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Ann Conway
Technological University Dublin, ann.conway@tudublin.ie

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Ann T. Conway
Dublin Institute of Technology, ann.conway@dit.ie

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THE CONTRIBUTION OF IRISH HIGHER EDUCATION INSTITUTIONS IN MEETING THE RECESSIONAL NEEDS OF TOURISM AND HOSPITALITY STUDENTS THROUGH ENTREPRENEURSHIP: A THEORETICAL VIEW

Ann Conway
Dublin Institute of Technology, IRELAND
Email: ann.conway@dit.ie

Abstract

This paper will be in two parts; the first section will examine the current tertiary education situation in Ireland amid the global economic crisis and will review what should education’s contribution be to help alleviate the crisis. Through doing this both the state and the market, who have interests in the academy and their graduates produced, will become part of the review, as building stronger links with the academy and the economy to help raise skills, efficiency and productivity is becoming more important in ensuring global competitiveness and retaining equality and accessibility in the academy (see Gaffikin and Morrissey, 2003: 98 [20]). The second and final section will look at the merge of entrepreneurship and education. As the lifelong learning society is conceptualised largely in terms of maintaining a flexible and competitive economy in the knowledge society, the concept of an entrepreneurial society will be proposed to fill the gap which has emerged since the exit of many international companies for cheaper labour elsewhere. Within all levels of education entrepreneurship should be encouraged and embedded in the curricula from the earliest stages as a prevention rather than cure to the current economic crisis in Ireland.

Keywords: Education; Global Economic Crisis; Lifelong Learning.

1. Current socio-economic situation in Ireland

Ireland is experiencing a serious economic downturn resulting in job losses and renewed emigration (Barrett, Kearney & Goggin, 2009 [1]). Furthermore, the annual rate of inflation is fluctuating (Central Statistics Office (CSO), 2008 [4]), with a marked deterioration in the labour market, throughout 2008 which has continued in the early months of 2009 (CSO, 2009 [5]). The Irish economy is in recession (Barrett, Kearney & Goggin, 2009 [1]). Consequently, consumer sentiment is in decline (Economic and Social Research Institute (ESRI), 2008 [17]; Organisation for Economic Co-Operation and Development (OECD, 2008 [59]).

Ireland needs to act fast if it is to retain any of its competitiveness gained throughout the Celtic Tiger years, by providing a highly skilled, productive and flexible workforce which will attract high-value inward investment and grass roots development of businesses and generation of employment. Healy and Slowey (2006 [28]) suggest that the Celtic Tiger boom had been dependent on the Irish human capital and of formal education including the mobility and return of highly skilled workers who had emigrated in the 1980’s and early 1990’s. They suggest that it was also in part to do with favourable incentives given to international firms willing to invest in Ireland (Healy and Slowey, 2006 [28]).

The OECD (2008a [60]; 2009 [57]) recommends a greater reliance on education and training particularly for labour market needs and this is concurred with in the launch of the government strategy for sustainable economic renewal (Department of the Taoiseach, 2008 [16]) where it views the importance of Ireland’s performance on a global scale as an ‘Innovation Island’. This essentially
requires our higher education system becoming the cornerstone to this development and an impetus to economic and social renewal through elements of lifelong learning (Green, 2006 [25]), research and development and partnerships with all stakeholders within the state as the strength of the educational system has been identified as a key factor in the recent economic growth during the Celtic Tiger boom period (Fitzgerald, 2000 [19]; Smyth, McCoy, Darmody & Dunne, 2007: 139 [66]).

