

SUPPORTING WORKING LIVES AND ENTERPRISE GROWTH IN IRELAND

2018-2021 further education and training policy framework for skills development of people in employment

October 2018



Rialtas na hÉireann
Government of Ireland

SOLAS
learning works



etbi
Education and Training Boards Ireland
Boird Oideachais agus Oiliúna Éireann





1 Introduction

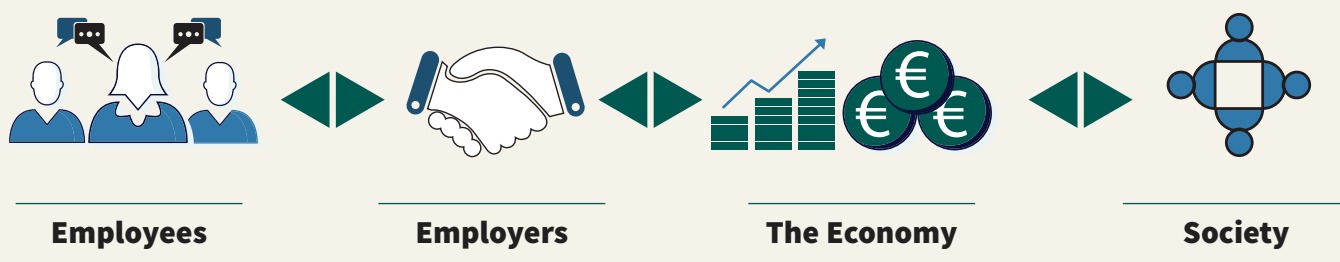
This document sets out a new policy framework for employee development opportunities in Ireland. It will be supported by Government through the national further education and training system. The policy includes goals and targets for the period 2018-2021. The Department of Education and Skills will oversee implementation of the policy with the further education and training agency SOLAS, working closely with Education and Training Boards (ETBs) around the country.

The new policy will enable targeted support for vulnerable groups in the Irish workforce, particularly those who have lower skills levels and who need more opportunities to advance in their working lives and careers, to sustain their employment and to avoid displacement or to avail of emerging job opportunities. The policy also supports small and medium-sized enterprises (SMEs) who need some assistance to invest in and develop their workforce. While employers are primarily responsible for the skills development of their employees, and employees have responsibility for their own development, this policy will complement employer-based and State initiatives underway, through targeted support and investment by Government.

This policy draws on a vision of the workplace in Ireland where:

- Upskilling during one’s working life is considered normal practice and has a direct correlation with enhanced job security, higher earnings and autonomy at work for employees
- Indigenous and multinational firms systematically invest in the development of their staff and benefit through improved productivity and competitiveness of their employees and business
- Provision in further education and training which supports employee development is flexible, high quality, accessible and relevant to the changing needs of employees, the economy and industry.

IT IS PLANNED THAT, BY 2021, OVER 40,000 WORKERS WILL BE ENGAGING IN STATE-SUPPORTED UPSKILLING; 4,500 SMEs WILL BE SUPPORTED TO THRIVE AND GROW; AND IRELAND WILL FURTHER ENHANCE ITS COMPETITIVENESS ON THE EUROPEAN AND GLOBAL STAGE.



This policy is an action in the 2018 Annual Action Plan for Education. It complements ongoing investment in skills development by employers and existing Government-supported initiatives which include Skillnet Ireland, Springboard+, Skills for Work, Skills for Growth, the Regional Skills Fora and Local Enterprise Offices.

This document has a companion publication *2018-2021 Further Education and Training Policy Framework for Skills Development of People in Employment Background Paper* which presents the underpinning analysis of policy and research nationally and internationally, including the research referenced here.

Development of the policy was supported by a national working group and two technical groups with representatives from ETBs, ETBI, IDA, Enterprise Ireland and the Regional Skills Fora (see Appendix). The groups met nine times between 2015 and 2017. There was, in addition, extensive consultation with other relevant stakeholders, also set out in the Appendix.

