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ABSTRACT

A study examined attitudes of Irish employers toward vocational training (VT) activities, state agencies responsible for administering VT, and the skills that employees would need in the future. Of a sample of 500 firms that were selected as being representative from the standpoints of size, sector, location, and form of ownership, 219 were visited and 210 completed questionnaires. Those 210 companies employed a total of 15,774 individuals throughout Ireland, with 73% employing fewer than 50 individuals. Of the employers surveyed, 73% had no training budget, 44% had a training plan, and only 31% of those with a training plan had a formal appraisal system. The most commonly offered types of training were as follows: quality training (38%); safety training (37%); new technology (48%); informal training delivered by more experienced employees (35%); and specific skills training (38%). Of the training conducted in firms, 25% was designed/delivered internally and 22% was designed/delivered by consultants. Although most employers indicated a desire for links with education, constructive linkage between education establishments and employers was found to be significantly lacking. (Contains 26 tables/figures. The interview questionnaires and employer survey are appended.) (MN)

ED 397 226

European Social Fund

PROGRAMME EVALUATION UNIT

Survey of Employers

December 1993

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European Social Fund Programme Evaluation Unit

The European Social Fund Programme Evaluation Unit was established in January 1992 in partnership between the Department of Enterprise and Employment and the European Commission. The function of the Unit is to evaluate the effectiveness of all human resource development interventions supported by the European Social Fund. Through the work of the Unit both the Department of Enterprise and Employment and the European Commission can assess if the objectives of programmes are being met. Evaluations of individual vocational education, training and employment programmes are carried out; thematic evaluations address important issues across all agencies and programmes and surveys provide new information on various groups in the labour market. Recommendations contained in the reports aim to improve the quality of training provision.

Located in the Department of Enterprise and Employment, the European Social Fund Programme Evaluation Unit reports jointly to that Department and the European Commission.

Survey of Employers

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Chapter 1

Introduction

The ESF Programme Evaluation Unit was established by the Department of Enterprise and Employment in partnership with the European Commission to examine the effectiveness of training programmes supported by the European Social Fund. The Unit's work includes evaluations across the breadth of Human Resource activities supported under the European Social Fund. This Survey of Employers has a dual focus. It serves primarily as a 'snapshot' of training activity in Irish business. Secondly, it has a broader remit in that it links into all aspects of the Programme Evaluation Unit's work.

This Survey of Employers incorporates the response of over 200 companies who participated. The focus is on training activity; selection practice; perceptions of training agencies and the employers' vision for the future in terms of skill needs.

The sample includes companies stratified across sectors, counties, size and ownership. Every effort was made to ensure that the sample configuration would be representative of the Irish Economy.

The results of the survey are interesting in that there are some strong and significant themes emerging. It is important to state that it would be wrong to make statistically valid inferences from these results about Irish industry as a whole. Such extrapolations would necessitate further research. However, the participating employers are spread across the sectors and collectively employ more than 15,770 individuals. As such, we can confidently accept the results to be an indication of training and related activities.

The main thrust is the strong indication that, while a substantial and commendable amount of training is going on in Irish industry, there are limited systems in place to maximise the benefits of the investment in training. The evidence for this is the significant lack, of even rudimentary procedures, such as training needs analysis, planning, employee appraisal or budgeting for training. This to a certain extent is reinforced by the apparent lack of certification of employee training and the surprising low rate of employer contact with local educational establishments.

The results of the survey are captured under the following headings:

1. Current Training Practice
2. The Perception of the Agencies
3. Certification
4. Education/Training/Industry Links
5. Recruitment and Selection Patterns
6. Skill Needs - The Challenges for the Future

These are expanded on in depth in Chapter 4, which also includes a discussion of the strategic considerations in relation to the challenges posed by the results of this survey.

Chapter 2

Methodology

The Objectives of the Survey of Employers

The overriding objective of the Survey of Employers was information gathering. The aim was to glean information on training activity from a representative sample of Irish business. The three focal objectives of the survey were:

1. Training Activity
   - What is the employer's attitude to training?
   - What is current training practice?
   - What training is ESF funded?
2. **State Agencies**
   - What is the employer's experience of the State agencies?
   - How does the employer perceive the agencies?
3. **The Future - Skill Needs**
   - What are the future skill needs of employers?
   - How are these anticipated and identified?

The approach to the survey was in three stages:

- Stage 1 - Methodology
- Stage 2 - Analysis of Results
- Stage 3 - Discussion and Conclusions

The methodology stage involved the design and development of the questionnaire for use in the survey. This stage was deemed a crucial one in that the quality of the measurement tool, i.e., the questionnaire, would have repercussions throughout the survey proper. Much planning, research and time was invested at this stage to guarantee a user-friendly, strategically designed questionnaire.

This stage involved the following phases.

- ☆ Phase 1 - Preliminary Research
- ☆ Phase 2 - Questionnaire Design
- ☆ Phase 3 - Piloting the Questionnaire
- ☆ Phase 4 - Administering the Questionnaire

Phase 1 - Preliminary Research

This phase was one of exploration, the aim being to establish a foundation from which to proceed with the design of the survey questionnaire. The emphasis was on the employer and his/her needs and views. The aim was to capture as true and accurate a picture as possible from industry's perspective.

This involved meetings with a sample of employers to probe their attitudes to training and to tap into their experience in terms of actual training activity. This was achieved by means of a structured interview (see Appendix 1). This structured interview was based on the knowledge and experience of the Programme Evaluation Unit. Previous research, past and current work of the Unit, including the 1992 Survey of Employers contributed to the development of the final document.

The duration of these structured interviews with employers varied from 30 minutes to 2 hours depending on the breadth of interviewee experience and willingness to expand. Interviewees were encouraged to give detailed information relating to training in their organisations and to expand on their opinion and attitude to the same. Interviewees were guaranteed confidentiality and this guarantee extends throughout the entire survey process.

Phase 2 - Designing the Questionnaire

This phase involved an analysis of the findings of phase one. Based on this analysis a pilot questionnaire was drafted. The aim during this phase was to devise a comprehensive document while allowing flexibility for further development if appropriate.

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Phase 3 - Piloting the Questionnaire

Having finalised the first draft of the questionnaire this was then piloted on a sample of 13 employers. The purpose of this pilot phase was to try out the questionnaire.

The aim was to establish its feasibility in terms of :

- ☆ User-friendliness
- ☆ Ease of completion
- ☆ Timing
- ☆ Content comprehensiveness
- ☆ Ease of interpretation for computer analysis of results

On the basis of the findings from this phase the questionnaire was fine-tuned and the final version prepared, ready for administration. The Questionnaire contains 32 questions. The estimated time of completion is 20 minutes. The method of completion was by the interviewer in a face-to-face interview with the employer.(See Appendix 2 for copy of the questionnaire)

Phase 4 - Administering the Questionnaire

This phase involved visiting the sample of employers and taking them through the questionnaire on a one-to-one basis. The sample of employers was randomly selected from the The 1993 KOMPASS Register of Irish Industry and Commerce. The KOMPASS Directory is a comprehensive and up-to-date source of key information on Irish business. It is up dated annually in association with the Irish Business and Employers Confederation.

The following criteria were considered in order to facilitate as representative a sample of Irish Industry as possible:

- ☆ Company Size
- ☆ Sector of Business
- ☆ Location
- ☆ Ownership

The interviews were carried out over the period August - October 1993. All participating companies were guaranteed complete confidentiality. Where requested a summary document outlining the results of the survey was promised to employers following submission to the Department of Enterprise and Employment and the European Commission.

The administration procedure was as follows:

1. Computerised random selection of companies from the KOMPASS listing of companies.

2. Breakdown of the selection by:

   ☆ Company Size

   ☆ Sector of Business

   ☆ Location

   ☆ Ownership

   ☆ Length of time in business

3. Telephone contact was made with the company and an appointment booked with the owner/manager, personnel manager or individual responsible for decision making relating to training activity. Where an original randomly selected company was unable to comply, its replacement was chosen from among similar companies with due regard for sector and size.

4. Interview with employer carried out by a member of the Programme Evaluation Unit.

5. Completed Questionnaires were then coded for entering into a database.

6. Questionnaires were then stored confidentially.

In the course of the survey over 500 companies were approached 219 companies were visited and of those 210 completed the questionnaire. On request 9 questionnaires were mailed or faxed to employers. Of these one was returned completed.

Chapter 3

Analysis of the Results

The results of the survey were coded numerically and input into the Unit's survey database. The software used for this process was the Statistical Package for the Social Sciences (SPSS).

For convenience this first section of analysis is ordered in the sequence in which the questions appear on the survey questionnaire. This facilitates understanding of the data and the thought processes inherent in the Questionnaire structure. Chapter 4 will then concentrate on a thematic approach to the results.

Company Profile

Some 210 employers completed the survey questionnaire. The 210 companies employ 15,774 people in total. The mean number employed is 75.

The sample represents companies located throughout Ireland. The profile of the sample by size, sector and age is represented in Figures 1, 2, and 3.

Company Size - (See Figure 1)

There is variation in the categorisation of company size within the network of research and State bodies. For example the Industrial Development Authority categorises 'small' as a company that employs up to 100 employees. For the purpose of our research, being representative of all Irish business, such a categorisation was restrictive.

The classification system used in this survey is as follows:

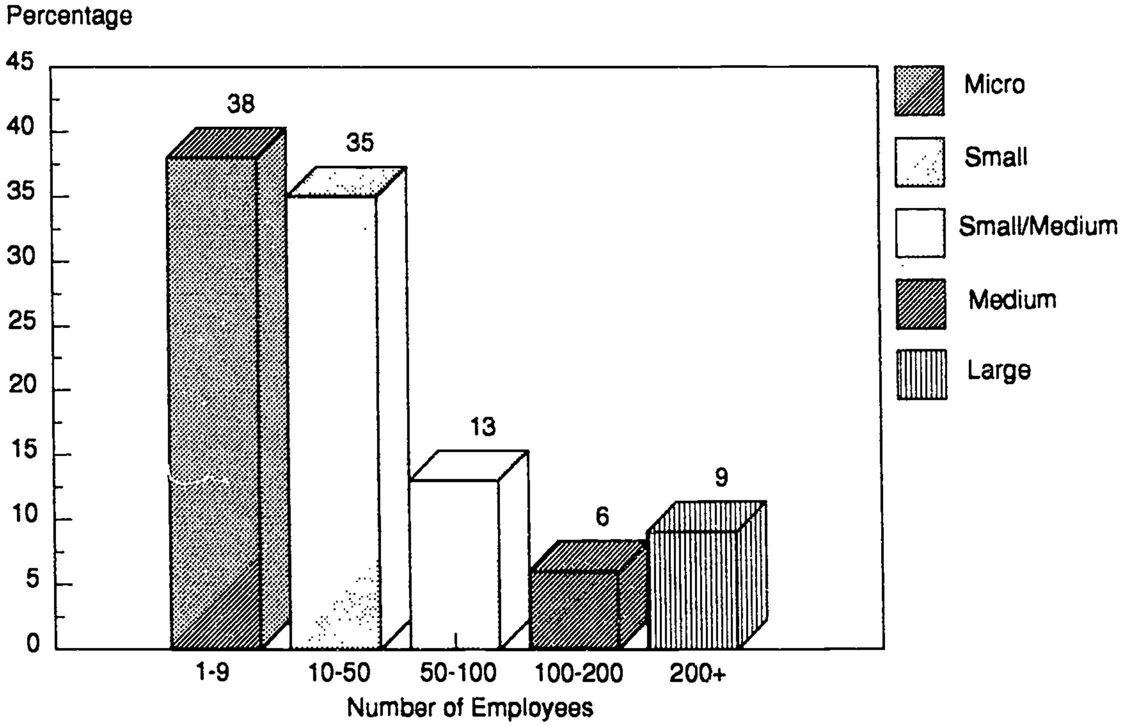
- ☆ Micro - 1 to 9 employees
- ☆ Small - 10 to 50 employees
- ☆ Small/Medium - 50 to 100 employees

- Medium - 100 to 200 employees
- Large - Over 200 employees

The largest portion of the sample fits into the combined micro/small category i.e. 73% of the companies have less than 50 employees. Only 3% of the sample had more than 500 employees. The category 'micro' refers to companies of less than 10 employees. This is the typical size of the bulk of Irish businesses. Research suggests that the average size of an Irish business is six employees; well over 90% of all enterprises employ less than 50 people.