2. THE ACADEMY AS THE CORNERSTONE AND IMPETUS TO ECONOMIC AND SOCIAL DEVELOPMENT

Tertiary education in Ireland, although having been underfunded for years (OECD, 2004 [53]), has provided the country’s indigenous firms and multinational corporations located here with highly skilled graduates, facilitating the role it played in the boom years of the Celtic Tiger (Healy and Slowey, 2006: 7 [28]). Coupled with this is the evidence of the expansion of the educational sector during the past two decades, (Clancy, 1982, 1988, 1995, 2001 [6-9]; Higher Education Authority (HEA), 1995, 1995a [29,30]) with students now coming from a wider range of social and cultural backgrounds (Clancy & Wall, 2000 [10]). However, Ireland has comparatively low participation rates in continuing education and training (Hannan, McCoy and Doyle, 2003 [27]) and lifelong learning (National Competitiveness Council (NCC), 2009: 35 [41]) in comparison with other countries. In 2005 34% of the older cohorts of the working population had no more than lower second level education (Junior or Intermediate Certificate level) (NCC, 2008 [40]). While it could be viewed that the expansion in numbers in higher education is indeed positive, when one sees the significant gap at mature sections of the population, who had not benefitted from earlier educational expansion (Healy and Slowey, 2006: 7, 9 [28]) and the Celtic Tiger years in relation to attendance at third level and subsequent skills and qualifications held, something needs to be implemented to significantly narrow this gap.

Education is a powerful agent in generating social capital (Green, Preston and Sabates, 2003 [26]) and academies have significant power to help learners and provide opportunities to areas sunk into unemployment and struggling with large social welfare provisions. As it stands Ireland is at the verge of not being able to meet the current rapid increase in welfare demands (Mottiar, 2009 [39]) where large social welfare provisions are the norm (O'Regan, Irish Times, 2009 [50]) but could in fact become a disincentive to work. This can be a difficult issue to tackle, however, if certain provisions were put into place not only will the social welfare supports be put to good use and the human capital involved will regain a sense of worth, but the economic capital can be regenerated for the future with the aid of the local community and academies (Gaffikin and Morrissey, 2003: 98, 101 [28]) moving the state from ‘welfare’ to ‘workfare’ (Hoatson, et al 1996 [32]; Martin, 2003: 567 [36]).

The commitment of the Irish government and the EU to standardise a qualification framework in order to facilitate mobility, accessibility, and flexibility throughout the member states is evident in the Bologna Declaration 1999 and the work of the National Qualifications Authority of Ireland (NQAI) (The European Higher Education Area, 2001 [67]; NQAI, 2003; 2003a; 2005 [42-44]). Increased modularisation of courses, the provision of more flexible learning opportunities, and The National Plan for Equity of Access to Higher Education, endeavours to encourage the broadening of entry routes to higher education to greater reflect the fundamental changes brought about through the implementation of the National Framework of Qualifications in Ireland (NFQ) (HEA, 2008 [31]).

The mission statement of the Department of Education and Science (DES) is directed towards an education system that will ‘enable individuals to develop to their full potential as persons and to participate fully as citizens in society and contribute to social and economic development.’

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1 7.6% of those surveyed aged 25 to 64 received education in the four weeks prior to the Eurostat survey in 2007 – still below the Lisbon target of 12.5%, the EU 15 average of 12% and way behind the leading countries.
2 Admission rate in 2004 was nearly 55%, nearly twice that in 1980 (Central Statistics Office (CSO), 2004).
3 The NFQ is a ten level system of learning from the very early stages (first level certificate) to the most advanced (Doctoral degree). All Irish qualifications are included in the NFQ which was established to assist the notion of a ‘lifelong learning society’ (see also www.educationireland.ie, www.nfq.ie and www.nqai.ie).
national recovery is dependent on being able to provide a supply of highly educated workforce, equipped with skills aligned to business needs (National Skills Strategy (NSS) (cited in the NCC Report, 2008: 27). The NSS proposes that 48% of the labour force should have qualifications at the NFQ level 6 to 10 (advanced higher certificate and above); 45% should have qualifications at NFQ levels 4 and 5 (Leaving Certificate or equivalent); and the remaining 7% will have NFQ at levels 1 to 3 (Further Education and Training Awards Council (FETAC) first certification) but should aspire to achieving skills at higher levels (NQAI, 2003; 2003a [42,43]).

As the nature of work continues to change, and the increase in unemployment does not dissipate, there is an increasing need for individuals to return to education throughout their careers to seek formal qualifications, or re-orientate their career paths through lifelong learning which is becoming a manager of the crisis. Lifelong learning in a learning society should be managed through structured partnerships (Parry, 2006: 409 [63]) with schools, colleges and universities and to include those IT companies providing broadband around Ireland as flexible learning can take place once internet access is available to everyone. But again this manages only to target those already in the ‘system’.

