



IoD POLICY PAPER

# IoD NI Skills & Workplace Forum Action Plan

Recommendations for the NI Executive, business, and the voluntary and community sector to address skills shortages and ensure Northern Ireland has the workforce it needs to grow the local economy now and into the coming decades.



Kindly supported by



June 2024



**Grant Thornton Northern Ireland is part of Grant Thornton Ireland.**

Grant Thornton Ireland is rapidly approaching 3,000 people, in nine offices across Ireland, Isle of Man, Gibraltar and Bermuda.

With a presence in over 149 countries around the world, we bring you the local knowledge, national expertise and global presence to help you and your business succeed – wherever you're located.

We deliver solutions to all business challenges. Clients choose us because the breadth of financial and business services they need is available, delivered innovatively and always to the highest standards.

At Grant Thornton we are committed to long-term relationships.

Grant Thornton operates from offices in Dublin, Belfast, Cork, Galway, Kildare, Limerick, Isle of Man, Gibraltar and Bermuda.



**Founded 16 years ago, MCS Group has firmly established itself as Northern Ireland's leading specialist recruitment agency.**

Our mission has been to raise the bar, set the standard, and be the modern benchmark for international recruitment. We are interested in positive, long-term impact, not short-term fixes and have developed and optimised a powerful suite of purpose-built recruitment solutions that empower organisations to build and retain world-class teams across the United Kingdom, Ireland and the United States.

With a team of 100 specialist recruitment specialists and support staff, we provide talent solutions to leading public and private sector employers in HR and Legal, Accounting and Finance, IT and Digital, Sales and Marketing, Procurement and Supply Chain, Technical and Engineering and Executive Search.

We are privileged to play a role in shaping the futures of our clients and candidates, but we also strongly believe that as a local business, we have a duty of care within our community and environment.



**SONI is Northern Ireland's Transmission System Operator (TSO). We manage the electricity grid to ensure that power can flow from where it is generated to where it is needed.**

Our team of experienced, expert engineers manage the electricity grid, second-by-second, every day of the year, to ensure power can flow safely, securely and reliably to homes, farms and businesses across Northern Ireland.

Electricity systems across the world are changing. At SONI, we have the crucial task of transforming the electricity system to reduce our reliance on fossil fuels and support Northern Ireland's clean energy and climate action goals.

That means we have to make changes to our grid infrastructure and how we use it to introduce more and newer forms of renewable energy.

By working together, we can deliver a cleaner, cheaper, more secure energy future for everyone in Northern Ireland.

# Acknowledgements

**Thank you to those who contributed to the Skills Forum and the final report, including participants, speakers and IoD members.**

A special acknowledgment to Grant Thornton for hosting, facilitating and contributing to the Skills Forum and final report. Thanks also to MCS Group and SONI for their ongoing support.





# Introduction

**In August 2023 the IoD, in partnership with Grant Thornton, MCS and SONI established a Skills and Workplace Forum to identify key skills issues and make recommendations to government.**

We know that skills imbalances negatively affect economic growth through increased labour costs, lower labour productivity growth, slower adoption of new technologies, increased unemployment and reduced tax revenues.

We also know that longer-term skills shortages constrain business productivity, innovation, competitiveness and growth as well as resulting in increased hiring costs and higher staff turnover.

While the labour market has been performing well recently, there are still significant recruitment and skills challenges facing businesses currently and in the future.

This reflects the complexity of the skills landscape – the multisectoral response required to develop and deliver long-term sustainable solutions.

Our rate of economic inactivity isn't where we want or need it to be. The connection between education, income and employment opportunity is clear. Skills training is central to getting people into work and supporting them to stay in work for the long term.

We need the right support infrastructure for learning and working. Good childcare boosts economic growth. It also stimulates social and economic regeneration and promotes social inclusion, particularly for those at the margins of economic and social life.

This is about more than solving current problems. We need new ways of informing and motivating young people and adults about careers and skills for a lifetime of work.

