

Chapter

7

Implementation

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The Enterprise Strategy Group believes that enterprise development in Ireland is now at an important turning point.

The success of the 1990s was facilitated by a national consensus on the need for job creation in a time of very high unemployment. This consensus ensured that policy formulation was directed towards this national goal and provided a common focus for all relevant enterprise actors. To sustain and grow in the future, we must rebuild national consensus around the need for stronger enterprises that will create wealth and sustainable employment for all in an environment where the application of knowledge and skill will increasingly be the competitive differentiator. To achieve this goal:

- » **Firms** will need to develop higher value products and services, to increase investment in applied research and to diversify the markets in which they operate. This will require them to build expertise in markets and technologies and to upgrade their management capabilities. Firms will also have to continually increase their productivity – either by reducing input costs or by increasing output value.
- » **Management and employees** will need to commit to greater levels of partnership in the workforce, displaying higher levels of innovation, change and performance, and an openness to new organisational models and new ways of gaining competitive advantage. Employees will need to take responsibility for upgrading their own skills to meet the challenges of a knowledge economy. Workforce productivity should be encouraged through employee financial participation and reward systems.
- » Our **education and training systems** will need to produce people with the level of knowledge and skills required to drive and sustain a knowledge economy; improve their governance, delivery mechanisms and operating practices to be flexible and responsive to the needs of students and employers, and be innovative in exploiting the commercialisation of research.
- » Our **development agencies** will need to achieve greater collaboration and enhanced skills to support enterprise in a changing environment.
- » Our **business leaders** and their representative organisations will need to foster the emergence of business networks which will become increasingly important as a mechanism to drive success.
- » Finally, our **government and public service** will need to be agile and effective in building a business environment that will give Ireland competitive advantage.

As the activities of a wide range of Government departments (not just the Department of Enterprise, Trade and Employment) will critically impact on the success of future enterprise policy, including this Enterprise Strategy, we need to have structures and processes that ensure that these departments act in mutually complementary and supportive ways.

We believe that the timely, decisive and complete implementation of the strategy and recommendations set out in this report is necessary to achieve a transformation of enterprise in Ireland to meet future challenges. Many believe that Ireland has lost its former ability to respond quickly and flexibly to defined needs. A range of reports and recommendations has already been produced aimed at addressing gaps and barriers to enterprise development. However, significant elements of these recommendations await action.

Accordingly, we strongly believe that the Cabinet enterprise review process outlined in Chapter 4 is essential to drive the cross-departmental and state agency responses required by enterprise, commencing with the recommendations set out in this report.