This document is set out in six sections:

Section 1 Introduction	Section 2 sets out the rationale for the new policy framework	Section 3 identifies who will be supported through the policy	Section 4 explains how the policy will be implemented	Section 5 presents the annual targets to 2021 which will underpin implementation of the policy	Section 6 sets out how the policy will be rolled out around the country.
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2 Rationale for the new policy framework

In 2018, Ireland has made a strong recovery from the deep recession that hit ten years ago. From a high of 15% unemployment nationally in 2012, the figure is now less than 6% with strong indicators of ongoing growth in the economy. Notwithstanding this positive picture, threats from the evolving Brexit situation, changes in global trading arrangements and other developments outside of Ireland's control mean that we need to stay proactive and flexible in how we grow and sustain our workforce.

While employers clearly have a central and vital role in responding to this challenge, it is recognised that Government too plays its part. Five principal drivers underpin the new policy on skills development of employees in the workforce. These are as follows:

(i) Supporting enhanced productivity in Irish SMEs

Small and medium-sized enterprises are the lifeblood of Irish industry, accounting for 99.78% of all enterprises (CSO Business Demography Dataset 2017). However, a 2018 OECD Economic Survey for Ireland indicates evidence of a widening productivity gap between multinational and indigenous firms. In addition to the pressure from more demanding consumers and rising business costs in a more affluent Ireland, indigenous industry is facing Brexit and major changes in trading relationships with the UK and other countries in the EU and globally. In light of these challenges it is vital that indigenous SMEs are able to respond positively. Training and upskilling of managers and workers to support business strategies can make a significant contribution in this regard. A Continuing Vocational Training Survey published by the CSO in 2017 indicated, however, a clear linkage between the likelihood of employees participating in training and company size – the larger the firm, the more likely an employee is to receive training.

Estimates for European countries from the vocational education and training research agency CEDEFOP indicate that a 1 percent increase in training days leads to a 3 percent increase in productivity, and that the share of overall productivity growth attributable to training is around 16 per cent. Companies, industry sectors and whole countries which actively support skills development within their workforce are those which are shown to thrive and continuously out-perform their peers.

(ii) Driving effective regional development

Effective regional development is a critical component of Ireland's route to becoming a fully prosperous economy and society. The quality of local jobs in, for example, childcare; retail; restaurants, bars and hotels; sports and leisure amenities; hairdressing and home care is integral to local and regional economic development plans. In addition, there are emerging opportunities for new types of jobs, skills and occupations in regional labour markets, on which innovative firms can capitalise. Supporting this local and regional development is a major focus of the regional Action Plans for Jobs and the Regional Skills Fora.

(iii) Responding to the changing nature of jobs and skills requirements

Jobs in advanced economies such as Ireland are changing significantly as technology changes, global supply chains shift, populations, age, migration flows change, and concerns over the environment grow. The accumulation of these factors is driving changes in the design and content of jobs, their location, their occupational structure, and the skills and qualifications people need to access jobs across all advanced countries.

There is extensive evidence across many countries that routine job tasks, both manual and cognitive, are increasingly being carried out more effectively and at lower cost by ‘intelligent’ computers and automated systems, or by workers sourced overseas. Occupations, economic sectors and individuals are being affected differently, depending on the extent to which they have traditionally relied on tasks now open to automation.

Demographic and social changes are also affecting the labour markets of advanced countries. Ageing populations are creating a strong demand for adult social care, while more educated and affluent populations are creating demand for a steadily widening array of consumer and personal services. Given these trends, occupations supporting these services and currently classed as ‘lower-skilled’ are projected to have a large increase in employment; employees in these jobs generally have significant upskilling needs, in the areas of digital and technical skills; interpersonal, socio-emotional and other soft skills.