The prize for getting this right is significant for people, communities and the economy. We hope this report is practically focussed. We want a needs-based skills agenda that works right across the business community and the voluntary community and social enterprise sector.

We want to create opportunities for employers to support their employees to increase their productivity and enjoy better working lives. It is about preparing for the future world of work and ensuring we have the skills we need to promote prosperity and flexibility to respond to future opportunities.

# Recommendations

## 1 Reducing economic inactivity

**We need to widen our labour market, increasing our talent pool to better support employers to build diverse, more successful teams.**

The complexity of the skills landscape requires a multisectoral response to develop and deliver long-term sustainable solutions.

According to Ulster University Economic Policy Centre (UUEPC), there is a higher incidence (49%) of sickness, which is one of the main reasons for being economically inactive.<sup>1</sup>

<sup>1</sup> <https://www.ulster.ac.uk/news/2024/january/ni-sickness-rate-reaches-eight-year-high>

We need to:

- establish an “assured skills” type model to support those who are economically inactive into sustained work (this model should take a holistic approach to support those who are economically inactive).
- encourage unique partnerships with business and the voluntary and community sectors through collaboration with key departments including health, education, economy and the Department for Communities.
- encourage businesses to consider how to attract and retain more candidates from under represented groups.



## 2 Greater engagement with schools

**Northern Ireland needs to improve the targeting, timeliness, effectiveness and efficiency of all age career guidance. We need new ways of informing and motivating young people and adults about careers and skills for a lifetime of work.**

We need to:

- implement the recommendations of the March 2022 report: Transforming careers support for young people and adults in Northern Ireland.
- pilot a Teachers in Industry Exchange Programme - this will give teachers the opportunity to gain insight into new industries and technologies, build relationships with the business community and capture and embed skills.
- increase the number of business leaders serving on school boards supported by IoD in Northern Ireland to encourage uptake.
- include business in the development and implementation of the curriculum in key digital and green skills.

## 3 Improving access and widening participation: entrepreneurship, vocational and academic routes

**We need to change how we think about learning and skills and be responsive to all young people's circumstances as well as new and emerging technologies and trends.**

We need to:

- provide fair and equitable access for all young people to academic, vocational and entrepreneurship routes.
- undertake early triaging of children and young people to ensure they get the support and advice they need at the right time and in a way that works for them.
- find a sustainable and equitable funding solution for Higher Education to retain more of our talented young people.
- encourage entrepreneurship with executive and business partnership support for organisations such as Young Enterprise.
- develop a marketing campaign to encourage our global diaspora to return to Northern Ireland to work, live and invest here.

**bb** **5,000** of our young people leave Northern Ireland every year to avail of degrees in other parts of the UK Higher Education system. **”**

*Professor Sir Ian Greer MBE, President and Vice-Chancellor of Queen's University Belfast, May 2023*



## 4 Making childcare work for everyone

**We need to provide specific support to community-based social enterprises (such as women's centres) to scale up in a sustainable way, enabling them to provide affordable childcare solutions to parents in Northern Ireland.**

— The Executive working with the UK government and stakeholders need to agree, fund and implement an Early Learning and Childcare Strategy.

— We need to consider new funding mechanisms including The Special EU Programmes Body (SEUPB) small grants fund. This will enable us to explore the viability of scaling up childcare facilities within the existing community (e.g. women's centres across Northern Ireland) enabling them to provide affordable childcare solutions to parents in Northern Ireland.



## 5 Access to the Apprenticeship Levy

**We need to change how the Apprenticeship Levy operates locally so it's ringfenced for labour market partnerships, skills and lifelong learning (similar to Skillnet).**

- The Executive needs to work with local businesses and the UK government to secure new funding arrangements for skills and apprenticeships.
- We need to agree and implement a strategy to undertake training and re-training of existing staff to reduce our productivity lag and deliver skills for the next 5-10 years.

