investment is low and the programmes remain relatively under-utilised. Enhancing the level of investment and expanding the utilisation of FSNP and NCPD across the networks would be important if their potential role is to be fully realised.

Finuas Networks Programme

The Finuas programme provides training in specialist skills to enhance expertise in and the global competitiveness of the International Financial Services (IFS) sector in Ireland. Importantly in relation to the wider policy context, the programme is aligned with and integrated within the Government's strategy for the IFS sector, IFS2020.

The programme continued to operate three networks in 2015 – the Law Society Finuas Network, the Summit Finuas Network and the Aviation Finance Finuas Network – and provided training to a total of 433 member companies (93% of which were SMEs). Finuas continued to meet its broad objectives during 2015 and its networks saw strong increases in the levels of activity during the year, in terms of the number of member companies, trainees and training days delivered. The main findings from Indecon's evaluation of Finuas during 2015 included the following:

- ❑ Overall Finuas programme expenditure for 2015 amounted to €1.7 million, which was within budgeted levels. Just under €1 million or 56% of spend was supported by matching member company funds.
- ❑ Finuas training activity levels have seen strong recent growth, with in-employment training provided to 1,641 trainees over 22,460 training days during 2015 – levels that were 11% and 35% higher than 2014 respectively, indicating strong demand for in-employment training within the IFS sector.
- ❑ Generally high levels of satisfaction with Finuas training in 2015 were evident among both member companies and trainees, including in relation to training relevance, quality and value for money.
- ❑ The research found high levels of employment retention among Finuas trainees, with over 97% of individuals who undertook in-employment training in 2015 still in employment in April-May 2016. This reflects in part the strong growth of the sector, which has successfully developed niche areas in Ireland.

- ❑ There is also some evidence of positive career outcomes linked to training. The more significant outcomes attributed by trainees to Finuas training include securing a promotion; receipt of a salary increase; and moving to a more satisfactory job within their company.
- ❑ The research suggests a comparatively higher incidence of programme deadweight in terms of training accessibility and likely company decisions in the absence of Finuas. There is also some evidence that this has increased since 2013, which is likely to be influenced by the wider economic and sectoral environment. A potential mitigating factor, however, is the higher level of private funding leverage through member company co-funding evident in the case of Finuas relative to other programmes.

ManagementWorks

ManagementWorks was first piloted in 2012 and was mainstreamed in 2013. The network is designed to assist SMEs in improving their business performance through the provision of subsidised, tailored management development programmes supported by professional business mentors. ManagementWorks is operated centrally by Skillnets as a separate network/programme.

As a relatively young initiative, the programme has made significant progress over the short time period since it was mainstreamed in 2013, and has been well-received among participants. The main findings from the evaluation of the programme's activities during 2015 are summarised below:

- ❑ ManagementWorks programme expenditure amounted to €1.67 million in 2015. However, this was 13% below budgeted levels. While expenditures must also be considered alongside training outputs achieved (see further below), this level of under-spend would raise some concern with regard to the level of demand for ManagementWorks training.
- ❑ 92% of ManagementWorks companies were SMEs. It is notable that 229 of the firms (47%) were micro enterprises employing below 10 employees. In addition, two-thirds of firms agreed that ManagementWorks enabled staff to participate in a management training programme for the first time.
- ❑ While ManagementWorks continues to be well-received by companies, a key issue concerns the levels of awareness and reach of the programme. The programme achieved the DES targets set for both number of trainees and training days in 2015. However, of importance in the context of the reach and development of what is a relatively young programme was the decline of almost 15% in the number of trainees evident in 2015 compared to 2014, while company participation levels have also declined (491 companies in 2015 compared with 518 member companies in 2013).
- ❑ There were generally high levels of satisfaction reported by participating companies in 2015, including in relation to relevance of training, quality and value for money.
- ❑ Based on the research undertaken among participating companies, Indecon estimates that between 747 and 983 jobs were created across all ManagementWorks companies during 2015 which companies consider could be related directly or indirectly to participation in the programme. These estimates should, however, be interpreted with caution due to the difficulties involved in attributing business performance to participation in a training programme such as ManagementWorks.

- ❑ Deadweight: though not unduly concerning, there is evidence of increased deadweight, in terms of likely company decisions in the absence of the programme, since Indecon last evaluated ManagementWorks in 2013. As with other programmes, this is likely to be influenced by the economic recovery.