The impact of these changes spans all occupations and sectors and brings opportunities as well as challenges. A 2018 World Bank report *Growing United: Upgrading Europe’s Convergence Machine* identifies a risk that existing inequalities in labour markets will be exacerbated and further polarise both workers and companies as ever-richer opportunities emerge for well-skilled workers and frontier firms, while lower-skilled workers and less productive firms fall behind. Successive OECD reports indicate that ‘lower-skilled’ roles are the most likely to be affected by the ongoing changes, but less likely to receive training than the rest of the workforce.

Diverse strategies and multiple types of education and training, therefore, are needed to ensure upskilling is an option for everyone in work who needs and wants it.

(iv) Meeting the skills development needs of the target groups

EU analysis, including a 2018 Eurostat report, indicates that lifelong learning rates for employed people in Ireland, estimated at 8.3%, are below the EU average of 12%. Labour Force Survey (2017) data shows that approximately 43% of those in employment in Ireland state a National Framework of Qualifications (NFQ) Level 5 award or less as their highest educational attainment. Similarly, the OECD PIAAC survey of adult skills indicates that there is a significant proportion of employees in Ireland with low levels of literacy and numeracy and digital skills. There is a generational gap between the educational opportunities which were afforded to an older cohort of workers and those currently enjoyed by a younger generation in Ireland. This reality is demonstrated in two contrasting facts – within the EU, Ireland has the highest proportion of 30-34 year olds who are educated to tertiary level and also one of the highest proportions of older workers who did not complete the senior cycle of secondary education.

(v) Supporting development of ‘soft skills’

The importance of soft or social skills in the workplace is becoming increasingly apparent. A series of research reports, including a 2018 study of Europe by the World Bank, contends that strong cognitive and socio-emotional skills make workers more resilient to the possible adverse effects of technology change, by equipping them with a greater ability to learn, adjust and deliver non-routine cognitive and interpersonal tasks. Supporting the current and future workforce to upskill in this area is good for inclusion but also for economic growth. In a similar vein, successive surveys of employers, including those by the global social media platform LinkedIn, identify soft skills as a number one priority among employers for talent acquisition and development.



The five drivers set out above represent a major challenge for enterprise and the education and training sector as a whole. There is a need to develop and nurture the talent already in the workplace, driving enterprise success and facilitating sustainable career paths and improved living standards for employees of all ages and backgrounds. We will need:

- A step-up in management and leadership capacity within our enterprises
- A step-up in organised engagement by enterprise, structured in-house programmes of upskilling, and structured partnerships with education and training providers, including the delivery of new apprenticeships and traineeships
- Novel enterprise-driven programmes such as those facilitated by employer networks through Skillnet Ireland and enterprise representative bodies
- New avenues for people in work into existing valuable programmes which have traditionally been reserved for full-time students
- Extension of programmes such as Springboard+ which are now available in a restricted number of areas for those in work
- Well-designed programmes where workers at risk of displacement are helped to transfer to new tasks within their industry
- New and imaginative bridges between enterprise and education and training such as those already being pioneered by the Regional Skills Fora.

The targets in this policy framework and the wider target as set in the European Commission's strategic framework *Education and Training 2020* of at least 15% of adults participating in lifelong learning will be a major focus of the evolving National Training Fund.

As part of the wider Action Plan for Education new initiatives will be developed each year to advance these areas of challenge, with a role given to the Regional Skills Fora and the National Skills Council in both prioritising and monitoring impact.

3 Employees and employers - who will be supported

Through this policy, the Government will provide targeted support for employees and employers in the Irish labour market. There are three primary target groups, as follows:

Employees in all parts of the workforce whose skills level is below Level 5 on the National Framework of Qualifications. Such employees can access upskilling opportunities free-of-charge across relevant further education and training provision. There will also be a particular focus on employees who are in jobs with a low skill requirement, 50+ years of age, and in sectors/occupations at risk of economic displacement. It is acknowledged that this will require innovation by ETBs in outreach, guidance, design and delivery of programmes that target persons at risk of displacement and areas of activity such as caring services, retail and manufacturing where upskilling can impact significantly on earning capacity and security.