2.1. The contribution of Ireland’s Higher Education Sector

Currently a programme for re-skilling, the Labour Market Activation Programme (LMAP), under the partnership of the Department of Education and Science, the Department of Enterprise Trade and Employment and the Higher Education Authority of Ireland (HEA) is advertising for candidates for undergraduate and postgraduate programmes (levels 6-9 of NFQ) within the IoT’s and universities in areas of study specifically required in business today and for business set-up. To qualify you must have been made redundant for at least six months and already hold some qualifications. This targets those already in the ‘system’ but should be open to all.

The IoT’s

An example of an outreach programme and collaboration with employers through workplace learning is an initiative which was highlighted in the most recent Grangegorman campus announcement, ‘Joining up the dots’; an integrated employment, education and training strategy within the new Dublin Institute of Technology (DIT) campus where thousands of jobs will be created in the construction sector and in the new science and technology park on campus through the science and buildings faculties (see also http://www.dit.ie/news/archivecurrentyear/joiningupthedots). This new campus aims to greatly improve the social and economic benefits to the local community through both employment and education. There are recommendations for the Grangegorman development to be disbanded under the McCarthy (2009 [37]) report but this has been ignored by ex-Minister for Education Batt O’Keefe as he signed off on the first phase of development.

Universities

Other schemes for up-skilling are currently available through higher education colleges around the country to augment existing qualifications, and the access, success, citizenship initiatives of the National College of Ireland which began in 2007[4]. The courses being offered at university level through the LMAP re-skilling programme are mainly of a ‘top up’ nature which is being offered to those who have qualifications of a lower NFQ level from FETAC, HETAC or any of the IoT’s. This is commonly referred to as the ‘ladder system’. All universities in Ireland are currently offering courses under this programme. However, more should be done to highlight the programmes being offered in further and higher education for lifelong learning in partnership with secondary levels and businesses

[4] This can be found at the following url: http://www.ncirl.ie/Alumni_&_Foundation/NCI_Foundation (last updated 2009) (e.g. Develop Ireland’s workforce and Shape Regeneration Infrastructure).
through workplace learning. More should also be done taking example from DkIT on partnership and progress within research based concepts for businesses (see also McCarthy report recommendations 2009 on partnering for research grant assistance).

The HEA has also made some steps towards addressing the challenges for further, continuing and higher education in relation to lifelong learning and the non-traditional student. It is to further develop an integrated approach to higher education policy which addresses the changing, more diverse nature of the student body, including, in particular adult and part-time learners. These and other issues of access and equity are highlighted in their reports (HEA, 2004, 2005, 2008 [29-31]). However, is this just ‘training-as-panacea rhetoric’ as suggested by Cruickshank (2002: 141 [13]; Martin, 2003: 567 [36])? As a recent Goodbody report (O’Leary and O’Brien, 2009 [49]) suggests, unemployment will continue to be a problem for many years to come and Ireland needs more than just ‘policy discourse’ to solve Ireland’s growing crisis, rather what is required are ‘action plans’ to get things moving again.

State policies in the past have endeavoured to be policies of social inclusion and active citizenship however Ireland is still rife with inequality (CORI, 2007 [12]). The current programmes provided through state and academies are positive, but not all potential students have equality of access yet and all graduates will still be dependent on the availability of jobs in the market. This is subsequently dependent on an innovation and entrepreneurial economy where entrepreneurship and new business set up is encouraged and supported, both locally and nationally, with the help of academies and financial institutions, thus reducing a certain dependence on multinationals for the bulk of our employment and returning to grassroots businesses.

3. IRELAND’S ‘MARKET-STATE’ AND A PARTNERSHIP WITH EDUCATION

The knowledge society has greatly emphasised the importance of knowledge skills and know-how in the population at large, apart from social justice, the current recession now emphasises the significance of learning throughout life and as a way of life in modern society. Therefore a more coordinated approach to align the higher education institutions and enterprises through up-skilling courses and research so that they can work together to exploit and develop our current and future highly skilled graduates and employees is imperative in the role of recovery of the economy, and development of one of a more efficient knowledge economy, innovation society and entrepreneurial economy (Prospectus Survey on Higher Education, 2007 [64]; OECD, 2004 [53]; 2005 [54]; Irish Council for Science, Technology and Innovation, (ICSTI), 1999 [33]; NCC, 2008 [40]; Department of Enterprise, Trade and Employment, 2002 [15]). The links between indigenous firms and the research departments of HEI’s is vital. While 27% of foreign multinational firms link with HEI’s, only 17% of Irish firms were linked (OECD, 2004 [53]).