Figure 1

Company Size



Sectoral Breakdown

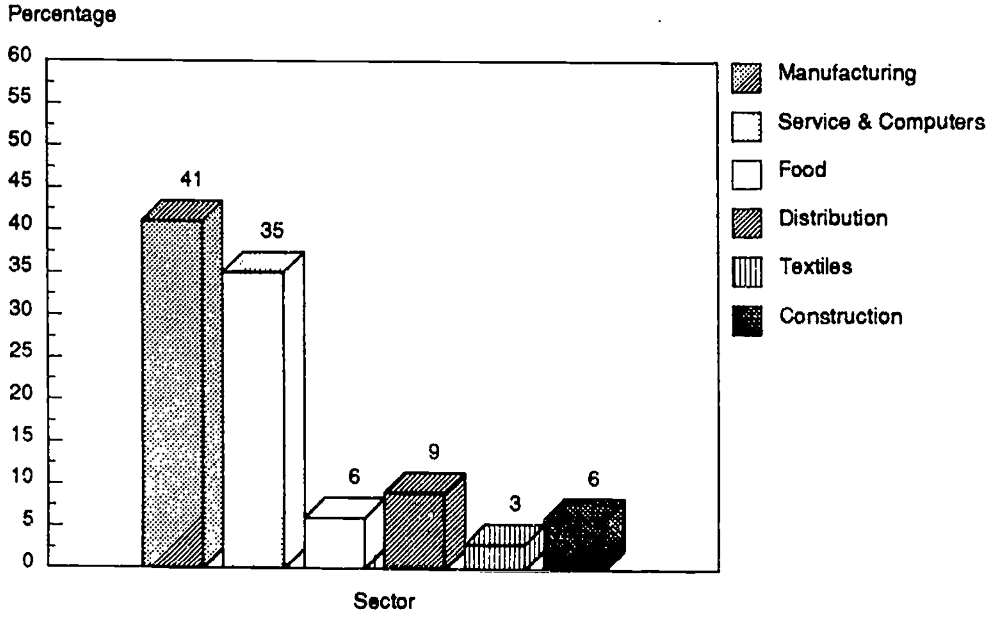
As with company size it is difficult to ascertain a standard, recognised, comprehensive categorisation or breakdown of the sectors of Irish Industry. This is due to significant gaps in official statistics.

The Central Statistics Office provided the following sectoral classification:

- ☆ Agriculture, Fishing and Forestry
- ☆ Non Fuel Mineral Extraction
- ☆ Other Manufacturing
- ☆ Distribution, Retail and Catering
- ☆ Finance and Renting
- ☆ Other Services
- ☆ Energy and Water
- ☆ Metal, Manufacturing and Engineering
- ☆ Civil Engineering and Building
- ☆ Transport and Communication
- ☆ Chemical Industry

For pragmatic purposes the sectoral breakdown adopted for the survey was an adaptation of the CSO standard system. This sectoral breakdown is represented in Figure 2.

Figure 2
Sector Of Business



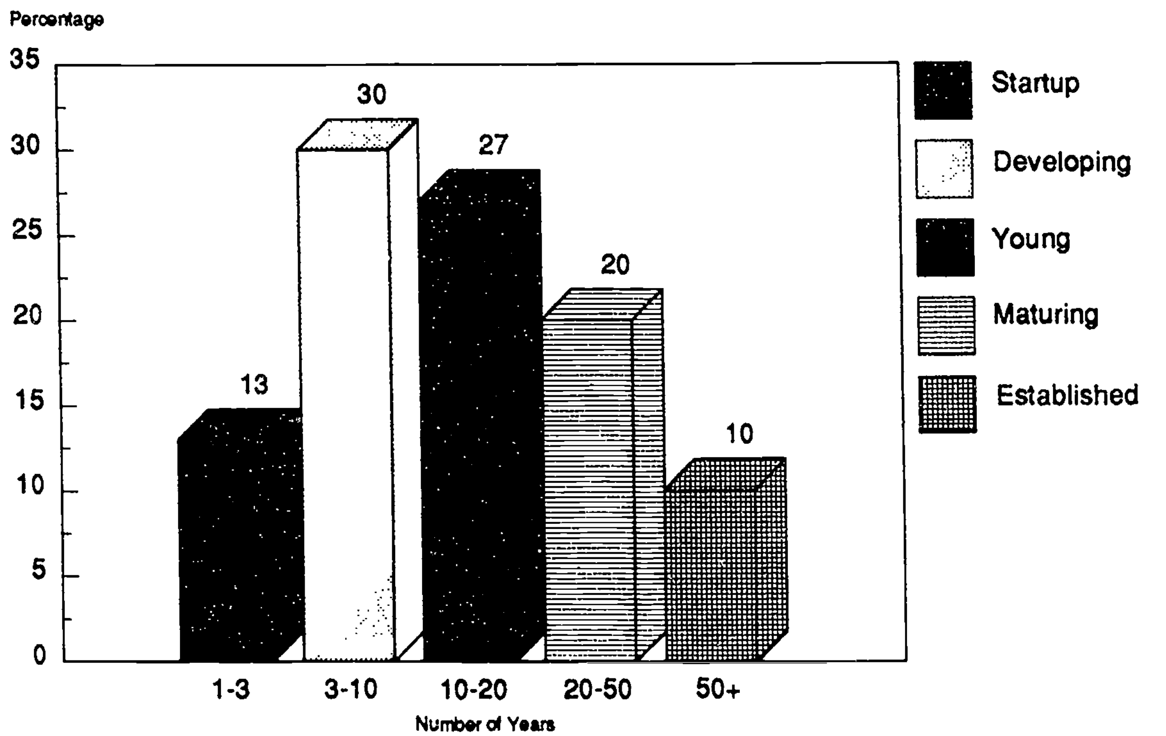
Age of Company - (See Figure 3)

This refers to the age of the companies who took part in the survey, i.e., the length of time that they have been trading. The method we used in this survey is as follows:

Start up business	-	1 to 3 years trading
Developing	-	3 - 10 years trading
Young	-	10 - 20 years trading
Maturing	-	20 - 50 years trading
Established	-	50 years plus.

Some 70% of the companies surveyed belong in the first three categories which again is representative of Irish Business.

Figure 3
Age of Company

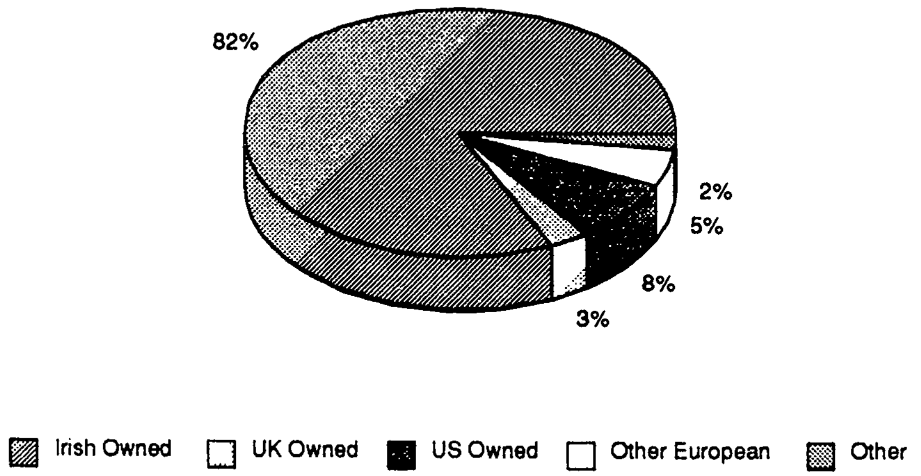


Ownership

Amongst the participating companies 82% were Irish owned. The remaining 18% is foreign owned, i.e., US, UK, other European or Japanese. (See Figure 4).

Of the Irish owned companies 70% were under 20 years trading. Similarly a high proportion of the UK and US owned companies, 57% and 86%, respectively were under 20 years trading. There were no US or UK companies in the '*established*' category, i.e., over 50 years trading.

Figure 4
Ownership of Company



Training Activity

In response to the open question '*Does your Company provide training for its employees?*', 86% of participating employers responded positively and 14% responded negatively. These figures reflect the findings of The 1992 Survey which were 81% and 19% respectively.

- All the companies employing over 50 employees responded positively to this question,
- 27% of micro companies and 11% of small companies responded negatively

- All the foreign owned companies responded positively.
- 17% of Irish companies responded negatively.
- Of companies under the age of 10 years, 56% responded negatively to the question. The bulk of the positive response was from those companies between the ages of 10 and 50 years.

This mirrors previous research in that the bulk of training occurs in the larger more mature and foreign owned business.

Of those that responded negatively to this question, 57% cited the prime reason as their company '*was too small*' for training. Other reasons cited include '*not having considered training*', cost and other industry specific reasons.

It is important to highlight that this was a general response to a broad first question. The question was likely, by its very nature, to elicit a socially desirable response. The survey questionnaire was designed to probe deeper into the nature of this response, i.e., the employer's description of training activity in his/her organisation.

This section is an analysis of the response to the questions probing specific training and training related activity:

- What training is being carried out?
- What training methods are being used?
- What certification does training involve?
- What motivates training in organisations?
- How do employers plan and budget for training?
- How is training needs analysis achieved?
- How do employers appraise their employees?

What training is being carried out?

The types of training carried out by the companies surveyed come under the following headings;

- Quality Training - including ISO9000, Total Quality Management and other initiatives.

- Safety - including fire training and lifting.
- Hygiene Training.
- Apprentice Training.
- Management Development.
- Sales and Marketing.
- Interpersonal Skills - including communication skills and team development.
- Clerical Skills.
- New technology and computer training.
- 'Sitting by Nellie'.
- Industry Specific Training.

Table 1 presents the percentage of surveyed Companies who carry out the above training activities.

Table 1
Training Activities Carried Out in Survey Sample

Quality Training	38%
Safety Training	37%
Hygiene Training	10.5%
Apprentice Training	21%
Interpersonal Skills	19%
Clerical Training	22%
Management Development Training	30.5%
New Technology	48%
Sitting by Nellie*	35%
Sales and Marketing	18%
Specific	38%

* *'Sitting by Nellie' is a colloquial term used by employers and describes an informal type of 'training' activity prevalent in companies. It means 'sitting by' a more experienced employee, supposedly observing in order to learn new skills.*

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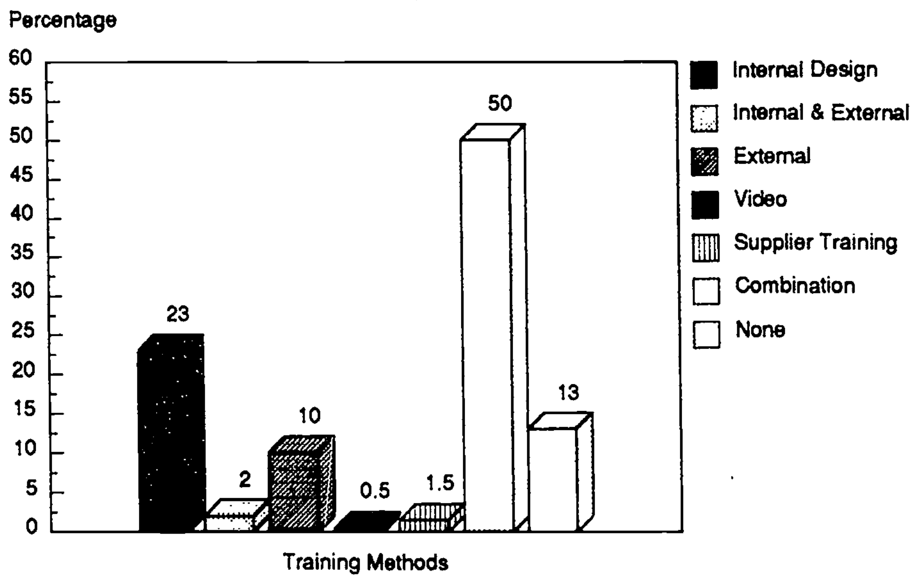
What training methods are being used?

Employers were asked about the different training methods that they used. The response is represented in Figure 5. In-house training, i.e., in-house designed and delivered, contributes to 23% exclusively. This *'in-house'* training is generally of a company specific nature. This can range from informal 'sitting by Nellie' type training to sophisticated systematic training delivered by trained personnel. The combination result of 50% is largely made up of a combination of in-house training and external which contributes to 43%. Of those companies who responded positively to the general question on whether they train, 81% use in-house methods when training their employees.

Figure 5

Training Methods Used



In terms of who actually delivers this training, the results represented in Figure 6 substantiate the finding that internally designed and delivered training, is most prevalent at 25%.

- 22% use external consultants to design and deliver training.
- FÁS contributes exclusively to only 5% of in-company training.
- 11% respond to using FÁS and other methods of delivery.