The Department of Education and Skills has committed to the development of a national policy on the Recognition of Prior Learning (RPL). This policy, when developed, will provide a framework for ETBs and other providers to offer opportunities to employees to have skills recognised through RPL mechanisms.

All small and medium sized enterprises and other organisations with limited capacity to identify and meet skills development needs of their employees. Employers will be supported to develop their training expertise including identifying the upskilling needs of their workforce and in providing training solutions. Engagement by ETBs with enterprise will build on the company audits now being piloted and will support enterprise in the execution of plans to meet identified upskilling gaps in a flexible way. It will particularly focus on lower skilled workers at risk of displacement, for whom high levels of support will be available. Employers will be assisted in identifying skills needs and in providing training solutions.

Industry sectors with particular skills needs, arising from emerging opportunities or as a result of economic vulnerabilities. Support will be provided to employers of all sizes in industry sectors which are experiencing particular changes in work practices, technology and markets. New collaborative models between ETBs and other providers (Skillnet Ireland, higher education institutions) and with other sectoral coalitions will be necessary to realise the potential for sectoral upskilling and reskilling.



4 How the new policy will be implemented

The sixteen Education and Training Boards around the country will have a key role in supporting the upskilling needs of employees and employers. ETBs will build on existing provision, partnering with employers to design additional supports which will enable a major step-up in participation and engagement. Consultation with ETBs in development of the framework underlined widespread awareness of and a commitment to addressing the development needs of those in employment, particularly the needs of employees in economic sectors and enterprises who are vulnerable to restructuring and who may have inadequate skill sets to cope.

International experience shows that to be successful, education and training providers must balance the needs of both employees and employers and address skills development both from *the perspective of the learning needs and outcomes of individual workers* as well as from *an enterprise's business strategy perspective*.

ETBs will therefore provide **three access routes** to all levels of FET provision for employees and employers, as follows:

- **Route 1** – Direct employee access – where employees can access further education and training in ETBs directly by enrolling for relevant development options
- **Route 2** – Access via enterprise engagement – where employees access further education and training through their employer partnering with an ETB
- **Route 3** – Regional initiatives – where employees participate in further education and training as a result of a particular identified regional skills development initiative.

ETBs will invest in infrastructure and professional development that enhance their capacity to engage with employers on identifying their skills needs. New mechanisms will be introduced to ensure successful engagement with enterprise partners and other key stakeholders.

Programme content will be reviewed on an on-going basis to ensure that it is relevant to industry needs, it addresses the individual development needs of the learner and includes both soft/socio-emotional and technical skills development.

Delivery options will be expanded to enable greater flexibility and access, by incorporating features such as modularisation, part-time provision, blended learning, distance learning, flexible scheduling and learning enhanced by technology. Eligibility requirements will be adapted to support increased participation by employees in upskilling and reskilling.

With their extensive geographical footprint and localised activity, ETBs are very well-placed to address barriers to participation that individual employees and companies may face when wishing to access upskilling opportunities. This is particularly the case for individuals or companies where travel, cost or time issues are a significant obstacle to participation.

ETBs will collaborate across the ETB network, with the Regional Skills Fora and other relevant regional networks, agencies/organisations and with employer groups to address employee development requirements. Good examples of practice and new initiatives from the Regional Skills Fora and other sources will be shared.

Funding

Funding for employee development will be allocated by SOLAS to Education and Training Boards. This will include some funding allocated by way of a competitive call to promote innovation and performance. In addition to funding for apprenticeship, Skills for Work and investment in company training via Skillnet Ireland, the 2018 budget for education and training includes an initial €1.5m to support upskilling in the workforce. This will be supplemented by the mainstream further education and training budget to support roll out of the new policy. At ETB level, funding arrangements will allow for ease of administration and localised decision making and accountability. Employers, as appropriate, will contribute to funding for employee development in the form of financial and in kind contributions. Employees with skills at Level 5 and above on the NFQ will also contribute to training costs.

