



Statement  
of Strategy  
2020-2024

# Statement of Strategy

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Position Paper - For Consultation

# Introduction

Ireland draws a great competitive strength from its workforce. A well-educated, well-skilled and adaptable workforce has been a pillar of Ireland's economic and industrial policy since the 1960s. However, skills are highly dynamic and subject to obsolescence meaning a persistent focus must be maintained on the development of our workforce.

Advances in technology, changing demographics, shifting consumption patterns and a multitude of competitive and geopolitical forces are constantly changing the work landscape and driving new skills requirements. These mega-trends are combined with new technological disruptions such as robotics, artificial intelligence, Internet of Things and Big Data all of which have implications for both businesses and workers in remaining competitive, innovative and adaptable.

We are pleased to share with you this Position Paper which underpins the consultation for the *Skillnet Ireland Statement of Strategy 2020-2024*. It is intended that the consultation will bring together the combined insights and perspectives of all our stakeholders, and the general public, in shaping a new strategy for the organisation.

Working with our partners we have made tremendous strides in recent years. There is immense value, innovation and industry leadership been driven through the enterprise-led approach of the Skillnet networks nationwide. Skillnet Ireland is contributing to the implementation of Government policies and strategies to a greater extent than at any point in the organisation's 20-year history. However, we are seeing the workplace transform at an unprecedented pace, and although the net outlook for jobs is positive, upskilling and lifelong learning has never been more important. We commit ourselves to more ambitious actions in meeting Ireland's workforce challenges.

You are invited to critique three strategic themes upon which the *Statement of Strategy 2020-2024* will be framed. There is also a set of questions within each theme which you are invited to submit feedback on.



**Paul Healy**

Chief Executive  
Skillnet Ireland

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**You can submit feedback, or request further information, for the *Skillnet Ireland Statement of Strategy 2020-2024* consultation process as follows:**

**By email to** [strategy@skillnetireland.ie](mailto:strategy@skillnetireland.ie)

**By post to** Skillnet Ireland, 5th Floor, Q House, 76 Furze Road, Sandyford, Dublin 18, D18 E268

**By online survey at** [www.skillnetireland.ie/strategyconsultation](http://www.skillnetireland.ie/strategyconsultation)

The development of *Skillnet Ireland Statement of Strategy 2020-2024* is open to public consultation for a period of 8 weeks. The closing date for submissions is 6 August 2019.

Any submissions received may be published on our website and will be subject to the provisions of the Freedom of Information Act. Those making the submissions may have obligations under the Regulation of Lobbying Act.

# Background to Skillnet Ireland

Skillnet Ireland is the national agency responsible for the promotion and facilitation of workforce learning in Ireland. Skillnet Ireland funds over 50 industry representative groups, supporting over 16,000 companies and 56,000 trainees annually.

Skillnet Ireland operates under a joint investment model, part-funded by participating businesses in one of our 67 learning networks. Each network, funded by Skillnet Ireland, is a cluster of companies from the same sector or geographical location. This approach has received international recognition as a model of best practice from the OECD and ILO, amongst others. Skillnet Ireland is funded from the National Training Fund through the Department of Education and Skills.

# Skillnet Ireland Programmes

## Training Networks Programme (TNP)

The Training Networks Programme (TNP) is the flagship Skillnet Ireland offering. TNPs decentralised model generates highly specialised knowledge on employment and training related issues, resulting in better alignment between labour market needs and the response delivered to meet those requirements. TNP has received international recognition as a best practice approach from the OECD, the EU Commission and the ILO, amongst others.

The objectives of the TNP are:

- To promote an enterprise-led approach to learning where groups of enterprises can develop strategic solutions to their joint training needs.
- To promote increased active participation in training and skills development by enterprises, especially within small and medium sized businesses.
- To improve the adaptability and long-term employability of workers, driving increased uptake in lifelong learning.
- To facilitate the provision of quality customised training by supporting the development of new, innovative and flexible methodologies, that deliver more effective and user-friendly training solutions for companies and workers.
- To contribute to the development of national policy as it relates to workforce development and skills.

## Future Skills Programme (FSP)

Anticipating future skills is a challenge given the complex and dynamic modern world of work. FSP provides seed funding to enterprise groups to develop new programmes to meet emerging skill areas and where a gap in existing provision has been clearly identified.

Programmes developed recently are varied and have included postgraduate programmes in Artificial Intelligence, Internet of Things, Blockchain, Animation and Software Product Management, along with accredited programmes in Fintech, Cyber Security, Medical Technologies, Aviation Finance and International Financial Services Law. In 2018/2019, 18 industry-led research assignments were also commissioned through the FSP to advance our understanding of the future of work at an industry/sectoral level.