Knowledge is power that can empower society to move away from welfare dependency, through lifelong learning initiatives, flexible approaches to delivering lifelong learning and a more flexible workforce. You don’t have to sit in a classroom to be a learner, in fact more and more of lifelong learning initiatives are work based learning programmes. All of these courses can be collected for APL or RPL for entry into further and higher education. The Enterprise Strategy Review Group Report Ahead of the Curve (2004 [18]) emphasised the importance of building upon the existing education and training systems, with a renewed focus on fostering continual acquisition of knowledge, up-skilling and competencies. Generic core transferable skills should be embedded in all curricula from early school right throughout learning and especially highlighted though the provision of lifelong learning and continuing professional development courses (e.g. www.Options4Adults.ie ), such as those being offered en mass now on entrepreneurship and business set up.

5 See for example The Irish Centre for Work Based Learning Partnerships set up in 2004, or community outreach programmes such as the highly successful Bridge to Education Programme with Dublin City University and Ballymun Outreach Project (DES, May 18th 2009).
4. ENTREPRENEURIAL ECONOMY

The Irish have worldwide recognition and reputation for being successful in business and arts, (Global Entrepreneurship Monitor (GEM), 2005 [23]) and this together with the resourcefulness of the ‘new’ Irish (foreign nationals who have made Ireland their home) can play a part in Ireland’s survival. It is these non-traditional students who are entrepreneurial and create businesses, and in most cases employment for others, that we also need to focus on both in and outside of the academy. Kennedy (2009 [34]) illustrates that when Digital Equipment Corporation (DEC) pulled out of Galway in 1993 and when Motorola pulled out of Cork after 25 years, both cities saw a wave of entrepreneurialism that boosted employment. The problem with Limerick and the pullout of DELL is the lack of financing for these new entrepreneurs (RTE Documentary on the Aftermath of DELL, 12/05/2010). Policies need to emphasise not only the support for re-skilling and up-skilling, but also for entrepreneurship.

Today entrepreneurship and small to medium enterprises (SME) are increasingly important parts of the global business world. The responsibility for entrepreneurship education and training does not rest entirely with the academies as pointed out by Garavan and O’Cinneide (1994; 4 [21]). There is a need for creation of an atmosphere that will encourage entrepreneurship and recognize failures as part of the learning process (Garavan, O’Cinneide and Fleming, 1997 [22]). One common objective of entrepreneurship education and training is to stimulate entrepreneurial drive talent and skills and the success of an entrepreneurial economy is to encourage and reinforce attitudes towards entrepreneurship and both outline the importance of education and entrepreneurship as crucial factors for the continued success of companies (O’Brien, 2008 [47], Morrissey, 2008 [38]). The education and training system must adapt to produce the skills to drive successful enterprise in conjunction with work-based learning and up-skilling.

Reports have highlighted the lack of educational supports for entrepreneurs in the past (Goodbody, 2002: 29 [24]), but have also suggested that the increase in business hubs in the IoT’s and more recently some universities as more than helpful at overcoming the hurdles of accessing finance or other supports for start up businesses. Education was also seen as a key incubator for entrepreneurship and for future entrepreneurial success (Goodbody: 2002: 78 [24]) with students of a third level university requesting more start-up business type modules to be provided. Programmes in entrepreneurship and education for entrepreneurship must be developed and encouraged from an early stage in education but especially so in further and higher education (such as Bolton Trust Competition in DIT) as students ready themselves for business and enterprise development after their degrees.