Figure 6

Who Delivered The Training

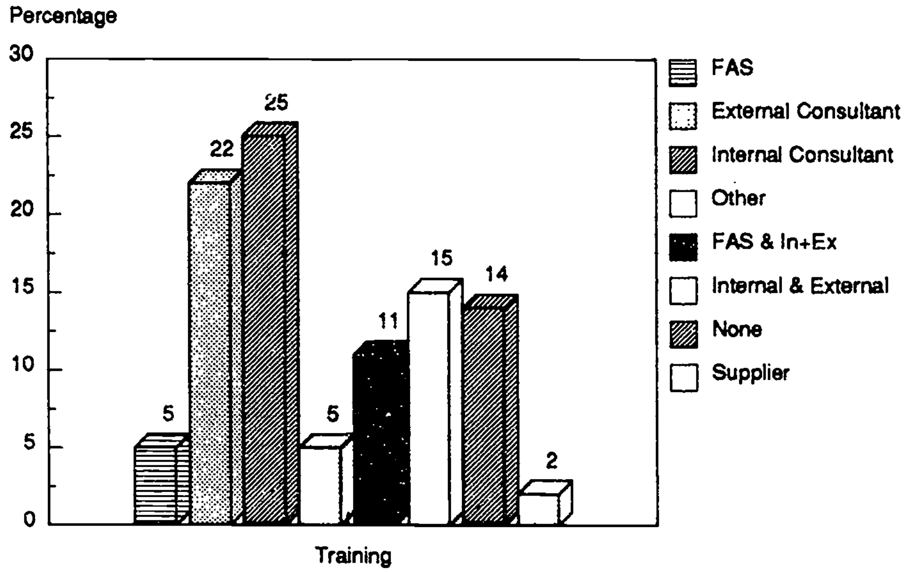


Table 2 denotes the typical duration of training cited by employers. The majority of training, i.e., 27%, is a matter of days in duration. The next significant percentage reinforces the popularity of on-the-job training at 20% or a combination of both at 20%.

Table 2 *Duration of Training*	
Days	27%
Weeks	11%
On-The-Job	20%
Combination of the above	20%
None	14%
Other	8%

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What Certification does the training involve?

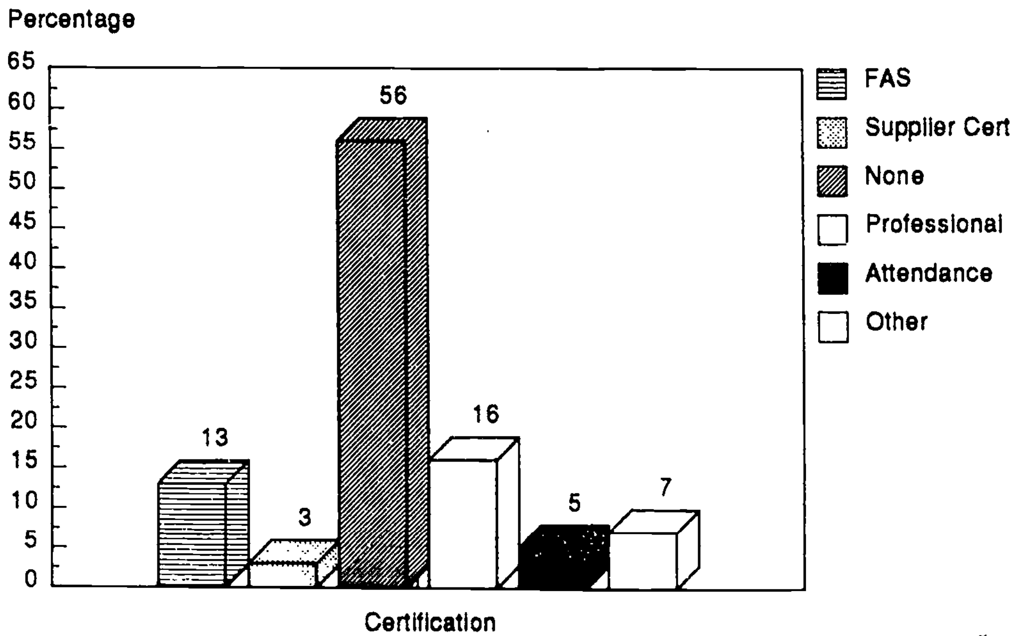
The issue of certification is currently a topical one in the field of training and education. There is a strong drive to develop a comprehensive and systematic certification procedure, drawing on best practice in other nations. Some of the drawbacks inherent in the traditional systems of certification include lack of standardisation, limited means of building on certification and lack of cohesion or recognised linkages between bodies.

The results of this survey indicate that certification of employee training is low key in Irish business. The results suggest that

- 56% of training carried out in the survey companies received no recognised certification.
- 16% received professional certification i.e. chartership, third level qualifications etc.
- 13% received certification from FÁS.
- Certification from suppliers and certificates of attendance made up the bulk of the remaining response. (See Figure 7).
- The 'other' category comprises NVQ, City & Guilds, Apprentice etc.

Figure 7

What Certification, If Any



What motivates training in organisations?

This and the following questions explore employers' attitude to training. This is viewed in terms of what prompts them to train their employees and how they plan and budget for training related activities. The aim was to understand the systems in place to plan and organise training activity.

The results indicate that the key factors that prompt employers to train are:

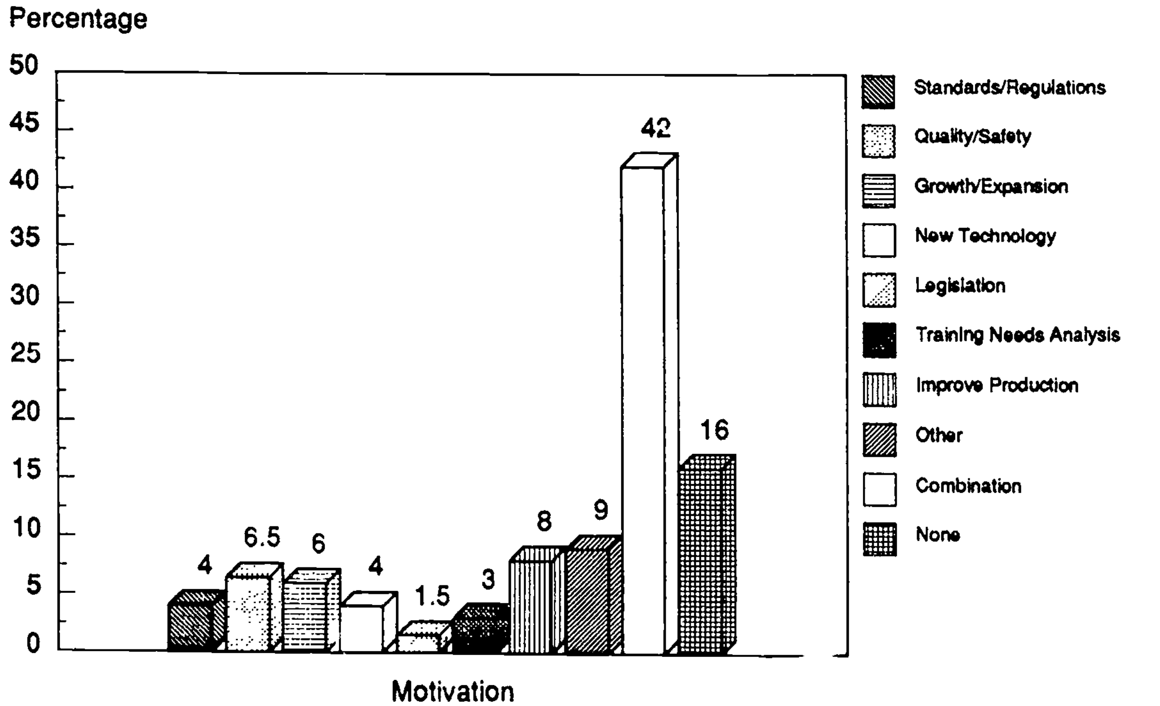
1. Quality.

2. Improving production.

3. Achieving recognised production standards.

Quality was cited as the most prevalent motivator, 37% of employers gave this response. Some 34% cited improving production as the exclusive motivator of training in their organisation. Other reasons, less cited were '*changing technology*' and '*safety*'.

Figure 8
What Motivates Training



How do employers plan and budget for training?

In response to the question '*Does your company have a training budget?*'

- 19% responded- Yes, a formalised one.
- 73% responded- No budget.
- 8%- Yes, but not formalised.

Of those who responded positively their budget ranged from:

- 4% = £1,000 - £5,000
- 7% = £5,000 - £20,000
- 4% = £20,000 - £50,000
- 6% = £50,000 +
- 6% = Confidential and other
- 5% declared that their budget was determined by management.
- 12% declared that it was determined by the company training plan.
- 6% declared that it was determined on an ad hoc basis depending on how business was faring.

Such results imply that only 17% of the sample have any sort of planning in relation to training activity.

The total budget allocated to training in this survey was £2,120,500. The mean budget was £10,549.00. Close to 80% of companies surveyed have no money specifically or formally allocated to training of their employees. This links into employers response to questions relating to the planning of training.

- 44% of employers said that they had a company training plan.
- The remaining 56% said they had no plan.
- Of those that have a plan 23% said that this was a formal plan drawn up each year by management.
- 15% said that their plan was drawn up with FÁS in conjunction with the Training Support Scheme.
- The remaining 6% said that their training plan was determined on an ad hoc basis.

- 62% of employers indicated that they did not appraise their employees performance.
- 27% said that they have a formal appraisal system in place and that this linked into training needs analysis and ultimately the company training plan.
- 9% indicated that they do monitor employee performance but in an informal manner not linked into training. (See Figure 9).

Figure 9

Appraisal System? / Linked To Training?

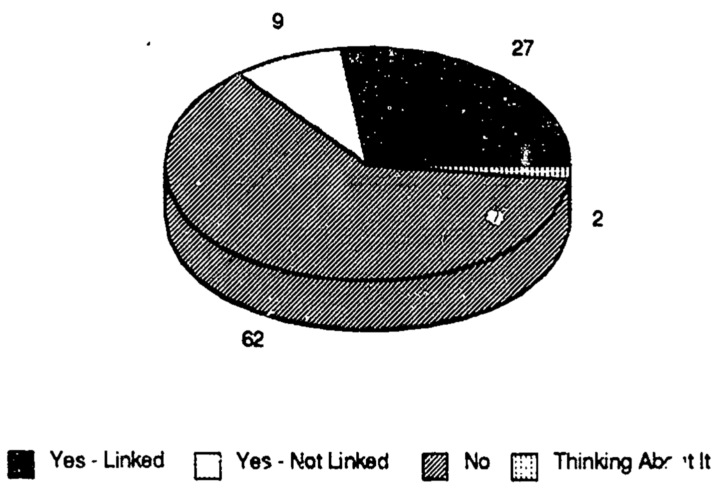
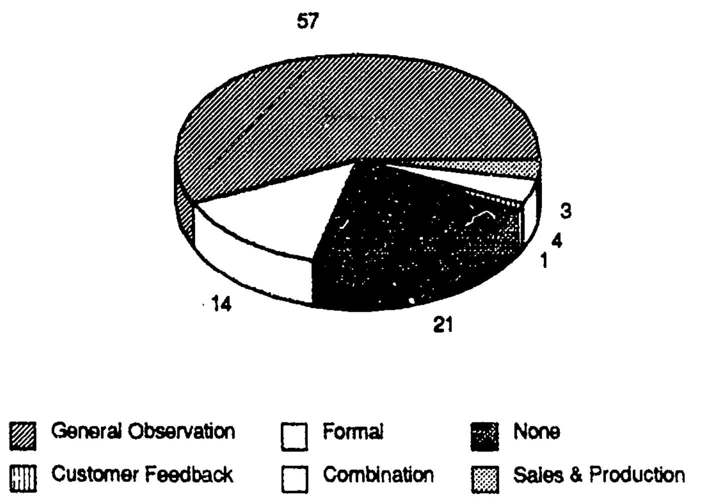


Figure 10 represents employers' performance monitoring methods. The highest percentage, 57% monitor performance unsystematically by general observation. This is usually achieved informally by the employee's supervisor.

- 14% of employers have a formal criterion referenced performance monitoring system for their employees.
- 21% do not monitor performance at all.
- The remaining employers rely on customer feedback and sales and/or production related indicators.

Figure 10

Performance Monitoring Methods



The Agencies

This section focuses on the State agencies, i.e., FÁS, IDA, SFADCO, Údarás, CERT, EOLAS etc. The aim was to explore employers' attitudes to and perceptions of such agencies and to establish the level of awareness of these agencies and ESF funded activities that take place in companies surveyed.

The emphasis is on the actual contact that the employers may have had with such agencies; what form this contact may have taken and what assistance in terms of ESF funding that employers may have received? The questionnaire has been designed to probe the employer's experience, if any, with the agencies. Based on this experience, employers were requested to rate the agency in question against a number of criteria.

Table 3 represents the '*contact*' that employers indicated that they have had with the agencies in the past year. Most of the contact is with the two largest agencies FÁS and the IDA. Where the other agencies are concerned there is a common theme of limited awareness of activity and services.

