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**The Sunday Times
Sandra O'Connell**

Published: 27 February 2011

Training is an unqualified success

**Companies can't afford to neglect staff development in tough times and a
state-funded agency scheme could be the answer to your prayers**



Corrigan is singing Skillnets praises after it helped CIET to break into new markets

The question is not whether small businesses can afford to train staff in a downturn, it's whether they can afford not to. The good news is that a government backed training initiative can help.

Until a couple of years ago Kevin Corrigan, the business development manager of Crann Iorrais Eire Teo (CIET) in Belmullet, Co Mayo, had never heard of Skillnets. Now he can't praise it highly enough.

Skillnets is a state-funded agency that sources and subsidises customised business training at between 30% and 50% off the market price.

With its help, 33 of CIET's 65 staff achieved a qualification that will help the firm, which specialises in erecting overhead power lines, in its bid to enter new markets.

"We wanted to upskill our staff to City & Guilds level, which is the international standard in our field," said Corrigan. "It has become hugely important, because as a result of the downturn we need to enter new markets and diversify into new sectors."

Previously, almost all of the company's work was for the Electricity Supply Board. That stream of work has dwindled, so CIET wants to move into renewable energy and is also looking for work in the UK.

To achieve these goals, it needed a clear way of indicating the level of skills its staff had built up. In short, it needed to get them qualified.

"The problem was that, apart from the training expense, we wouldn't have been able to manage the downtime involved in sending 33 staff to a course," said Corrigan.

Instead, what CIET did, with the help of Skillnets, was to register the business as a training centre and allow staff to get their training and their qualifications on-site.

"It has been fantastic for us and, while the benefits are not yet measurable, we have won our first sub-contract in the UK," said Corrigan.

Despite facilitating the training of more than 240,000 people over the past decade, Skillnets is not a well known name. For any small business in need of help upskilling staff to cope with the downturn, however, it is worth getting to know.

At present, there are about 50 Skillnet networks around the country, set up either by sector or geography. Network members identify areas of training that would help their business, while the network manager sources the training and arranges grants and subsidies. Some €14m has been allocated from the National Training Fund to Skillnets, to fund training in 2011.

The initiative is particularly compelling for small firms who often don't have full-time HR or training functions. Each Skillnet network manager is skilled at identifying training needs in such firms.

For firms outside main cities, the other advantage of Skillnets training is that it is delivered locally.

"Small businesses very often don't see training as wholly relevant to their world, and indeed off-the-shelf training may not be," said Alan Nuzum, the chief executive of Skillnets. "Our role is to customise training to meet their precise business needs."

At the moment, such needs are telling. "Networks are demanding training on issues such as how to get paid and cash flow management," he said. "These are topics it's nice to know about during the good times, but that are crucial to survival in the current environment."

The downturn has given rise to growing gaps in employee skills.

“Very many small companies have reduced staff numbers with the result that those left behind have to multi-task,” said Nuzum. “Equipping those left with a wider set of skills is important.”

Few sectors have had to be as agile as the Irish print industry in recent years, facing not just competition from cheaper overseas suppliers but all sorts of challenges, from environmental issues to digital printing.

As the manager of the Design, Print and Packaging Skillnet, Lorcan O’hObain, a former managing director of Cahill Printers, is well placed to identify skills gaps.

“Printing is going through a period of real difficulty,” he said. “How well you can reinvent yourself to serve your customers better is what it’s all about.”

He believes the most apparent training gap is in the area of management skills. “It’s something small firms just don’t invest in,” he said. “Yet now, more than ever, they need to be able to strategise. If the market for the service they offer is shrinking, they need to know what to do about that.”

Skillnets has recently begun offering free places on its courses to unemployed people as well as Start Your Own Business courses for aspiring entrepreneurs. Stephen Mynhardt undertook one of the latter through Carlow Kilkenny Skillnet when he lost his job as an architect in 2009.

Today the 49-year-old runs Hedgehog Productions, specialising in video for websites. It turned over €100,000 in 2010, its first year in operation, and Mynhardt is optimistic. “I can see there is definitely a good future in it,” he said.

Former First Active bank manager Clodagh Duggan used a Skillnet Start Your Own Food Business course in her native Thurles to launch Aonach The Market Kitchen. Today, she sells her range of breads, cakes and preserves to six local shops and at farmers markets.

If all goes according to the business plan — also worked out with the help of the course — she will be selling to 60 shops by the end of 2011.

“Being out of a corporate environment after 20 years releases so much creativity,” said Duggan. “I love being my own boss. The only thing I miss about my former job is the pay cheque, but I’ve done the figures and I know that if I get my head down, the finances for Aonach The Market Kitchen will come over time.”

It has, she said, been “a massive learning curve”, which, whether you are running a small business or thinking of starting one, is precisely where Skillnets comes in.

For more information visit www.skillnets.ie