Overall, ManagementWorks has largely demonstrated ‘proof of concept’ since its launch in 2012/13. This is observed in the positive feedback received from participants. There are also particular challenges faced in encouraging SME owner managers in particular to participate in management training and there is an acknowledged substantial unmet need at a national level in this area. This, however, highlights the urgent need for ManagementWorks to respond effectively to meeting this need, and demonstrating improved programme reach and awareness within the business community is a key issue for the programme. This will require more intensive marketing and promotion of the benefits of participation, and better positioning of the programme to leverage existing relationships built up within TNP and Finuas networks.

Jobseeker Training Activities

Skillnets provides a broad range of relevant, free training to unemployed people through a number of key programmes. The needs of unemployed people are addressed through integrated training with employees as part of TNP and Finuas courses, as well as conversion courses and work placements in areas of employment potential through the JSSP, which is a dedicated, fully-funded programme. Indecon’s evaluation of Skillnets’ jobseeker training activities during 2015 highlighted the following findings and conclusions:

- ❑ Skillnets assisted a total of 3,974 jobseeker trainees via its main TNP and Finuas programmes during 2015, providing a total of 8,788 training days to these individuals.
- ❑ However, 2015 saw a decline in main programme jobseeker training activity. This was most noticeable in relation to training days, with the overall number of days provided falling by over 21% in 2015 compared to 2014 levels, with a smaller decline evident in relation to trainees (-2.2%). These findings are consistent with the evidence from engagement with network managers of increased challenges associated with recruitment of jobseekers. There is also increased pressure on availability of ‘free spaces’ to facilitate jobseeker training on main programmes.
- ❑ The dedicated JSSP programme provided training to 2,721 trainees over 51,631 training days during 2015, representing 41% and 85% of overall Skillnets jobseeker trainees and days respectively.
- ❑ Indecon’s research suggests positive progression/employment outcomes among Skillnets jobseeker trainees, with 55% of 2015 JSSP trainees and 68% of 2014 trainees currently in employment, while 46% of TNP main programme jobseeker trainees are currently employed (as at April/May 2016).
- ❑ Indecon’s formal value-for-money assessment of the JSSP has examined the impacts on the exchequer of programme activities in 2014 and 2015. The assessment suggests that the 2014 programme is likely to have provided a positive net return as reduced jobseeker payments and increased tax receipts more than offset programme exchequer costs.

A notable feature in relation to jobseeker training is that while the overall number of training days delivered by Skillnets has been increasing since 2012, the percentage provided to jobseekers has fallen from 23% in 2012 to 19% of the total in 2015. This raises an issue with regard to the appropriate strategy for Skillnets in terms of positioning in relation to in-employment and jobseeker training. These activities do not necessarily have to be mutually exclusive, though the organisation will need to continue to respond effectively and flexibly to the evolving external labour market context, which will likely require a phased shift over time in relation to the balance between in-employment and jobseeker training.

Stakeholder Feedback from Network Managers and Promoters

The evaluation also considered the views of Network Managers and Promoters on aspects concerning the wider Skillnets networks model. Managers and Promoters generally continue to indicate broad agreement and satisfaction in relation to the interaction between their organisation and the network, and the level of support from Skillnets. However, areas where relative dissatisfaction continues to be evident among managers include difficulties in interacting with jobseeker trainees and the administrative requirements imposed on them by Skillnets. The main findings from the evaluation in relation to the networks as a whole during 2015 were as follows:

- ❑ While the results of survey research must be interpreted with caution given their respective roles, network promoters and managers were generally very positive in relation to the operation and impacts of their networks during 2015.
- ❑ Almost all network promoters who responded to Indecon's research agreed that their network successfully engages with and represents target employers, while they also believed that Skillnets fully, mostly or partially met their expectations in 2015.
- ❑ There were relatively high levels of satisfaction among Network Managers in relation to meeting the employers' workforce development needs, the contribution of the network to the enhancement of member companies' competitiveness and performance, and the increased accessibility of training.
- ❑ Perhaps unsurprisingly, network managers continue to show some dissatisfaction with the level of financial supports available to networks, the funding application procedure, and monitoring and reporting requirements, but these are broadly consistent with Indecon's previous findings in 2013.
- ❑ Managers have reported significant challenges/constraints in relation to recruiting unemployed/jobseeker trainees, guiding and matching jobseekers to appropriate training, and following up with and assessing outcomes among jobseekers.
- ❑ Despite the ongoing challenges associated with network operation, managers remain supportive of the Skillnets network model, and when asked their views on the overall effectiveness of the Skillnets model, 71.5% of managers stated that they considered the model to be effective.

Programme Deadweight

We also as part of this evaluation assessed the extent of deadweight present in the TNP, Finuas and ManagementWorks programmes. Deadweight relates to the instance where the outputs or outcomes of a programme would have occurred in the absence of the programme.