Table 3
Contact With The Agencies

Agency	Contact
FÁS	84%
IDA	48%
SFADCo	5%
Údarás	2%
CERT	2%
EOLAS	39%
Coras Trachtala	18%

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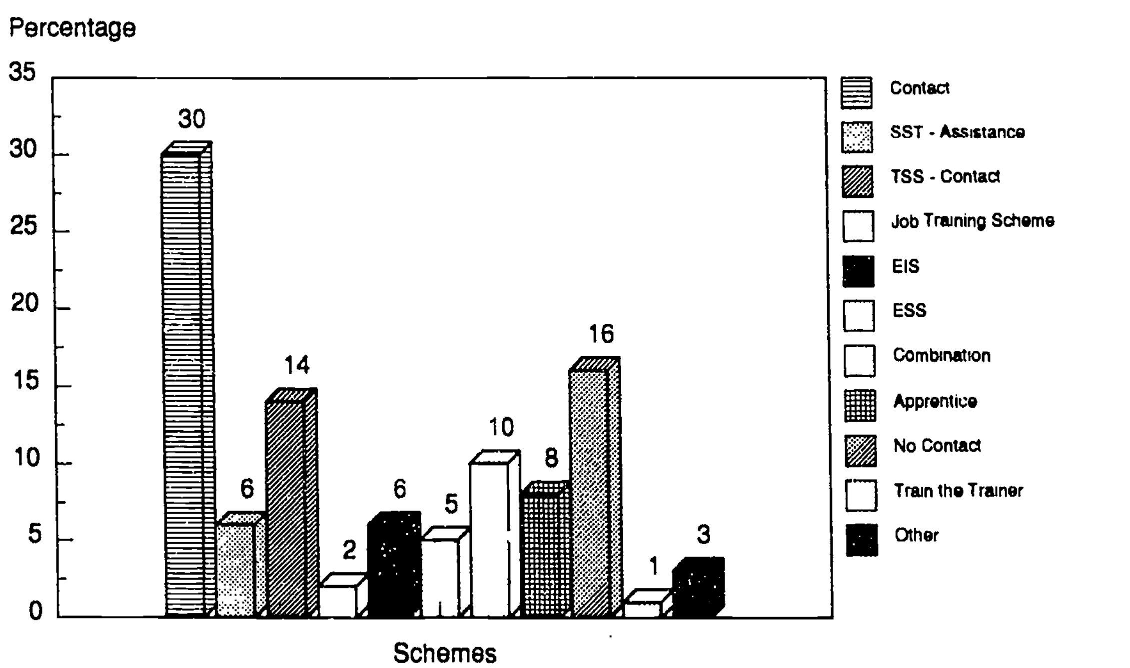
FÁS

Figure 11 depicts the breakdown of the contact including assistance that employers have received from FÁS. The largest figure, 30%, indicates purely contact with FÁS, i.e., talking to a representative or seeking advice. The companies most likely to have had this type of contact, 68%, were those in the developing and young category, i.e., those trading between 3 and 20 years.

Some 16% indicate that they have no contact whatsoever with FÁS with the remainder divided between the various schemes and programmes provided by FÁS e.g. TSS, SST, JTS, EIS, Apprentice etc. The most popular programme indicated in this survey is the Training Support Scheme with 14% of employers availing of the programme.

Figure 11

FAS



Those employers who had received assistance from FÁS were requested to rate FÁS on eight criteria. These criteria were developed through the research phases of the questionnaire design. This development was based on an analysis of the descriptive responses of employers to FÁS and the other agencies.

The eight criteria are as follows:

(a) Practical applications of their training or service.

(b) Value for money.

(c) Customer Focus.

(d) Awareness of the needs of your business.

(e) Expertise of tutors.

(f) Flexibility of approach.

(g) Listening to the needs of business.

(h) Competitive.

Employers were requested to rate FÁS on the above criteria based on their own business experience with the agency. The response to this exercise is presented in Table 4.

Table 4
Employers' Rating of FÁS including only those who responded

Criterion	Poor	Reasonable	Good	Excellent	Response Rate*
Practical Applications of Training	17%	16%	48%	18%	115
Value for Money	18%	18%	44%	20%	94
Customer Focused	17%	31%	40%	12%	116
Awareness of business needs	24%	24%	38%	13%	126
Expertise of Tutors	9%	16%	50%	25%	76
Flexibility of Approach	16%	36%	30%	18%	119
Listening to the needs of business	18%	29%	43%	11%	119
Competitive	19%	24%	48%	9%	67

* *Response Rate, i.e. valid cases out of a possible 210*

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The above Table 4 represents the results of those companies who rated FÁS on the eight criteria. While it would not be statistically appropriate to extrapolate with any degree of confidence from these ratings, they do serve as an indication of how almost 50% of our sample view their own experiences with FÁS.

It is worth mentioning that companies were hesitant in rating FÁS and this may have encouraged the tendency towards the mean, evident in the ratings. The results are largely favourable towards FÁS. What might be of concern, in the interest of continuous improvement, is the '*poor*' column. Any customer focused service should not expect to see any '*poor*' ratings for any criterion. A '*poor*' rating of 24% for example for '*awareness of business needs*' is high in the context of FÁS's role, in responding to and developing the needs of Irish business.

Employers struggled with criteria 2 and 8, '*value for money*' and '*competitive*' respectively. This may suggest a difficulty on the part of the employer to see a State agency in terms of value for money or as competitive. It may reflect a mind-set that employers have in relation to how they perceive the role of State agencies. The concept of '*value for money*' did not seem to be applicable to the State agencies. The reaction from some employers was that surely they just exist, perform and provide a service? Also the notion of '*competitiveness*' seemed difficult for employers to grasp in the context of the State agency, competitive with whom? The suggestion is that employers tend to perceive the State agencies as part of the furniture, here to stay and be of service to them. They tend to view them in isolation and not in the context of the greater business picture.

IDA

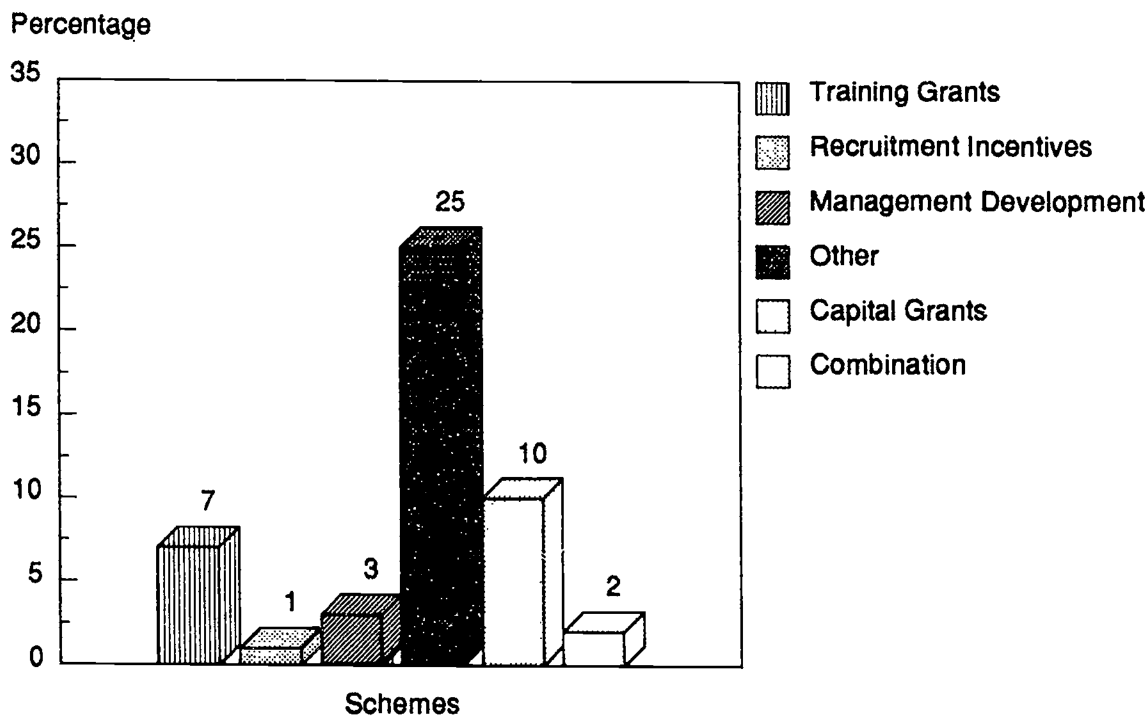
Figure 12 depicts a breakdown of the contact including assistance that employers have received from the IDA. The largest figure is 52% who have had no contact or no assistance from this agency. The bulk of experience, 25% comes under the '*other*' category. This refers to advice, information gathering and specific isolated incidents of programmes such as 'The European Orientation Programme'. Companies most likely to have this form of contact with the IDA, i.e., 81%, are those in the 3 to 50 years age group. These are also more likely to be smaller in size - 70% of companies who claimed to have approached the IDA seeking advice or information had less than 50 employees.

Sectorally the bulk of contact with the IDA is divided between the manufacturing and service industries;

	Contact
Manufacturing	41%
Service	33%

Figure 12

IDA Assistance



Private Agencies

In response to questions relating to their use of private training agencies, 57% said that they had used the services of a private agency within the past year. The nature of this service varied:

- ☆ 7% - Advice
- ☆ 37% - Training, Design & Delivery
- ☆ 14% - Combination of the above
- ☆ 43% - Have not used a private agency

Employers indicated that they opted to use the services of private agencies on the basis of the following criteria:

- ☆ 22% - Expertise/Specialist Knowledge
- ☆ 15% - Referral
- ☆ 4% - Advertising
- ☆ 1% - Location
- ☆ 8% - Combination of the above

As with FÁS, employers were requested to rate the private agency that they had most recently used on the basis of the eight criteria previously outlined above. The results of these ratings are outlined in Table 5.

Table 5
Employers' Rating of Private Agency
(including only those who responded)

Criterion	Poor	Reasonable	Good	Excellent	Response Rate*
Practical Applications of Training	3%	8%	45%	44%	94
Value for Money	8%	14%	51%	27%	92
Customer Focused	6%	9%	38%	47%	93
Awareness of business needs	7%	14%	34%	44%	93
Expertise of Tutors	3%	2%	41%	53%	90
Flexibility of Approach	7%	11%	44%	38%	91
Listening to the needs of business	4%	10%	49%	36%	88
Competitive	6%	19%	44%	30%	79

* *Response Rate, i.e. valid cases out of a possible 210*

The above ratings must be viewed in the context of the employer's disposition, i.e., the employer is likely to have chosen and contracted the private agency for a particular project. Hence he/she is likely to tend towards rationalising this decision. This may explain to a certain extent the swing towards the more favourable ratings.

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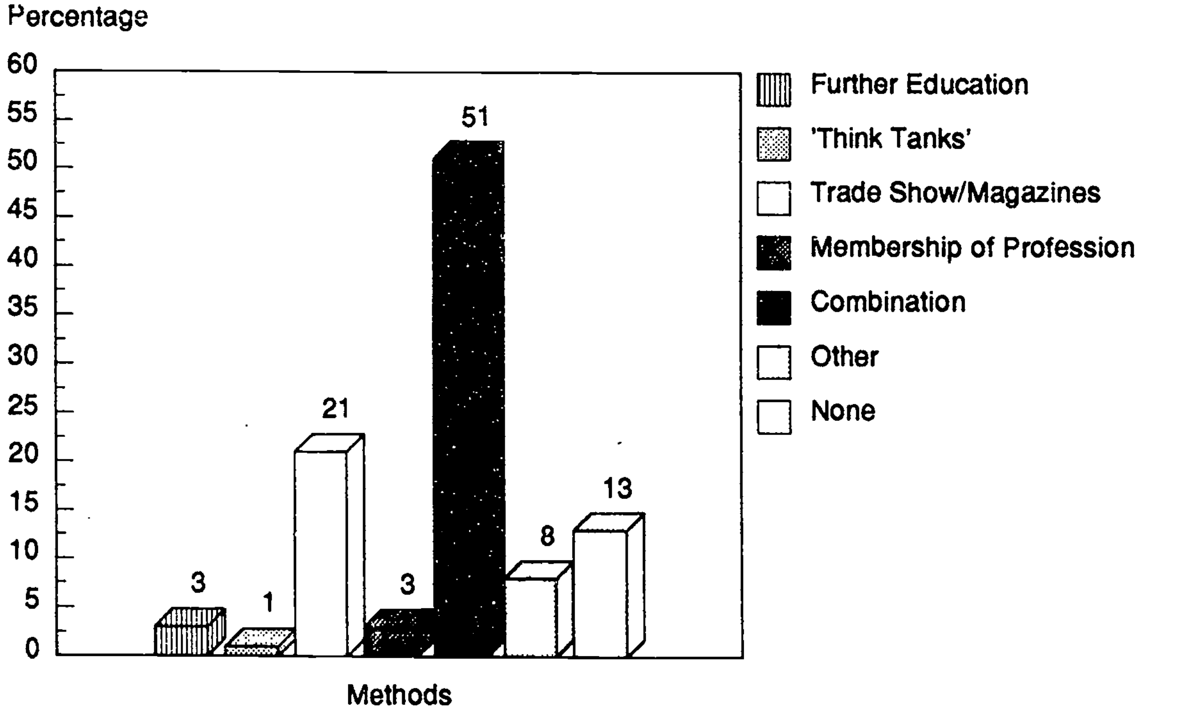
Other Methods of Learning

Finally, employers were requested to outline any other methods of learning that are used within their organisations. These are summarised in Figure 13.

Figure 13

Other Methods of Learning



- The results suggest that the preferred method of learning is a combination of further education and other means. (See Table 6 below).
- 21% of employers rely on trade shows and publications alone as a means of keeping up to date.
- 13% said that they do not utilise any means of learning in their organisations.