Promotion of the new policy and monitoring and reporting framework

SOLAS will support the ETBs in developing national implementation guidelines and supports, and in agreeing targets with each ETB through annual planning and strategic dialogue processes.

ETBs, SOLAS and the Department of Education and Skills and other relevant bodies will promote employee development to cohorts of companies and employees and incentivise those who are traditionally less likely to engage in lifelong learning and development.

As part of the implementation programme for this policy a monitoring and reporting framework will be put in place. SOLAS will gather and monitor data on employed people and companies availing of further education and training provision, and evaluate the effectiveness and impact of the new policy not just in terms of reach but of completion, certification, satisfaction and demonstrated career progression. The extent and the impact of initiatives for each of the three access routes will also be monitored and reported. This data will inform budget and funding requirements and support reporting on outcomes.



5 Annual targets to 2021

To support implementation of the policy, annual targets have been set for skills development of employees and with employers. Tables 1, 2 and 3 below include three sets of targets. These are (i) the numbers of employees supported to upskill each year; (ii) the number of employers engaged in employee development in partnership with ETBs and availing of support to develop their training expertise, and (iii) the number of training interventions or programmes provided.

The tables include a 2017 baseline for the targets set to 2021. The number of employees accessing upskilling in 2017 is drawn from the Programme Learning Support System (PLSS) database within further education and training; 15,000 learners participating in 2017 were categorised as employed. The figure includes learners who have engaged on an individual basis and those who have engaged through their companies. To note, these figures and the targets to 2021 do not include apprentices.

The number of learners who are also employees is projected to increase from 15,000 in 2017 to 40,500 by 2021, comprising circa 7,000 additional learners availing of training on an individual basis, plus circa 18,500 additional learners accessing training via their employer. Projections show an average annual growth rate of 29%, with stronger growth of 44% targeted for 2019 to achieve a significant increase in opportunities for employee development.

The baseline for the number of employers supported takes account of the number of companies participating in the Skills for Work initiative. Stretch targets have been applied for the years 2018-2021 to the number of companies who will avail of further education and training to develop their training expertise and to develop upskilling and reskilling opportunities for their employees.

The baseline for training interventions or programmes is drawn from a calculation of an average of 14 learners per programme. This is 1,000 programmes in 2017, with an additional 100 programmes to be provided in 2018; 500 additional in 2019, and a cumulative 2,800 programmes by the end of 2021.

Cumulative employee development targets 2018-2021, with 2017 baseline

Table 1 Target number of employees engaged in upskilling cumulatively 2018-2021						
		2017 (baseline)	2018 (Q3 & Q4)	2019	2020	2021
Number of employees upskilled	Route 1	12,700	1,400	3,500	1,000	1,000
	Route 2	2,300	575	3,000	6,000	6,000
	Route 3	0	25	1,000	1,000	1,000
Total		15,000*	17,000 (+2000)	24,500 (+7,500)	32,500 (+8,000)	40,500 (+8,000)

*The baseline figure of 15,000 includes all employees accessing provision directly, including adult and community education programmes, BTEI, ESOL and evening programmes as well as employees accessing training through their companies via the Skills for Work programme.

Table 2 Target number of employers being supported to upskill their workforce cumulatively 2018-2021

	2017* (baseline)	2018 (Q3 & Q4)	2019	2020	2021
Employers availing of ETB support to develop their training expertise	0	130	460	480	500
Employers partnering with ETBs for employee development, including Skills for Work	320	50	490	770	850
Employers participating in regional and sectoral initiatives	0	0	150	150	150
Total	320	500 (+180)	1,600 (+1,100)	3,000 (+1,400)	4,500 (+1,500)

Table 3 Target number of training programmes cumulatively 2018-2021

	2017* (baseline)	2018 (Q3 & Q4)	2019	2020	2021
Number of training programmes	1,000	100	500	600	600
Total	1,000	1,100 (+100)	1,600 (+500)	2,200 (+600)	2,800 (+600)