## Employment Activation Programme (EAP)

Since 2010 the Skillnet Ireland Employment Activation Programme (EAP) has supported over 40,000 jobseekers by focusing on integrated training with employers, dedicated conversion courses, and through work placements in areas of high employment potential.

# Priorities Supported by Skillnet Ireland

## Lifelong Learning

The need to increase in employment engagement in lifelong learning is a national policy objective. For the reasons outlined on page 2, workers need to build up their skills portfolio and to continually upskill and reskill throughout their careers. There is also a compelling evidence base linking lifelong learning to improved career mobility and higher living standards. The Government has targeted a lifelong learning participation rate of 15% by 2025. However, the actual participation rate in Ireland is closer to 9% and below the EU average of 11%. Skillnet Ireland is well placed to contribute significantly to this policy objective, as in 2018 of the 56,000 people supported by Skillnet Ireland, each one met the definition of a lifelong learner.

## SME Productivity

A number of recent national and international reports from the OECD, the Department of Business Enterprise and Innovation, and the National Competitiveness Council have expressed concern around the productivity of Irish SMEs. This phenomenon is replicated across EU member States and has societal and economic implications if not addressed.

Skillnet Ireland has deep roots with enterprise in Ireland and delivers upskilling on a cost sharing basis with 52 enterprise groups, industry associations and clusters. Over 16,000 businesses supported by Skillnet Ireland in 2018 and these were predominantly SMEs. This gives Skillnet Ireland a strong platform to further promote upskilling and staff development to SMEs, and in doing so, boost the productivity of our indigenous SME base.

## Future of Work

As technology develops at an unprecedented pace, tasks that were once thought to be the sole domain of humans are increasingly being carried out by machines, causing growing concern about the impact on jobs and the subsequent risks for Government, businesses and workers. There is a window of opportunity now for individuals, businesses and Government to understand and proactively manage the transition to a new future.

Skillnet Ireland wants to lead a national conversation on this question. We believe there is an opportunity to bring clarity to the debate on the future of work. Through the dissemination of accessible and sector-specific industry knowledge as well as the development of actionable insights, we will collaborate with enterprise and Government to advance this agenda.

## Regional Development

Achieving balanced development between the urban centres and the regions is a key policy objective of Government. Skillnet Ireland is playing an important role in regional skills development through over 20 regionally based, mixed-sector Skillnet networks promoted by local Chambers and various regional enterprise clusters. Skillnet Ireland has been an active support to companies from all over Ireland.



## Labour Market Participation

With an economy at full employment more imaginative and innovative approaches are now needed to bring skilled workers into employment. For example, Ireland ranks below the EU average in relation to female labour market participation. Women 'Returnships' have been a focus of Skillnet Ireland in recent years. These programmes have been successful in reaching the talented pool of women experienced in IT (and in other sectors) and are achieving high conversion rates to employment. There is an opportunity for Skillnet Ireland to provide further leadership on the issue of labour market participation and to bring more skilled workers into employment.

## New Skills and Future Skills

Skills supply to enterprise is met, in various parts, through outputs from Ireland's higher and further education system, from labour activation measures and from immigration. However, for the greatest part, the skills that drive developed economies are derived from within employment. As the labour market continues to tighten Ireland is confronted with skills gaps across several sectors, most acutely in ICT, engineering and science, construction, healthcare and financial services. These shortages tend to hold up growth and delay projects. Skills shortages also serve to drive up costs to businesses.

Facilitating efficient collaborations between industry, higher education, and training providers is vital if we are to meet labour demands and equip the workforce with 21st century skills. Skillnet Ireland encourages enterprise groups to work with higher education and training providers to develop industry led programmes for emerging skill areas and where a gap in existing provision is identified. Businesses participating with Skillnet Ireland make a significant non-financial contribution to this process by making expert staff available to work with universities and others to define industry requirements and contributing to the design of new qualifications. For employers this approach provides a practical platform to collaborate with experts, so business requirements can be translated into effective and innovative programmes.

Skillnet Ireland has a track record in speedily reacting to skills supply challenges by promoting enterprise-led responses at a sectoral and regional level. This includes a capacity to design distinct, industry programmes targeted to meet specific skills areas. In 2018 for the first time, Skillnet Ireland invited proposals to address workforce development challenges in innovative ways. This resulted in the commissioning of nine research projects that relate to specific sectors and/or regions to advance our understanding of the future of work and learning.