Table 6 Other Methods of Learning in Organisations	
Learning Method	**Yes**
Further Education	34%
Trade Show/Magazines	78%
Membership of Professional Bodies	59%

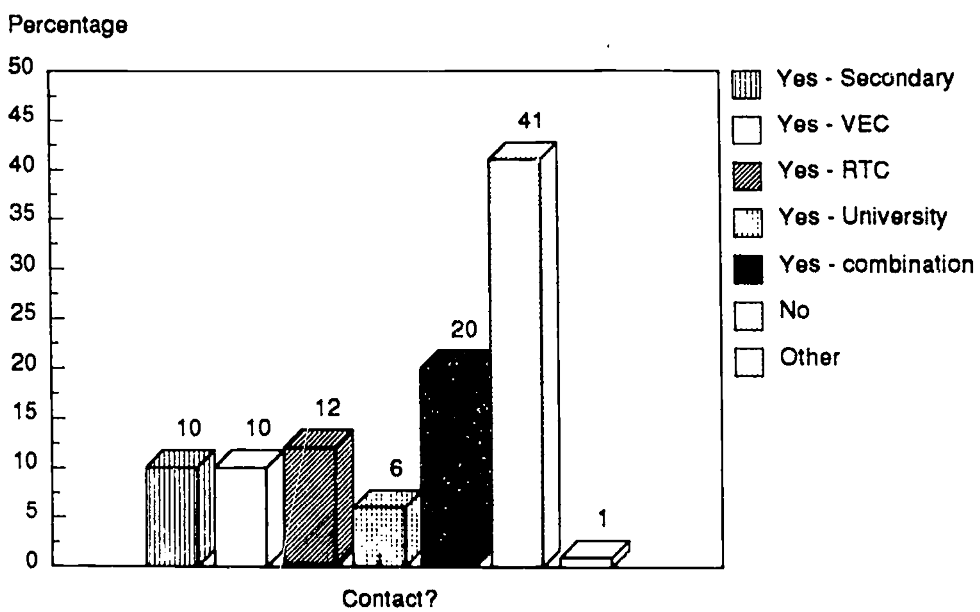
Colleges/VEC's/Universities

This section explores the contact that employers have with educational establishments, schools, colleges and universities. The aim of this section is to establish the relationship, if any between industry and education and explore the nature of this relationship.

Figure 14 presents the contact that employers said that they have with educational establishments. A significantly large proportion of employers, 41%, have no contact at all with their local educational establishments. The highest exclusive contact is with the Regional Technical Colleges and 12% of employers maintain this type of contact. Of the 20% who responded saying that they have contact with a '*combination*' of establishments, this comprised largely RTC's, and either secondary, VEC, and/or universities.

Figure 14

Contact with Local Education Establishments



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The nature or purpose of this contact is as follows:

Recruitment	17%
Seeking advice/Research & Development	5%
Further Education for Employees	6%
Combination of the above	13%
Other	2%
Placement/Work Experience	9%
Tours/talks etc.	3%
No Contact	45%

Table 7
Irish Owned Companies Who Have Contact With Educational Establishments

Educational Establishment	Contact
Secondary Schools	27%
VEC	18%
RTC	25%
University	16%

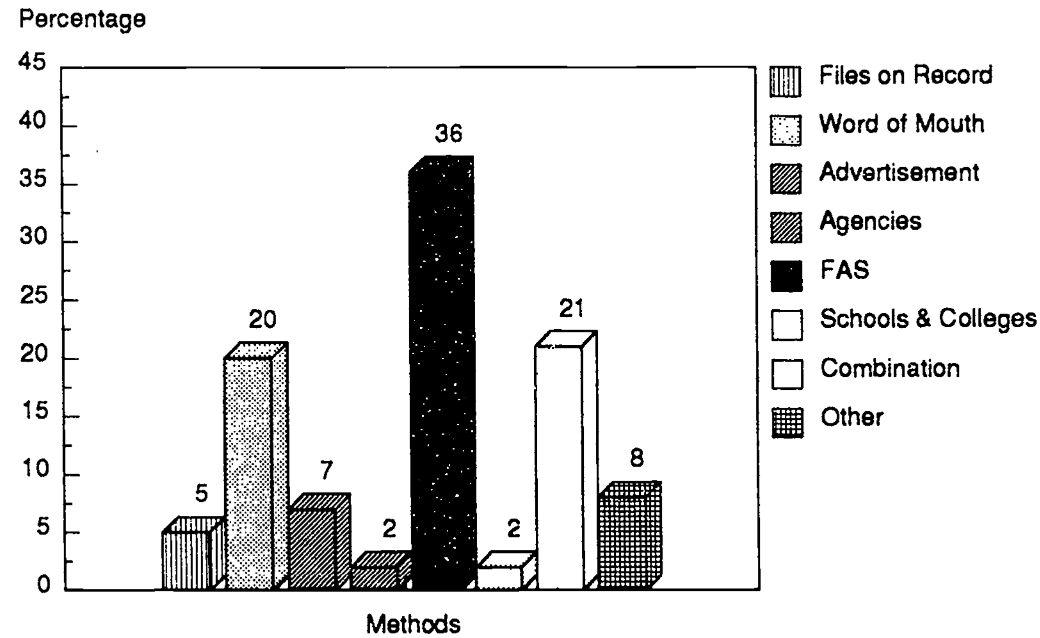
Recruitment & Selection

This section deals with recruitment and selection patterns in the survey sample. The aim was to establish the most prevalent methods of selection and the employment status of individuals selected. This was achieved by focusing on recent behaviour of employers in relation to recruitment and selection, i.e., what was the last vacancy that they had in their organisation and how did they go about filling that vacancy? By focusing on actual behaviour as reported by the employer we get a picture of selection practice as it currently is in industry.

The breakdown of selection methods most commonly used by employers is presented in Figure 15. Word of mouth is still a key method, representing exclusively 20% of the sample's response. The results show that the majority of employers opt for a combination of methods of which '*word of mouth*' contributes significantly to the combination. '*FÁS plus*' represents 36% and refers to those employers who avail of their local FÁS and other methods such as advertising and word of mouth when looking for new employees. Only 2% of employers use their local schools and colleges exclusively to recruit new people whereas, 21% use a combination of educational establishments and other means.

Figure 15

Methods of Selection



- 14% of employers said that they had been actively recruiting '*this week*'.
- 18% said that they had recruited in the last month.
- 36% said that they had taken on new people in the last year.
- 68% of employers visited had had vacancies within the last twelve months.

These vacancies were in the following areas:

☆	Operator	-	39%
☆	Clerical	-	14%
☆	Management/Professional	-	20%
☆	Sales	-	9%
☆	Other	-	10%
☆	Apprentice	-	4%
☆	No Vacancies	-	4%

The previous employment status of those actually taken on to fill the above mentioned vacancies is as follows:

- ☆ Employed - 34%
- ☆ Short-term unemployed - 31%
- ☆ School - 14%
- ☆ FÁS - 7%
- ☆ University - 6%
- ☆ RTC - 1%
- ☆ Other - 6%
- ☆ Long-term unemployed - 1%

Recruitment of Disabled Individuals

In response to the question '*Do you employ any disabled individuals?*'

- ☆ 11% of employers responded positively.
- ☆ 88% responded negatively.
- ☆ 1% gave no response.

Challenge & Vision

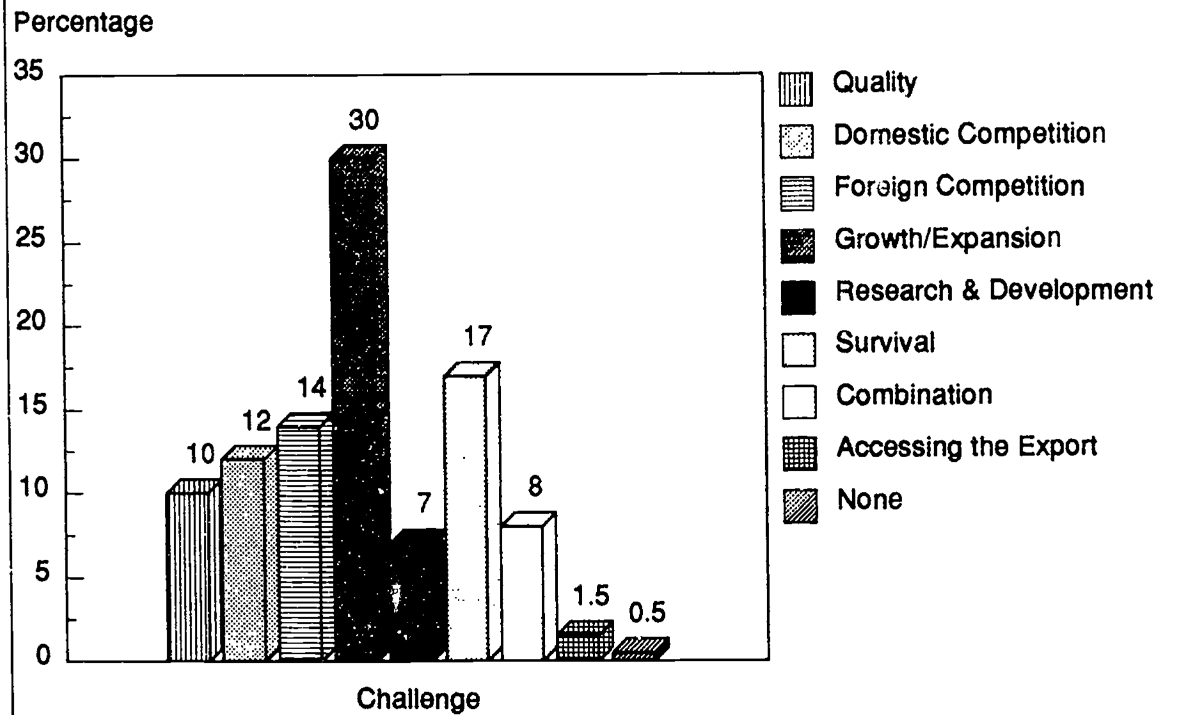
This section of the questionnaire focuses on the employers' vision for the future. The aim was to encourage the employer to articulate the challenges that his/her company faces in the next five years. Building on this, employers were requested to identify the skills needs, if any, that will be required to meet these challenges.

The majority of employers struggled with this question and most had to think a few moments before answering. The most common quick response was '*survival*'. On faced with this response interviewers probed further in order to get behind the vague notion of survival. The aim was to ascertain what exactly are the challenges that lie behind this struggle for survival.

The single most important challenge facing employers in the next five years is presented in Figure 16.

Figure 16

Single Most Important Challenge



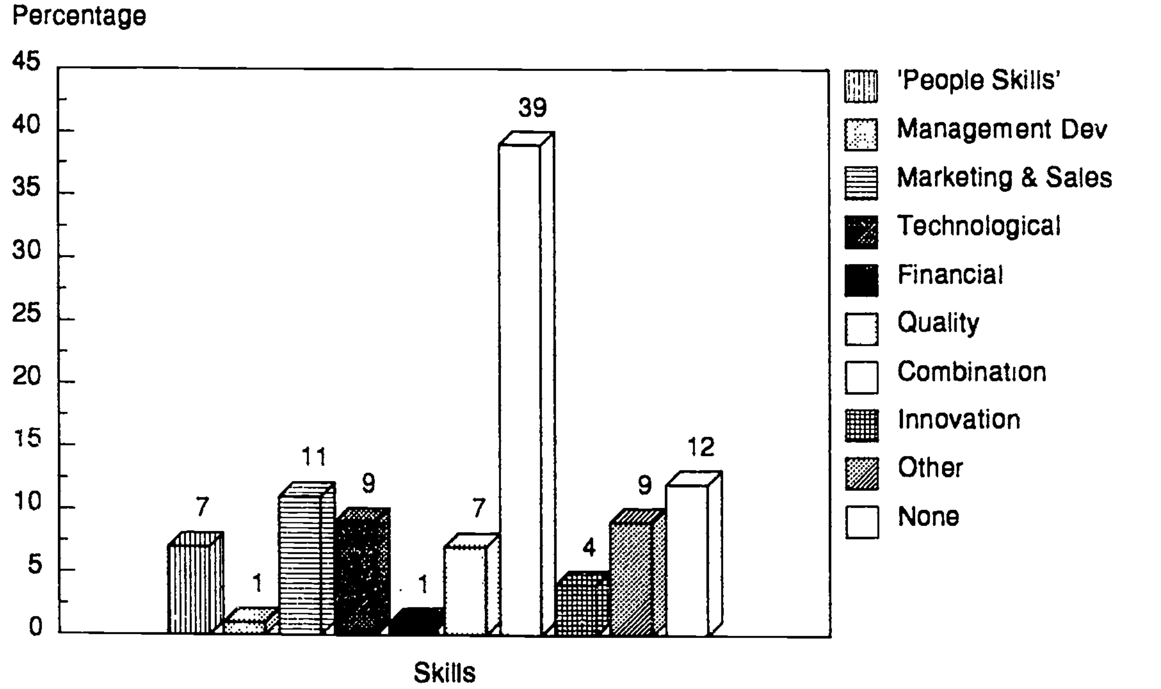
- '*To grow and expand*' was deemed important at 30%.
- 31% of employers were concerned about competition.
- 17% found it impossible to articulate a specific challenge other than pure '*survival*' and explained that they are '*living from day to day, struggling to survive*'.