**Caveat: These targets are based on 2017 PLSS data which are currently being reviewed. The PLSS Learner Database became operational in May 2017. A complete data set for 2017 was not available at the time of publication of this policy (June 2018).*

6 Roll out of the new policy



Immediately following publication, SOLAS will engage with all ETBs on implementation of the policy, working with enterprise partners. A national briefing and series of workshops will be facilitated by SOLAS. As part of annual planning and its 2018-2020 performance agreement with SOLAS, each ETB will set out and agree its own annual targets. Individual ETB targets will take account of the profile of the region and demand from employers in targeted industry sectors. A steering group comprising enterprise and education representatives will monitor progress and support successful implementation of the policy.

A targeted communications campaign will be coordinated by SOLAS, working closely with ETBs and ETBI, to promote awareness and engagement with the new policy among employees and employers. The campaign will be designed in partnership with enterprise and with the close involvement and support of the Regional Skills Fora.

There will be a two-fold approach to communications; overcoming barriers to participation in upskilling and reskilling will be to the forefront when targeting employees, while advantages for company growth and productivity will be highlighted to employers. It will be particularly important to raise awareness within SMEs of the benefits of investing in their workforce; helping management to identify training needs in the context of the business; creating relevant courses or programmes for themselves as well as their employees and ensuring no barriers prevent individuals from accessing training.

As implementation progresses, the campaign will draw on the experience of employers and employees who have benefited from the policy. Active collaboration between ETBs, employers, employees, the Regional Skills Fora, and national agencies and bodies will be critical in optimising upskilling and skills development of employees and achieving the targets to 2021.

Appendix Support for development of the policy

A working group and two technical groups assisted development of this policy, alongside ongoing close liaison with the Department of Education and Skills. The groups met numerous times during 2015-2017 and their assistance was invaluable. The membership of the three groups is set out below.

Working Group	Technical Group 1	Technical Group 2
Ray Bowe, IDA	Ray Bowe, IDA	Paul Patton, Limerick & Clare ETB
Mark Christal / Sarah O' Callaghan, Enterprise Ireland	Sarah O'Callaghan, Enterprise Ireland	Enda McWeeney, Cork ETB
Natasha Kinsella, City of Dublin Regional Skills Forum	Natasha Kinsella, City of Dublin Regional Skills Forum	Lorraine Murray, Donegal ETB
Clare McMahon, ETBI	Eamonn McGettigan, Waterford & Wexford ETB	Eamonn McGettigan, Waterford & Wexford ETB
Pat O'Mahony, ETBI	Eimear Brophy, Limerick & Clare ETB	Vinny McGroary, Donegal ETB
Paul Patton, Limerick & Clare ETB	Des Carolan, SOLAS	John Kearney, Cavan & Monaghan ETB
Dr Martin Gormley, Donegal ETB	Mary Lyons, (Chair) SOLAS	Des Carolan, SOLAS
Eamonn McGettigan, Waterford & Wexford ETB		Mary Lyons, (Chair), SOLAS
Vinny McGroary, Donegal ETB		
John Kearney, Cavan & Monaghan ETB		
Des Carolan, SOLAS		
Mary Lyons, (Chair) SOLAS		
With the research assistance of Sue Leigh Doyle & Associates and Dr John Sweeney and the SLMRU, SOLAS.		

In addition, consultation took place with the following organisations and bodies:

American Chamber of Commerce	Central Statistics Office	Department of Business, Enterprise and Innovation
Education and Training Boards, including colleagues supporting Skills for Work, coordinators and learner groups		
Enterprise Ireland	IDA Ireland	Local Enterprise Offices (LEOs)
Local Government Management Agency	Ibec	Irish Congress of Trade Unions
Irish Institute of Training and Development	ISME	Skillnet Ireland
Small Firms Association		





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