# Consultation Framework

**WHY?** Contextual Factors

- Lifelong Learning
- Future of Work
- SME Productivity
- Labour Market Participation
- Career Mobility
- Digital Transformation
- Skills Supply
- Sectoral & Regional Development

**WHAT?** Strategic Themes



**HOW?** High Level Enabling Plans



\* Once the consultation process is complete, enabling plans will be put in place to deliver the agreed strategy. The public consultation process will help shape the strategy and thus inform the enabling plans

# Proposed Themes for Statement of Strategy 2020-2024



## THEME 1



These are the activities that enable workers and businesses to learn, to develop and to improve their capacity resulting in improved business outcomes and greater career mobility for workers.

## THEME 2



We are living in an age of unparalleled technological disruption and business transformation. Workforce innovation helps workers to adapt to this new world by future proofing their skills, and helps businesses adapt to change by boosting creativity and competitiveness.

## THEME 3



With skills shortages and challenges in attracting and retaining talent, the need to have the right people, with the right skills, in the right roles, at the right time is more critical now than ever. Workforce planning is an imperative that keeps enterprise ahead of the curve, building capacity at a sectoral and regional level.

# THEME 1 - Workforce Development

These are the activities that enable workers and businesses to learn, to develop and to improve their capacity resulting in improved business outcomes and greater career mobility for workers.



## Workforce Development Consultation Questions

What is your definition of '**workforce development**', as it applies to Skillnet Ireland?

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In terms of current Skillnet Ireland **workforce development** outputs/ results how does Skillnet Ireland currently perform against your definition?

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In what new ways can Skillnet Ireland drive **workforce development** over the next 3 to 5 years?

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In what new ways can our stakeholders support Skillnet Ireland to drive **workforce development** over the next 3 to 5 years?

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What can Skillnet Ireland do differently to encourage participation in lifelong learning with employers and employees?

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In what new ways might Skillnet Ireland support owner/managers of SMEs to improve their managerial/leadership skills and business performance?

# THEME 2 - Workforce Innovation

We are living in an age of unparalleled technological disruption and business transformation. Workforce innovation helps workers to adapt to this new world by future proofing their skills, and helps businesses adapt to change by boosting creativity and competitiveness.



## Workforce Innovation Consultation Questions

What is your definition of '**workforce innovation**', as it applies to Skillnet Ireland?

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In terms of current Skillnet Ireland **workforce innovation** outputs/ results how does Skillnet Ireland currently perform against your definition?

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In what new ways can Skillnet Ireland drive **workforce innovation** over the next 3 to 5 years?

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In what new ways can our stakeholders support Skillnet Ireland to drive **workforce innovation** over the next 3 to 5 years?

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What can Skillnet Ireland do further to facilitate collaboration between industry, higher education institutes, government agencies and industry training providers to drive **workforce innovation**?

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How can Skillnet Ireland further contribute and lead the national conversation around 'the future of work'?

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What should Skillnet Ireland's future role be in research around **workforce innovation**?

# THEME 3 - Workforce Planning

With skills shortages and challenges in attracting and retaining talent, the need to have the right people with the right skills, in the right roles, at the right time, is more critical now than ever. Workforce planning is an imperative that keeps enterprise ahead of the curve, building capacity at a sectoral and regional level.



## Workforce Planning Consultation Questions

What is your definition of '**workforce planning**', as it applies to Skillnet Ireland?

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In terms of current Skillnet Ireland **workforce planning** outputs/results how does Skillnet Ireland currently perform against your definition?

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In what new ways can Skillnet Ireland drive **workforce planning** over the next 3 to 5 years at an enterprise, sectoral and regional level?

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In what new ways can our stakeholders support Skillnet Ireland to drive **workforce planning** over the next 3 to 5 years?

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How can Skillnet Ireland help enterprise workforce plan better to ensure businesses have the necessary people capability and capacity to deliver their business strategy?

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Skillnet Ireland does more than just support the training needs of enterprise. What can Skillnet Ireland do further to raise the profile of our other work areas?

# Supporting Questions

- A. Do the three draft strategic themes of workforce development, workforce innovation and workforce planning 'talk to' the broad policy aims Skillnet Ireland are asked to support, and the direct needs of enterprise? Yes / No / Not Sure
- B. Please explain why you answered A above the way you did?
- C. Skillnet Ireland does more than just support the training needs of enterprise. What can Skillnet Ireland do further to raise the awareness of our other work areas?
- D. Have you any further comments/feedback or observations you would like to share that may help shape our statement of strategy?