Building on this, employers were encouraged to expand on the skill needs that they faced for the future. The response is presented in Figure 17. The highest option being a '*combination*', 39%, predominantly of Sales and Marketing, New Technology, Quality Skills and People Skills.

The highest exclusive option of skill needs was '*none*', i.e., 12% of employers said that no new skills or competencies are needed to face the future.

Figure 17

Future Specific Skills Needed



Quality

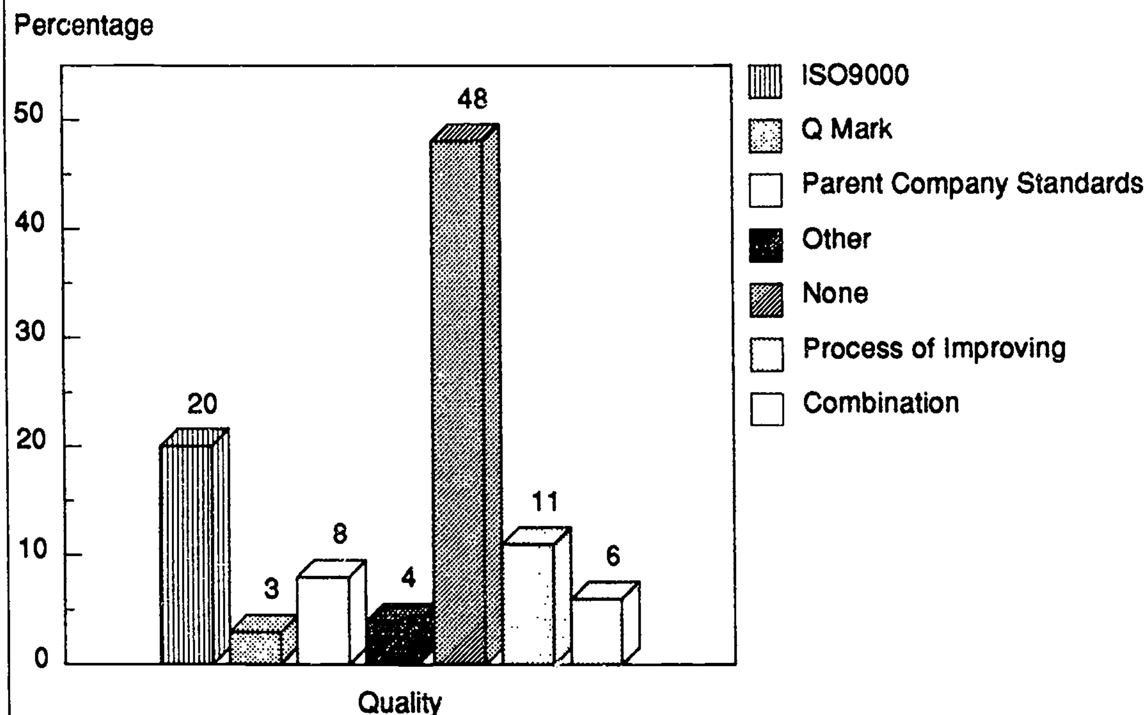
Quality is one of the constant themes running through the survey. It is a common theme in business today with most companies facing standards/competition and the need to bring their systems into line. Quality is also a key issue in training. The majority of employers are aware of its importance and the implications that it has for success. Figure 18 presents the quality initiatives that employers have underway in their organisations. Some 49% have no quality initiatives either considered or in place.

The remaining 51% have implemented systems as follows:

- ☆ ISO9000 - 20%
- ☆ Parent Company Standards - 8%
- ☆ Q Mark - 2%
- ☆ Combination - 6%
- ☆ Other - 4%
- ☆ In the process of implementation - 11%

Figure 18

Quality Initiatives Implemented



Employers Reaction to the Questionnaire

Finally, it is important to highlight the interest that this survey generated amongst participating employers. There were many requests for feedback, follow-up and information relating to the findings. Employers were asked for their views on the survey. Examples of reactions include;

> *'the fact that you came to visit us and listen to our view was welcomed';*
>
> *'the questionnaire made us think and look more closely at our business';*
>
> *'the survey gave us an opportunity to voice our opinion';*
>
> *'it has given us some awareness of the schemes that are out there'.*

Chapter 4

Discussion

This section is a thematic analysis of the results gleaned from this survey. The key findings pertinent to Irish Industry are discussed under the following headings:

1. Current Training Practice

2. The Perception of the Agencies

3. Certification

4. Education / Industry Links

5. Recruitment & Selection patterns

6. Skill Needs - The Challenges for the Future

1. *Current Training Practice*

The following points summarise the training activity in participating companies.

- 73% of employers do not have a training budget
- 44% of employers confirmed having a training plan.
- Of those that said yes to training, only 31% have a formal appraisal system.
- Of those that said yes to training, only 23% had a formal budget allocated to training provision.
- Of those that confirmed having a formal appraisal system linked to training, 25% had no formal budget allocated to training provision.
- Only 13% of companies said that training was motivated by a Training Needs Analysis.
- 57% of companies state that they monitor employee performance through unsystematic general observation. Of those companies that have no training plan, 43% said that they use external training methods.

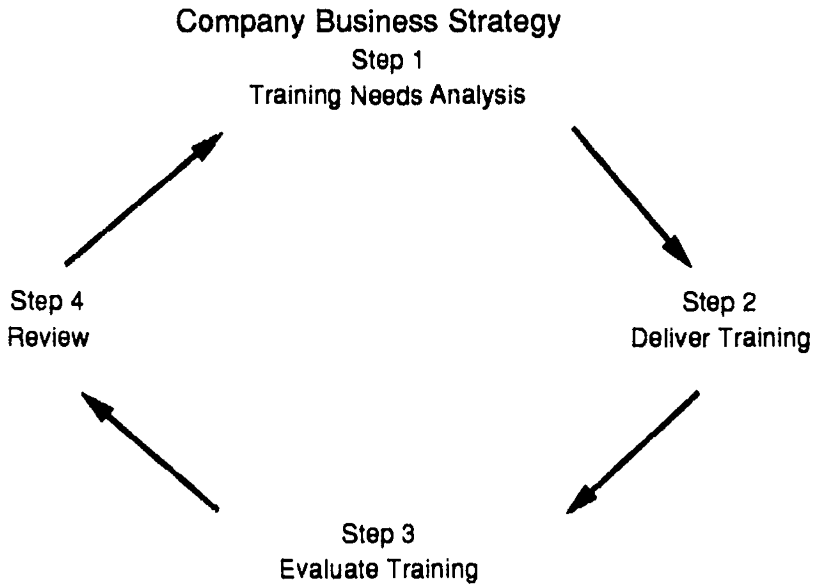
Research indicates that Ireland as a nation is unusual in terms of the limited amount of structured training that occurs in the work place. (NESC, October 1993)

The results of this survey of over 200 Irish companies reinforce this view. Irish employers are claiming, quite rightly, that they train their employees. On further exploration the survey reveals that while there is training going on in the companies surveyed, there appears to be limited structures or systems in place to substantiate this training. A large proportion of training is on-the-job and run in-house. It is difficult to establish whether this is predominantly 'sitting by Nellie' or a more sophisticated/rigorous form of training. The results do indicate that there is a significant lack of planning or structure to the training being delivered.

In general, the employers surveyed are not building a strategy into their training practices. They are reluctant to budget for training, thus rendering it of less importance than other aspects of their business which merit inclusion in the financial plans.

These findings suggest that employers for some reason are not maximising the potential benefits that systematic training can bring to their business. There is little recognition, or maybe even awareness, of what good training practice involves. A working model of this is presented below:

Figure 19
Model of Good Practice Training Process



This model is cyclical and must work in the context of company strategy as a whole.

Step 1. Training Needs Analysis is carried out based on company needs, priorities and budgets. The role of an appraisal system feeds in here, facilitating the identification of individual, departmental and company-wide training needs.

Step 2 refers to the actual training delivery, be it in-house, external or otherwise. The method of delivery depends on the a number of factors such as the skills involved, timing, budget, etc.

Step 3 refers to a system of monitoring the training that goes on, checking that the training actually works, i.e., has impact and relevance for the employee in his/her job. The focus here is on the quality and relevance of the training.

Step 4 refers to a review in terms of feedback into the loop. This facilitates the further identification of training needs and continuation of the cycle.

The concern raised by these survey results is that the level of sophistication in systems related to training is limited. Employers surveyed are not planning, budgeting or reviewing the systems that they have in place. Training Needs Analysis is happening at a very rudimentary level. Performance appraisal is equally under-developed. Employers are reluctant to invest in a strategic approach within their own businesses. If such is the case at an individual business level the implications at a national level are potentially more serious. The concern ties in with the identification of future skill needs which is currently posing a considerable challenge to Irish Industry. How can we move towards an aggregated national identification of future skill needs with any degree of confidence if employers are struggling at a local level with their own individual company skill needs?

2. *Employers' Perception of State Agencies*

The picture emerging from the results of this survey is one of limited or underdeveloped contact with State agencies. Some 16% of employers have no contact whatsoever with FÁS and 30% have minimal contact. This contact is generally, talking to FÁS representatives and/or seeking information or advice. The remaining 54% have contact in terms of assistance granted under programmes such as TSS, SST, etc. The majority of those who have availed of a specific programme indicated satisfaction.

In terms of contact with FÁS a number of employers expressed concern at the quality of this contact. Some quotes to capture this concern are as follows:

> *'FÁS, I'm not sure what they do, companies do not have time to go to FÁS and FÁS doesn't come to the company'*
>
> *'The training is fine but the company liaison is not as good'*
>
> *'FÁS are underfunded, they are not visiting the factories like they used to do'*
>
> *'I contacted FÁS to take on people, they didn't respond'*
>
> *'FÁS, used to play a bigger role in in-company training, it is a shame that their role is not so central anymore'*

In terms of employers' perception of FÁS, employers ratings of FÁS's awareness of their business needs' gained the highest percentage of 'poor' ratings, 24%. (See Table 4). Some concerns relevant to this were manifested in comments from employers, for example;

> *'The reason that FÁS is rated poorly is that unlike in other industrially well developed countries, such as Germany, FÁS leads training, training should be industry led. Hence training needs are not being met'.*

While it is not possible, to make conclusive deductions based on these quotes and ratings, they do reinforce the magnitude of the challenge facing FÁS in terms of implementing proposals inherent in the National Development Plan. These proposals and their implications are discussed in more detail throughout this section.

The National Development Plan 1994-1999 highlights on-going, in-company training of the employed to be a major Government priority. FÁS has proposed the establishing of national targets to increase the number of employees undergoing training from 20% to 40% and to double the average duration of formal training per employee. In this context, FÁS is currently engaged in establishing a new industry training division which will have these aims as a priority. Given this direction of policy, FÁS is presented with a significant challenge to build on and maximise its contacts within industry. This [illegible] has repercussions in terms of ensuring the continued relevance of training to the needs of Irish industry.

The majority of employers indicated that they had little or no contact with the IDA. The main assistance received is in the form of capital grants. Companies in the manufacturing sector and with employee numbers of over 50 are more likely to avail of this assistance. Of those who received capital grants from the IDA, 68% were Irish owned while the remaining 32% were foreign owned.

3. *Certification*

Certification is currently in a state of transformation and transition. The National Development Plan advocates the development of comprehensive, national assessment and certification arrangements. It also reinforces the commitment to the establishment of a National Education and Training Certification Board to provide national certification for all aspects of non-university third level education and vocational training delivered by both the education and training agencies.

The results of this survey indicate that certification is not high profile in the minds of the employer at present. Certification of employee training is the exception rather than the norm. Awareness and recognition of certification is low and it is an area that needs further exploration from the employers' perspective.

The National Plan aims to ensure the delivery of high quality, efficient and market led vocational training programmes through the development of comprehensive national assessment and certification arrangements. This necessitates strong working links with industry and the notion of 'market-led' programmes indicates the need for such input.

Links with industry are tenuous from the perspective of this survey and while it is impossible to extrapolate from these results, they do serve as indicators. These indicators are that links with industry are not as strong as they could be or indeed should be in order to move forward. This issue is developed further in the next section.

4. *Education / Industry Links*

The entire thrust of the National Development Plan centres on workable links between training, education and industry, commitment to employer led training and responding to the needs of the labour market.

The link between education and industry's needs has been explicitly outlined in Culliton, etc. This survey of over 200 companies presents a picture of peripherality: the desired constructive linkage between the education establishments and the employers is significantly lacking. The results of this survey indicate that employers rely heavily on tradeshows, trade magazines to keep up to date with developments in their line of business. This is more popular than actively nurturing relationships with schools and colleges.

External support, i.e., support and links with employers, is necessary for training, especially vocational training. Schools require a great deal of support and advice when they embark on the provision of new modules. One of the distinctive features of the Irish vocational education and training system from an international comparative perspective is the limited amount of structured training which occurs in the workplace and the peripheral role of employers in the education and training system. Apart from the apprenticeship system, employers in Ireland have had limited involvement with the design of course material, the development of appropriate assessment, accreditation and even work placements. These features are mirrored in the results of this survey.