The GEM report (2005 [23]) shows Ireland as having one of the highest start-up rates in Europe for new businesses and in many ways the reason for this is an attitudinal transformation away from ‘failure’ and towards ‘learning’. The report also highlights the need for early adoption of entrepreneurship in education from as early as primary education, but to reinforce entrepreneurship across all levels if indigenous enterprise is to flourish in the future and a culture of entrepreneurship is to be adopted and initiated as a career choice (Report of the Small Business Forum, 2006 [65]). Curricula and assessment mechanisms throughout education should promote critical thinking, entrepreneurship and innovation (NCC, 2009: 6 [41]). Together with this is are the LMAP’s in areas of entrepreneurship and business set-up now being run across the community and FETAC colleges, the IoT’s, and Universities highlighting the importance of not only the knowledge society but of a developing entrepreneurial economy.
5. CONCLUSION

Education should be viewed as an intelligent investment with accountable returns, i.e. employment for individuals and tax returns for government from those employed after graduating, rather than increasing costs and public spending. However, successive government budgets of the last year have seen policies introduced whereby funding for education is being further reduced. The state’s focus on an annual budget process reinforces the weakness in long term development planning. The McCarthy report (2009) has also put a strain on the entire education system with its recommendations of 6,900 further job cuts (i.e. more unemployed) which it claims will save the economy 746 million. But what of those jobs lost and increase in unemployment?

The economic advantage and aid to social mobility, derived from gaining educational qualifications, together with the barriers associated with gaining employment by unqualified school leavers, has impacted on the demand for further and higher education. Education and training is viewed as crucial to achieving the objective of an inclusive society, where all citizens have the opportunity and incentive to participate fully in the social and economic life of the country. It is suggested however, that the growth in the third level sector has not facilitated equal access to higher education, and the continuing social inequity has been frequently documented. Ireland historically has comparatively low participation rates in non-formal, non-compulsory, continuing education and training in comparison to other countries ranking one of the most unequal out of 18 industrialised countries. A national cohesive approach of widening access to higher education for traditionally under represented sectors, such as socially disadvantaged groups, is expected to promote equality of opportunity in higher education with a view to contributing to social cohesion and inclusiveness, and enhanced equality of opportunity.

The link between higher education, economic and social development is addressed in a plethora of national government commissioned reports, which substantiate the view that education and training is perceived as a vital resource for a successful economy. Both have a crucial influence on economic performance at an individual and aggregate level. The previous market-state policies of expanding third-level education are based on the premise, that a highly skilled and educated workforce will enhance economic competitiveness, industrial growth, and increased levels of prosperity. What we are now witnessing since the global economic downturn hit Ireland are more and more redundancies each day, and fewer jobs available. Of those advertised, most are seeking highly skilled workers for lower pay than what they would have been used to during the Celtic Tiger era. The rationalisation and disbandment of certain IoT’s will only have a more negative effect with more unemployed (see McCarthy, 2009).

In further and higher education empowerment through education and training initiatives, through courses on up-skilling (for those still lucky to be working), (re-skilling for those unemployed) and/or career projection, such as entrepreneurship, can help communities and society become more self-reliant and economically viable. By removing some of those unemployed off the social welfare and encouraging them back into education this would relieve a certain amount of strain on the state and so it would become a win-win situation. The unemployed will become empowered to do something for themselves and their communities rather than being dependant on the state for welfare support. Education pursuit in this regard should be for the betterment of the individual and the society and community within which they live and/or work and then eventually the economy can improve slowly.

Future education and training should really be based on a system of learning not education, skills and competencies not just content, and providing graduates that are ready for employment and entrepreneurship rather than dependent on ‘jobs’ or ‘social welfare’ (see also Dale, 2005 [14]). Ireland’s future economic success is highly dependent on innovation, creativity and skills coming from the academy and the community. Investment by the state in education and training (currently HEI’s receive 80% of their funds from the state), lifelong learning and research and development in
partnership with the industry (a further 20% of investment in HEI's is encouraged through private partnership but should be more) is also the cornerstone to success.

The success examples of the model of knowledge economy and knowledge society (Green, 2006: 7 [25]) employed in Nordic countries could be adapted into Irish and European education. With partnerships across stakeholder groups in each state and high mobility among graduates, flexibility in work and educational forums may be possible. There should be a more transparent and fluid communication path amongst the state, market, the academy and the community when policies are being made for all to be involved and a proper partner system to exist.

The research that coincides with this study is in its preliminary stages and will be published at a later date.

6. REFERENCES


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