The implementation of the **Apprenticeship Levy in NI** is creating a competitive disadvantage for local firms in comparison to Great British firms who have access to their own levy monies. If businesses in NI had the same access to circa £80 million that we pay into the Apprenticeship Levy each year<sup>1</sup>, we would use this to create innovative and flexible employment opportunities for **14,000 young people**<sup>2</sup> not in employment, education or training; or for **30% of women**<sup>3</sup> of working age who are not in employment; or for the **58% of disabled people**<sup>4</sup> who are not in work.

<sup>1</sup> <https://www.gov.uk/government/news/uk-government-agrees-apprenticeship-levy-funding-deal-with-devolved-administrations>

<sup>2</sup> <https://www.economy-ni.gov.uk/news/northern-ireland-labour-force-survey-young-people-not-education-employment-or-training-need-19>

<sup>3</sup> <https://researchbriefings.files.parliament.uk/documents/SN06838/SN06838.pdf>

<sup>4</sup> <https://researchbriefings.files.parliament.uk/documents/CBP-7540/CBP-7540.pdf>



# Concluding remarks

**The skills landscape has dominated discussion across all sectors. Along with all the other pressures of running a business, our leading employers find themselves looking for ways to work around the impact that our weak skills system has on their plans for business growth.**

Northern Ireland suffers from very weak productivity and has struggled to tap into the “hidden talent” pockets that exist across society. Bringing those economically inactive into the working environment is one of the most fundamental tools at our disposal to bridge the skills gap.

The future of work and skills is constantly evolving and a strong partnership between government and business is essential to ensure Northern Ireland remains attractive and competitive across the globe.

As businesses, we stand ready in playing our part in the execution of these recommendations and realising the full potential of our workforce, which is our greatest asset.



# Appendix 1

To validate the findings of the forum, a survey was issued to all 800+ IoD members across Northern Ireland and 91 completed the survey. The sample size represented a 10% sample of all IoD businesses based in Northern Ireland. The aim of the survey was to evaluate the priorities of IoD member organisations in terms of the Northern Ireland Skills Agenda.

Respondents were asked to rank the forum's top five issues in order of priority. The results are outlined in this graphic, with the 'Top 5' ranked priorities corroborating what the forum members had suggested in their analysis earlier in the process.



## Appendix 2

As well as ranking these priorities, IoD members were asked to provide any additional priorities they believe needed to be considered and that were not included in the original 'Top 5'. Below outlines the additional suggestions.

**Improve commercial awareness in the workforce and specifically improve training in sales and marketing.**

**Education alignment with business needs.**

**Attracting skills from abroad is an area that has loads of potential. How can NI make itself attractive to people who want to live and work here? How can we make it easy for people with the right skills to come and live here?**

**Those economically inactive with disabilities and long-term health conditions are an essential additional talent pool. They are such a large percentage of our population that the dial needs to be moved.**

**How do we do more to attract girls into STEM early in school to be able to have any impact on the lack of women in STEM?**

**Schools shouldn't be targeted with pushing pupils into university education.**

**Need more business leaders volunteering on School Boards to actually understand the challenges faced by schools and staff.**

**Training and retention of employees in low pay jobs is increasingly expensive and difficult.**

**Introduce bridging programmes for those on benefits.**

**Can an apprenticeship scheme be developed for a sector, rather than individual companies?**

# Appendix 3

Members were also asked, as per the Forum group members, to highlight any actions or interventions that they feel should be employed to address these areas. The list of proposed interventions are set out below.