5. Recruitment & Selection patterns

It is interesting that the results reveal that there is a considerable amount of movement in terms of recruitment; nearly 70% of employers indicated that they have had vacancies within the last twelve months. The survey also reveals a number of key themes in recruitment and selection practice amongst participating companies:

1. There is preference for informal methods of recruitment and selection within participating companies. While the majority of employers opt for a combination of methods including FÁS, when filling a vacancy, there is a strong tendency to choose the informal '*word of mouth*' approach. Similar themes were reported in the Unit's 1992 Survey of Employers where informal contact was found to be the most common means of recruitment.

2. There is a reluctance amongst employers to hire the long-term unemployed.

3. There is an under-utilisation of local schools and colleges in the recruitment of new people and this reflects the overall survey results in relation to links between education and industry.

Again, while it is impossible to extrapolate from the findings of this survey to a national framework, the results are significant in that they validate previous research findings. The implications of these results are described below.

Firstly, there is scope for more rigour in the selection and recruitment procedures. In the light of the sensitivity surrounding any selection procedure, the need for a systematic approach in the context of the management of human resources is paramount. The recruitment and selection procedures of an organisation impinge on training practice. They also have implications for the management of diversity and equal opportunities within organisations.

Secondly, the focus of this survey was on actual employer behaviour, i.e. encouraging recall of a recent recruitment scenario and the behaviour that employers chose to adopt. These are behaviour patterns that are likely to be repeated in future situations. This does not bode well for the national drive to integrate the long-term unemployed.

Thirdly, the lower than expected percentage of recruitment from educational establishments reinforces the recurring theme of limited contact between the two spheres namely, education and industry. This contact is a prerequisite of a large proportion of the National Development Plan.

Finally, the role of FÁS must be emphasised here. While the survey results confirm that employers do use their local FÁS in recruitment, the themes emerging in relation to this contact are varied. There is a strong indication that there is room for development of the FÁS recruitment services. There is certainly a need to agree a standard, customer-focused approach to queries from employers, particularly in relation to telephone response and provision of information and advice to employers.

6. *Skill Needs - The Challenges for the Future*

Skills development has been identified as central to the achievement of the social and economic development of the National Plan. The vision is one of a highly educated and skilled workforce resulting in continued growth and prosperity.

The Culliton report drew attention to the serious skill deficiency which prevails in Ireland. The report pointed out that:

> *'The real skills gap is not measured by the absence of people to do a particular job or even necessarily on asking people what training they need. The real skills gap is the one which exists between skill levels in Ireland and that of best practice firms in competitor countries. In this respect the evidence suggests that Ireland has significant real skills gaps in many areas.'*

As mirrored above and in Roche & Tansey...'*there is a high degree of complacency about the adequacy of skills to support industrial development in Ireland.*' This survey verifies, as other surveys have indicated, that there is limited recognition of skill shortages. This may well mean as suggested in Roche & Tansey that there is a confusion of skills and people. The suggestion is that there are surplus people available to fill job vacancies. The mindset has been on filling job vacancies as opposed to strategic visioning towards future needs. While previous research indicates that this may be due to complacency, this survey suggests that it may be due to an inability or perhaps a fear of looking forv'ard and anticipating change. This issue can only be addressed by clarifying effectively the needs of industry and by reference to the skills levels internationally. Success depends to a large extent on employers'/managers' strategic decision making.

This links into the recurring theme of a systematic approach to training and the importance of strategic thinking within Irish organisations. The survey results paint a picture of a great deal of training happening in isolation, with little or no planning. The majority of companies surveyed appeared to struggle with the concept of strategic thinking. There was a reluctance or hesitancy in this regard which may indicate a lack of awareness or perhaps comfort with this approach. By way of an example, of those who identified '*survival*' as the single most important challenge for the next five years:

- 80% claim that they do provide employee training.
- 57% had no training plan.
- 83% had no budget for training.

Those companies that did not have formal training plans and allocated budgets are less likely to have implemented any quality initiative or have contact with educational establishments. This implies a rather informal, haphazard approach to business.

These results suggest a degree of confusion and contradiction; the companies are training, yet few have plans and even fewer have budgets. This begs the questions, what type of training are they doing, how are they funding this training and how are they monitoring its worth? Not to plan and budget for the training that is taking place renders the training of little importance in the running of a business. More importantly, it facilitates little confidence in employers' ability to identify specific training needs for the future of their organisations. This in turn serves to undermine confidence in the durability of any national training needs analysis developed in such a context.

Such a scenario, if nationally representative, presents a challenge for the achievement of the National Development Plan objectives in terms of its drive to secure the importance of training from a national, company and individual perspective. To a certain extent, the three parts of this equation, i.e. the individual, the company and the nation, are inextricably linked. Having said that, the impact of training on each needs to be explored in order to gain an understanding of the composite picture.

This survey focuses on the company part of the above equation in that it is endeavouring to gain insight into training activities from the employers' perspective. Further surveys of the Unit will impact on the individuals perspective These, reinforced by other research, will contribute towards the national perspective.

Chapter 5

Conclusions

Industrial training in Ireland has come under the microscope in recent years, with criticism of the nature and level of training in industry and increased recognition of the importance of skills development as a source of sustainable domestic economic growth and international competitive advantage.

This survey concentrated on gaining an insight into in-company training activities from a representative sample of over 200 Irish businesses. The emphasis was on determining training activities, recruitment and selection patterns and employers vision for the future. Overall, the results confirm that there seems to be no apparent constraint to actual training activity in Irish firms. The real constraint is the capability and willingness of employers to invest in systems that indicate recognition of this training, its value and its impact in improving productivity, skills and competitiveness.

The results present a number of challenges in relation to training in Irish companies. These challenges must be addressed and appropriate interventions made in order to kick-start change.

CHALLENGE 1

To encourage a systematic approach to training and to highlight it as an issue for Irish industry.

CHALLENGE 2

To build on relevant links between Irish Employers and Education and Training.

CHALLENGE 3

To create an environment where representatives from industry, education and training can work towards clarifying skill needs, from a national perspective.

CHALLENGE 4

To drive forward the planned developments in Certification.

To a certain extent the challenges 1, 2, and 3 are inextricably linked and considerable overlap is anticipated in addressing them Certainly, to address all four challenges and realise proposed actions, as outlined in the National Development Plan places considerable onus on Government Departments and through them, FÁS, the industrial development agencies and educational establishments.

Challenge 1

To encourage a systematic approach to training in order to highlight it as an issue for Irish business necessitates the following actions:

- maximising the role of the State agencies, especially the industrial development agencies, to highlight the need for strategic planning in Irish business.
- a major impetus, in particular from the new Industrial Training Division within FÁS, encouraging good training practice in Irish Business.

The role of the industrial development agencies must be highlighted here, most notably proposals by Forbairt to address the needs of indigenous industry.

The focus here is also on the role of FÁS. The results of this survey indicate that 84% of employers had contact with FÁS. Despite this contact, the results suggest a limited awareness and/or recognition amongst employers of the importance of training. This highlights a gap in FÁS's impact in effecting change in training practices in Irish industry. The contact that employers have with FÁS should be maximised. FÁS needs to build on the 84% contact that it has with employers. This is a firm foundation which should be seen as encouraging. FÁS needs to work on this, providing services that are recognised by employers as being practically beneficial in providing awareness and indeed encouragement of ongoing training for the employed.

Challenge 2

To build on relevant links between Irish employers, training and educational establishments necessitates the following actions:

- facilitating an understanding of the needs of each other, on the part of the Education and Training Establishment, and employers.

- co-ordinating a comprehensive feedback system to facilitate the communication of local needs for aggregation to a national level.

Such actions are inherent in the role of the National Co-ordinating Group as outlined in the National Development Plan. The National Co-ordinating Group '*is a permanent coordinating group involving the Departments of Enterprise and Employment and Education, FÁS and the industrial development agencies to ensure the continued relevance of training to the needs of Irish industry*'. The first meeting of this group convened in June 1993 where preliminary discussions were held. It was agreed that the first requirement was a clear understanding of the existing linkages between the training services and industry and following that a clear statement from industry of how it defined its needs and how the present system was failing to meet those needs. The view was discussed that efforts should be made to encourage feedback from individual industrialists. The role of the NETCB was emphasised. The Group envisages the NETCB having an active role in helping refocus vocational education and training arrangements towards better meeting the requirements of the economy. The members agreed a work programme which included the preparation of papers from FÁS, IDA and the Department of Education outlining pertinent activities. The group is due to meet again shortly.

The aims and intentions of the Group as outlined at this early stage are interesting and tie in closely with the themes and challenges emerging from this survey. Having said that the task in hand is a mammoth one. Its success depends very much on a consistent approach, clear objective setting and agreed action plans. The approach should be rigorous, with on-going monitoring, feedback and evaluation.

Also, in relation to employer involvement, the National Development Plan envisages that the National Education and Training Certification Board will provide a structure for the formal involvement of industry and the social partners in programme development and assessment of vocational training programmes.

The Department of Education has a responsibility in terms of actively listening to the needs of industry for inclusion in developments in education. A prime example of this are the current developments in vocational preparation training. Bearing in mind that a key thrust of these developments is to respond to local needs, communication with employers is imperative. This is largely the responsibility of the VECs. This communication needs to be systematic in terms of how it is recorded and aggregated. The aim should be to effectively consolidate it into a national perspective.

Challenge 3

Finally, '*to clarify future skill needs*' necessitates consolidated research-based processes. There is a need for a comprehensive set of systematic procedures for skill needs identification from a national perspective. FÁS, for example, uses a range of methodologies to identify and respond to changing qualifications and skill needs in the Irish labour market. These comprise formal research-based processes and less formal information gathering processes which are facilitated by local knowledge and expertise. There is a need for a co-ordinating mechanism or body to aggregate the variety of activities in progress. To a certain extent the National Co-ordinating Group would be ideal in this role. Certainly, the aims and objectives as outlined in the previous section reinforce the Group's suitability for this role. It is too early to ascertain the Group's direction as it is very much at formation stage. Having said that, there may well be scope for considering some of the ideas inherent in this survey.

The recent activities of FÁS must be highlighted here especially in relation to the role of the Industry Training Committees and the new Industry Training Division. Both of these endeavours encapsulate the intention of FÁS to actively consult with industry. This section includes a description of activities which are currently in progress, aiming to impact on the area of skill needs identification.

There are six Industry Training Committees set up to cover the Engineering, Food/Drink and Tobacco, Chemicals, Printing/Paper, Construction and Textiles and Clothing and Footwear Sectors. The ITC's are made up of representatives of employers, trade unions and other groups. FÁS has commissioned the ITC's to deliver a series of industry-focused sectoral studies which aim to identify training needs in different industrial sectors over a 5 - 10 year period. The aim of the studies is to focus on the strategic development requirements of individual sectors and related manpower and training strategies. They are also intended to indicate the skill/training requirements faced by Irish firms relative to both domestic and international competition and to provide detailed recommendations on the training interventions required to meet these requirements.

Such activities are very much in development mode and there is considerable drive behind their implementation. It is important that this is maintained and that the studies are relevant and on-going in order to be useful in the context of Irish business.

The role of FÁS's new Industry Training Division is to concentrate on and encourage the ongoing training of the employed. Indications are that this division will focus largely on indigenous industry. Of importance for the future, therefore will be the links between FÁS and Forbairt. FÁS had indicated a willingness to work very closely with Forbairt and is anxious that its work should complement that of Forbairt and vice versa. (A Follow-up Evaluation of Industrial Restructuring Training Programme, European Social Fund Programme Evaluation Unit, December 1993).

Current developments by FÁS in relation to Accreditation of Prior Learning are worth considering in relation to the identification of skills needs. It is envisaged that the system will enable companies to carry out skills audits to determine training needs more accurately and to target relevant training. This will also have the added benefit of assisting employees gain credit for existing skills and knowledge and access relevant further qualifications. While these developments are currently at pilot stage, in the retail sector, the objective is to develop a generic system for use in the National Framework. This links into the responsibility on the part of the employer whose views need to be harnessed. It is essential that the structures are in place to encourage the co-operation of employers. There is scope for a bottom-up approach whereby employers' views are aggregated for inclusion in a national perspective. The multiplicity of employers and individuals involved, differing expectations and possible approaches add to the complexity of this task.

As is evident from this section so far there is a considerable amount of work in progress directly relating to the identification of skill needs. These are clearly positive developments and in order to gain full benefit there needs to be a systematic means of translation or consolidation to a National framework. A method of aggregation of information is imperative to ensure systematic inclusion of all the relevant research, both national and indeed, international. This would facilitate movement towards a durable system of skills identification.

Challenge 4

To drive forward the development in Certification as outlined in the National Development Plan necessitates implementation of the proposed actions relating to certification. This relies on the successful establishment of the National Educational and Training Certification Body (NETCB) and FÁS's commitment to promoting coherent certification of all programmes, designed to meet industry skill needs.