Overall, while the analysis indicated the presence of deadweight at varying levels across Skillnets' programmes, some deadweight will be present in all programmes. Of importance is that ongoing efforts are maintained to ensure that this deadweight is as small as possible and its impacts are minimised. This can be achieved through careful and appropriate design of the eligibility criteria for participation in the programme and design of the training itself, and it is important that training is designed to be as specific and tailored as possible, so as to minimize the possibility that this training can be accessed from other providers. In addition, mitigating the impacts of deadweight in terms of value for money in the utilization of NTF funding also requires maximization of the contribution from matching company funding.

8.2 Recommendations

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

Table 8.1: Recommendations from Evaluation of Skillnets TNP, Finuas and ManagementWorks during 2015

No.	Recommendation
1.	The strategic focus and structure of Skillnets as an organisation should be appropriately designed to address the current and future skills needs of enterprises in Ireland, while supporting the implementation of national workforce policy generally and the National Skills Strategy 2025 in particular.
2.	Enhanced focus is required to facilitate and encourage new training programme development. This should include an expanded role for the Future Skills Needs Programme and the New Certified Programme Development programmes beyond the predominance of the current focus on sectoral networks. In addition, the relationship between these programmes should be examined and consideration given to potentially re-aligning or merging the programmes to maximise their effective contribution.
3.	The development of a new Hospitality Skillnet should be considered to address skill requirements in the sector and meet the objectives of the Government's National Skills Strategy and Further Education and Training Strategy. This should also be informed by the recent work of the Expert Group on Future Skill Needs in this area.
4.	A strategic review of Skillnets' positioning in relation to in-employment and jobseeker training is required to ensure clarity on the organisation's mandate and role vis-à-vis wider government policy, and taking into account the evolving labour market context. This should include consideration of a phased shift towards a smaller, but more targeted focus for jobseeker training.
5.	The ongoing strategic review of ManagementWorks should ensure accelerated implementation of measures to achieve enhanced reach and awareness, and increased participation of SMEs in the programme. This should include consideration of the positioning of ManagementWorks in the Skillnets structure and initiatives to embed the programme more deeply within the networks.
6.	Initiatives to enhance Skillnets' application of more rigorous training course evaluation methodologies should be developed and implemented across networks. These should be informed by international best practice approaches in this area and should include expanded training quality and effectiveness assessment and supporting metrics.
7.	Ongoing vigilance is required to minimise programme deadweight and mitigate its impacts, including in relation to focus on unique and customised training design and minimisation of the use of off-the-shelf, generic courses, and the maximisation of member company co-funding rates.
Source: Indecon	

8.3 Overall Conclusions

Overall, this evaluation found that Skillnets' core TNP and Finuas programmes continued to meet their broad objectives during 2015. There is evidence of the impact of the economic recovery in terms of an increased demand and growth in training activity, and the organisation exceeded the targets set by the DES in respect of trainees and training days delivered by 14% and 29% respectively.

Within the overall picture, as well as delivering on its core mandate in respect of in-employment training, the organisation contributed to the Government's Action Plan for Jobs by training provided to a total of 6,695 jobseekers. Jobseeker training has, however, started to decline in relative terms and an important strategic issue concerns Skillnets' strategy and positioning in relation to in-employment training versus jobseeker training.

Indecon's research also shows that TNP and Finuas member companies and trainees continue to report high levels of satisfaction in relation to key aspects including relevance of training, quality, contribution to learning and personal development, and value for money. This positive feedback, as well as Skillnets' continued alignment with government policy, is important in the context of ensuring alignment with the requirements of the National Training Fund.

ManagementWorks also continues to be well-received among SMEs (and particularly micro-firms). However, the decline in participation levels among SMEs indicates that demonstrating sufficient awareness and reach, and converting this into demand/participation levels are key issues for the future success of the programme.

This evaluation has also highlighted positive progression outcomes for trainees, including high levels of employment retention among participants who undertook in-employment training. There is also evidence of progression to employment among a percentage of jobseekers trainees, with 55% of 2015 JSSP trainees and 68% of 2014 trainees currently in employment, while 46% of TNP main programme jobseeker trainees are currently employed (as of April/May 2016).

In relation to the key strategic challenges for Skillnets, these remain broadly consistent with those highlighted in recent previous Indecon evaluations, and include the importance of maintaining an ongoing focus on ensuring the continued relevance and quality of in-employment training, achieving an appropriate balance between employed and jobseeker training in the context of the evolving labour market, and the urgent need to expand reach and participation levels in ManagementWorks.