**Provide a platform for small businesses to speak to education providers.**

**We need a joined up approach between education, communities and economy to deliver via Programme for Government (PfG).**

**Ensure active dialogue with the business community to understand skills requirement and then engage with universities and colleges appropriately to ensure that the skills are coming through in sufficient volume.**

**Apprenticeship schemes in more sectors from tradesmen to high level roles.**

**Engaging with schools to change outdated perceptions about career pathways.**

**Help parents and young people make more informed decisions around the various career education routes available.**

**Investment in infrastructure and technology development needs to meet global challenges.**

**Short-term workshops and seminars addressing critical thinking and emotional intelligence. These are the skills that will set our workforce apart.**

**A revision of the post- primary curriculum.**

**Support for helping encouraging economically inactive into employment.**

**Understanding of economic barriers for economically inactive i.e. childcare costs etc.**

# Appendix 4

## Approach

Over the course of four forums between September 2023 and March 2024, IoD and Grant Thornton consulted with key employers in different sectors, education and skills providers, the Northern Ireland Civil Service and organisations from the voluntary and community sector.

The consultations were supported by using two electronic surveys to collect input from a wider stakeholder base and then a wider IoD core member base.

The forum used the five factors listed here to generate debate, but more importantly to identify other challenges and prioritise. The core challenges were rate of unemployment, shift in working patterns, percentage of economically inactive, shortage of staff and skills shortage.

When surveyed, IoD members identified five areas to help address our skills challenges:

- 1.** Reducing economic inactivity
- 2.** Greater engagement with schools and business
- 3.** Fair and equitable access for all young people to academic, vocational and entrepreneurship routes
- 4.** Making childcare work for everyone
- 5.** Apprenticeship levy is ringfenced to address our critical skills requirements

# Appendix 5

## Forum members:

Andrew Webb, Grant Thornton

Antoinette Bradley, Aflac NI

Aoife Hamilton, Employers for Childcare

Bridgene McKeever, McKeever Hotels

Cathy Donnelly, Texthelp

Elizabeth O'Connor, MJM Marine

Fiona McGilly, First Derivative

Gareth Brown, SONI

Gordon Milligan OBE, IoD NI

Gordon Parkes, Northern Ireland  
Electricity Networks

Graeme Wilkinson, Department for the Economy

Heather McKee, South Eastern Regional College

James Dillion, Queen's University Belfast

Julie McKeown, Henry Brothers

Karen Gaw, Dale Farm

Kerry Anthony MBE, Inspire Wellbeing

Kirsty McManus, IoD NI

Laura O'Hare, Collins Aerospace

Leo Murphy, North West Regional College

Lorna McAdoo, Version 1

Louise Smyth, MCS Group

Lynsey Quinn, Open University

Mark Hutchinson, Hutchinson Engineering

Maeve Monaghan MBE, NOW Group

Moira Doherty, Northern Ireland Civil Service

Naoimh McConville, Rathbane Group

Patrick Gallen, Grant Thornton

Patrick O'Hagan, Instil

Paula Leathem, NIE Networks

Richard Johnston, The Executive Office

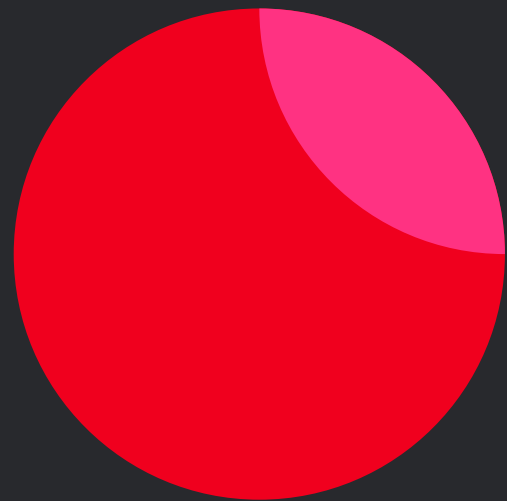
Richard Kirk, Workplus

Ruth Fee, Ulster University

Sam Mawhinney, Liberty IT

Sean Hanna, NOW Group

Shelia Owens, Cubis Systems



**Contact:**

**Marc Strathie**

Senior Policy Advisor for  
Devolved Nations

IoD

E: [marc.strathie@iod.com](mailto:marc.strathie@iod.com)

T +44 7845201001