Developments are currently very much in preliminary phase. Hence it is difficult to predict how plans will move at this early stage, given the longitudinal nature of the task. The need to invest time and energy in research and development is highlighted here as being essential to ensuring a successful framework for certification.

Concluding Remarks

The ESF Programme Evaluation Unit carried out this survey in order to gain an insight into training and training related activity within Irish business. It is the second survey of its kind to be produced by the Unit and impinges on much of the evaluation work that is part of the Unit's remit.

While it has been emphasised throughout this document, it is important to reiterate the exploratory nature of this survey. It has encompassed the range of training activities from a variety of perspectives, gaining detailed descriptions from over 200 companies. Such information serves to present a realistic 'snap-shot' of training activity in a segment of Irish business. Having said that, there is a need for caution before extrapolating too vigorously from the results of any survey. There is much scope for on-going rigorous research. This survey highlights potential areas for future investigative work and follow-up on the part of the Unit. These areas warrant inclusion the 1994 Survey of Employers or in other survey work such as the forthcoming Survey of Long-term Unemployed, which is currently in development phase.

The areas that necessitate further research are:

- follow-up on attitudes to training amongst employers;
- identification of skill needs for the future linking into a European context;
- follow-up on developments in the area of Certification;
- deeper exploration of the role of the State agencies;
- examination of the linkage between industry and education especially in relation to vocational training.

Future research should also include comparative research in terms of establishing an international perspective on the issues highlighted in this survey.

Finally, it is important to mention the interest that this survey generated amongst participating employers. There were many requests for feedback, follow-up and information relating to the findings. The Unit is grateful to all those who gave of their time and is eager to honour these requests and provide summary information to employers. This will contribute towards nurturing the feedback mechanisms that need to be developed to encourage the appropriate flow of relevant information between industry and training establishments.

OUTLINE OF STRUCTURED INTERVIEW

General introduction as to the purpose of the meeting:
Your organisation has been selected to take part in this, the design phase of a survey of employers. Your contribution at this stage is of immeasurable value as it will determine the quality of the survey questionnaire and ultimately the quality of response.

The objective of the employer survey is to look at training practice in a representative sample of Irish organisations. The focus of the survey is to be:

1. Attitude and Awareness in relation to training

2. Awareness and use of Funding
   Awareness of the structural fund contribution

3. Organisational context for training
   (a) Recruitment & Selection practice (i.e. use of agencies, interviews, psychometric tests etc.)
   (b) Employee development
   (c) Training Needs Analysis
   (d) Performance Appraisal
   (e) Upskilling - Reskilling - Multiskilling

4. The role of state agencies e.g. Fas, IMI, etc.
   Examples of experiences with agencies (CIT)
   Education systems - schools, colleges etc.
   Industry/education links?

Estimated duration of the meeting - 45 minutes

Frame work for Questions

The following is an outline of the structured questioning methodology to be used in Phase 1 - Research.

The questions are a guide and should form the 'skeleton' of the interview with scope built in to explore futher where possible. This exploration may take the form of **Critical Incidents, Repertory Grid techniques,** etc. where appropriate.

The aim of this framework is to provide a systematic approach to this research phase. This will facilitate data analysis and the development of the Employers Survey Questionnaire.

Questions

1. How important is training within your organisation?
   What training is carried out? (Examples)

2. What training methods do you use?

3. What agencies are you aware of?
   What do you see as the role of agencies in business?
   Which have you had contact with?
   Which have you considered using?

Which have you used?

4. Tell me about your experience with the agency(ies) **CIT**
   What prompted your choice of such an agency/consultancy?

5. Could you sum up in a few words your corporate training strategy?
   Do you have a training budget?
   How is this allocated?

6. What level of skills training is carried out?
   Can you give examples?

7. What motivates training in your organisation?
   How do you determine training needs?
   (KSA's - knowledge, skills and abilities)
   Is this method formalised in any way?
   What role does your training plan play in your business strategy?

8. What development support systems are in place for employees? (EAP's, open learning, mentoring, etc.)

9. How does training relate to performance appraisal within your organisation?

10. How do you recruit staff?
    Can you tell me about the most recent individual selected to join your organisation?
    What did the selection process involve?
    What qualification/experience did the individual have?

11. How important is quality in your organisation?
    Can you give an example of a recent quality initiative.
    How does this relate to training?

Visioning

12. Could you sum up in a few sentences what in your opinion are the key factors that constitute a successful organisation?

13. What is the single most important challenge facing your organisation in the next five years?

14. What steps are you taking in order to face up to this challenge?
    Where does training fit in?

15. What support do you need. (i.e. from agencies etc.)

16. What specific areas of training do you think the state (or structural fund) should fund?

17. How do you feel about taking a position on the Employers Panel to contribute to follow up research?

THANK YOU FOR YOUR COOPERATION!

PEU 1/7/93

DATE:

INTERVIEWER:

EMPLOYER SURVEY QUESTIONNAIRE

COMPANY:

CONTACT:

TELEPHONE:

SECTOR:

AGE OF COMPANY:

NUMBER OF EMPLOYEES:

OWNERSHIP:

EXPORT/IMPORT:

TRAINING ACTIVITY

1. Does the company provide training for its employees? **Yes or No (If No go to Q. 3.)**

2a. **If Yes -**
What training (content) have you carried out in the past year?

- Quality (e.g. TQM, ISO9000)
- Lifting
- Hygiene
- Apprentice
- Team Development
- Machine/ new technology
- Interpersonal Skills
- Communication Skills
- Safety
- Fire Training
- Operator
- Environmental
- Mgt. Dev.
- Computer
- Clerical
- Sales

- Other (perhaps relevant to your industry, please specify)

2b. Who (level) attended?

2c. How many attended?

2d. Duration of the training?

2e. What certification, if any did the training involve?

2f. Who delivered?

3. **If No - Then go to Q.8**
What is the reason for this?

- Cost
- Time
- Have not considered training
- Company too small
- Other, please specify

4. What training methods have you used **(link to Q.2a)**?

- In-house training

  (a) designed and delivered internally

  (b) designed and delivered **internally by an external**

- External training
- Distance Learning
- Self Teach Packs
- Interactive Video Training
- Supplier Training (e.g. new machinery)
- Other, please specify

5. What motivates training within your company?
(Refer to response to Q.2 i.e. what prompted the training?)

1. Standards/Regulations
2. Quality
3. Safety
4. Growth/expansion
5. New Technology
6. Certification
7. Restructuring
8. Legislation
9. Training Needs Analysis
10. Other, Please specify
11. Improve production

6a. Do you have a training budget?
Yes or No

6b. **If yes -**
How much is this per annum?

6c. How is this determined?

7a. Do you have a company training plan?

7b. If yes, did you compile this yourself or with a government agency?

APPRAISAL SYSTEMS

8. Do you have a company appraisal system?
Yes or No (go to 10)

9. **If yes -**

How does this link in with training?

10. **If no -**
How do you monitor employee performance?

AGENCIES

11. Which agencies have you had contact with?

EOLAS
FAS
IDA
BIM
None
UDARAS
CERT
SFADCO
Other, Please specify.

12. Which have you received assistance from?

13. What form did this assistance take?

- Specific Skills Training (SST)
  (Mainline FAS training held in FAS centres)
- Training Support Scheme
- EIS - Employment Incentive Scheme
- Employment Subsidy Scheme
- Job Training Scheme
- Other, please specify
- ****IDA** - Training Grants
  - Recruitment Incentives
  - Mgt. Dev. Grants
- ****SFADCO** - Training Grants
  - Recruitment Incentives
  - Mgt Dev Grants
- ****Udaras** - Training Grants
  - Recruitment Incentives
- Cert - Industry Training
  - Block Release?
- Capital Grants
- Research & Development (EOLAS)
- **Other, please explain**

**** NB: If YES response please use Attached Section on IDA/SFADCO**

14. Please rate **each** agency that you have used on the following criteria:

Scale = 0 1 2 3 4

Where
0 = Not applicable
1 = poor
2 = reasonable
3 = good
4 = excellent

Agency: ________________

Criteria:		**Rating**
a.	Practical applications of their training/service	-----
b.	Value for money	-----
c.	Customer focused	-----
d.	Awareness of the needs of your business	-----
e.	Expertise of tutors *(if appropriate)*	-----
f.	Flexibility of approach	-----
g.	Listening to the needs of business	-----
h.	Competitive	-----

14(a) If unable to complete above rating scale please explain.

15a. What private training agencies or consultancies have you used in the past year?

15b. What was the nature of the service?

- Advice
- Training needs analysis
- Training design
- Training Delivery
- Other, please specify

16. What criteria prompted your choice of the above?

- Expertise/specialist skills
- Referral
- Advertising
- Other, please specify

17. Please rate the **one that you have used most recently** in terms of the following criteria?

Scale = 0 1 2 3 4

Where **0 = Not Applicable**
1 = poor
2 = reasonable
3 = good
4 = excellent

Agency: ____________________

Nature of the Service: ______________________________

Criteria:		**Rating**
a.	Practical applications of their training/service	-----
b.	Value for money	-----
c.	Customer focused	-----
d.	Awareness of the needs of your business	-----
e.	Expertise of tutors	-----
f.	Flexibility of approach	-----
g.	Listening to the needs of business	-----
h.	Competitive	-----

18. What other methods of 'learning' are used in your organisation?

- Further education e.g. RTC, degrees
- In-house 'think tanks'
- Attending Seminars
- Attending Trade Shows
- Membership of Professional bodies
- IBEC Membership
- Circulation of trade publications
- Other, please specify

COLLEGES/VEC'S/UNIVERSITY?

19. Do you have regular contact with local education establishments?
Yes or No (If no go to Q 22)

20. **If Yes**
Which?

- Secondary
- VEC (Vocational Preparation Training)
- RTC's/DIT
- University
- Other, please specify.

21. What is/was the purpose of the contact?

- recruitment potential
- sending employees on courses (MLRT)
- seeking expertise/advice
- R & D
- other, please specify

SELECTION

22. How does your company select new employees?
    - Records of individuals who have approached the company
    - People in the area (word of mouth)
    - Newspaper advertisements
    - Recruitment Consultants
    - Employment Agencies
    - Fas
    - Schools
    - RTC's
    - Universities
    - Other, please specify

23. When was the last vacancy within the company?

24. What was the last vacancy ?

25. What were the relevant qualifications of the successful applicant?

26. What was his/her previous status?

    - employed
    - Long term unemployed
    - short term unemployed
    - school (VPT)
    - University
    - FAS
    - RTC
    - Other,please specify

27. Do you employ any disabled individuals?

CHALLENGE & VISION

28. What is the **single** most important challenge facing your company in the next five years?

- Assuring customers of quality
- Domestic Competition
- Foreign Competition - location?
- Growth/expansion
- Product Quality
- Accessing the export market
- Research & Development
- Other,please specify

29. What steps is your organisation currently taking in order to face the above challenges?

  - Training
  - Advice (e.g. IBEC etc.)
  - R & D
  - Restructuring
  - Other, please specify

30. What are the specific skills needed to meet these challenges?

  - Entrepreneurial (please expand)
  - Technological
  - Team skills
  - Quality
  - People Management
  - Financial
  - Innovation/creativity
  - Marketing
  - Management Development
  - Sales
  - No new skills are required
  - Other, please specify

QUALITY

31. What, if any quality initiatives have you implemented in the past year?

- ISO9000
- Q Mark
- Total quality Management (TQM)
- World Class Manufacturing
- Parent Company Standards
- None
- Other, please specify

32. What, if any training did this involve?

Any additional comments:

Reactions to completing the Questionnaire:

What, if anything did you like about the questionnaire?

What, if anything did you find difficult about completing the questionnaire?

THANK YOU VERY MUCH FOR YOUR COOPERATION!

Other Evaluations Completed by the European Social Fund Programme Evaluation Unit

Preliminary Review on Community Employment (June 1995)

Report on the Impact of Evaluations (May 1995)

Evaluation Report on Training and Employment Grants (February 1995)

Evaluation Report on the Vocational Preparation and Training Programme (August 1994)

Survey of Micro Enterprise (July 1994)

Thematic Evaluation on Women's Training Provision (April 1994)

Thematic Evaluation on Recording Systems (April 1994)

Thematic Evaluation on Impact Indicators (April 1994)

Thematic Evaluation on Training of Trainers (March 1994)

Follow-Up Evaluation on the FÁS Specific Skills Training Programme (December 1993)

Follow-Up Evaluation on the FÁS Industrial Restructuring Programme (December 1993)

Evaluation of Certification Systems (December 1993)

Evaluation Report on FÁS Enterprise Measures (June 1993)

Evaluation Report on the Human Resources Sub-Programme of the Tourism Operational Programme (June 1993)

Evaluation Report on the Middle Level Technician and Higher Technical and Business Skills Programmes (June 1993)

Evaluation Report on the Advanced Technical Skills Programme (December 1992)

Evaluation Report on the FÁS Industrial Restructuring Programme (December 1992)

Evaluation Report on the FÁS Specific Skills Training Programme (December 1992)

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