Towards a digital society

The 2022 Accenture Digital Index reveals positives and pitfalls in digital interactions that have accelerated since the start of the pandemic

GROWING...

RISING...

IMPROVING...

ACHIEVING...

PROGRESSING...

accenture

Foreword

Building bridges for digital equality

Foreword by Alastair Blair, Country Managing Director, Accenture in Ireland

We know that our world has always worked better when people are united. We are at our best when we stand together. Since the conception of the internet a great inequality has been emerging and a digital divide, a gap between the 'haves and have nots', 'know and know nots' and 'engaged and disengaged' has become the status quo. This needs to change for the good of all and to bring equality of opportunity.

The pandemic and its associated lockdowns have accelerated the adoption of almost every kind of online service, and there are clear indicators that people are more digitally engaged than they were in our last survey in 2020, Bridging the Gap – Ireland's Digital Divide. Some of this is down to ease of use, particularly via apps on devices, which continue to proliferate and offer instant access to everything from social media to banking services, and an increased reliance on the digital economy.

EXPLORING...

DISCOVERING...

ACHIEVING...

Towards a digital society

Where there is work to be done and gaps to be closed is around deeper levels of digital engagement. In Accenture's 2020 skills report – Talent for Tomorrow – we highlighted how important it was for Ireland to upskill and reskill a large cohort of the population, not just to meet future employment needs, but also to future-proof them against changes driven by automation and technological advances.

Our report evaluates people's ability to navigate an increasingly digital world, from a social and workplace perspective. It shows that around a third of people see no need to improve their digital skills, a number that is stubbornly the same as in our Bridging the Gap survey. This suggests that businesses, government, and educators can do even more to prepare people for a future that is rapidly unfolding – even more rapidly than expected due to the pandemic.

A particularly worrying aspect is that young people might consider themselves digitally savvy, but they are not sufficiently digitally literate and may miss out on the jobs of the future as a result. We need to take a careful look, not just at the methods and availability of training, but at the messaging around why people should want to reskill. Get it right and it could give Ireland and its younger population a significant competitive advantage among the many countries transitioning to a digital economy.

In parallel, we need to look at other consequences of becoming a more digital society. We can see that a lack of digital access exacerbates social inequalities. Our research also highlights concerns about too much time online and misinformation, and this has played out in so many conflicts, large and small over recent years.

Clearly, there are cohorts of the population not benefiting from, or engaging with our digital society – at work or in their everyday lives. None of the gaps are going to close on their own so it's incumbent on all of us, in business and across the wider ecosystem, to be aware of people's wellbeing and security when it comes to digital engagement, as well as the need to help them 'skill up' and play an active part in the digital economy.

At Accenture, we believe that if we are to build a better world we must embrace change and allow the status quo to benefit people equally, and this mindset has underpinned our research into the digital divide.

Foreword by Alastair Blair,
Country Managing Director, Accenture in Ireland

TUTORING...

GROWING...

Working in tomorrow's world

Barriers to digital engagement are coming down but skills gaps persist that will need to be filled to support Ireland's evolving digital economy

# Digital usage has grown significantly since the pandemic

The 2022 Accenture Digital Index examines the state of the digital divide in Ireland – the gap between the digitally engaged and disengaged – and reveals that long-standing issues around the 'haves and have nots' in an emerging digital society have become more nuanced.

Since the pandemic people are more than capable of integrating digital into their daily lives. All signs point to one direction of travel, towards a more digitally engaged society. What the Accenture Digital Index shows repeatedly is that Millennials and Gen Z, who have either come of age or grown up with digital technologies, are the most skilled and engaged. As they grow older, and with business and government as willing enablers, the transition to a digital society will only accelerate.

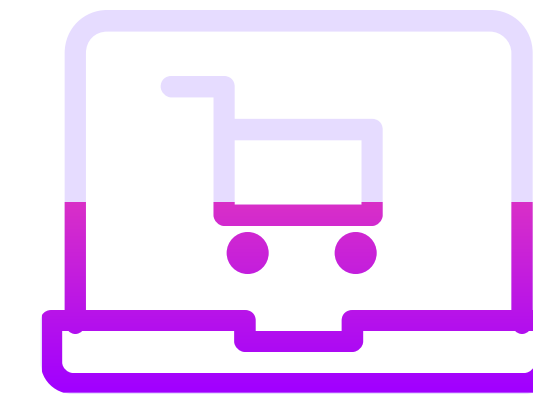## People changed their behaviour during the pandemic and did more online

58%
of people made more video calls
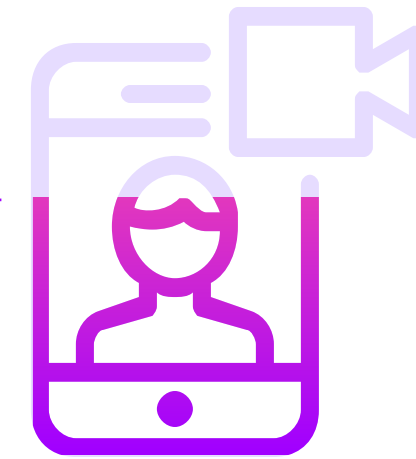
47%
did more shopping online

56%
of people interacted more on social media

43%
of people watched more content online

Digital engagement takes many forms, relies on different technologies, and calls for different levels of skill. The most popular devices are mobile phones, used by 95% of survey respondents (only 5% of respondents stated they 'never' used a smartphone), which is reflected in the most used app, WhatsApp, at 45%. Smart TVs are the second most used digital device at 59%.

Phone messaging, online shopping and TV streaming can be classed as everyday skills that point to a truth about digital technologies and services – the easier the interface, the greater the uptake.

A combination of more services moving online, delivered with increasingly user-friendly features, and the impact of the pandemic would explain the spike in the last 18 months: the number of people who never shopped online has fallen from 28% to 20%; people who never use social media has fallen from 24% to 17%; people who never use online banking has fallen from 23% to 14%.

68% of Irish citizens increased their internet usage, with video calls, online shopping and social media driving greater engagement. The proportion of people who describe their digital competencies as 'average or below' fell from 42% to 32%.

Frequency of activity has increased with 76% of people browsing the internet on a daily basis compared to 70% in the last survey; social media was up from 58% to 63%; online banking was up from 22% to 28%.

Half of those aged over 55 are conducting more video calls since the pandemic and people across all ages and social standing have embraced online communications – 90% of respondents are comfortable or extremely comfortable with using video and app services to communicate. Almost half (45%) say they find themselves online throughout the day, even if it's not completely necessary for work.

42%

32%

The proportion of people who describe their digital competencies as 'average or below average' fell from 42% to 32% between our last report and this report.
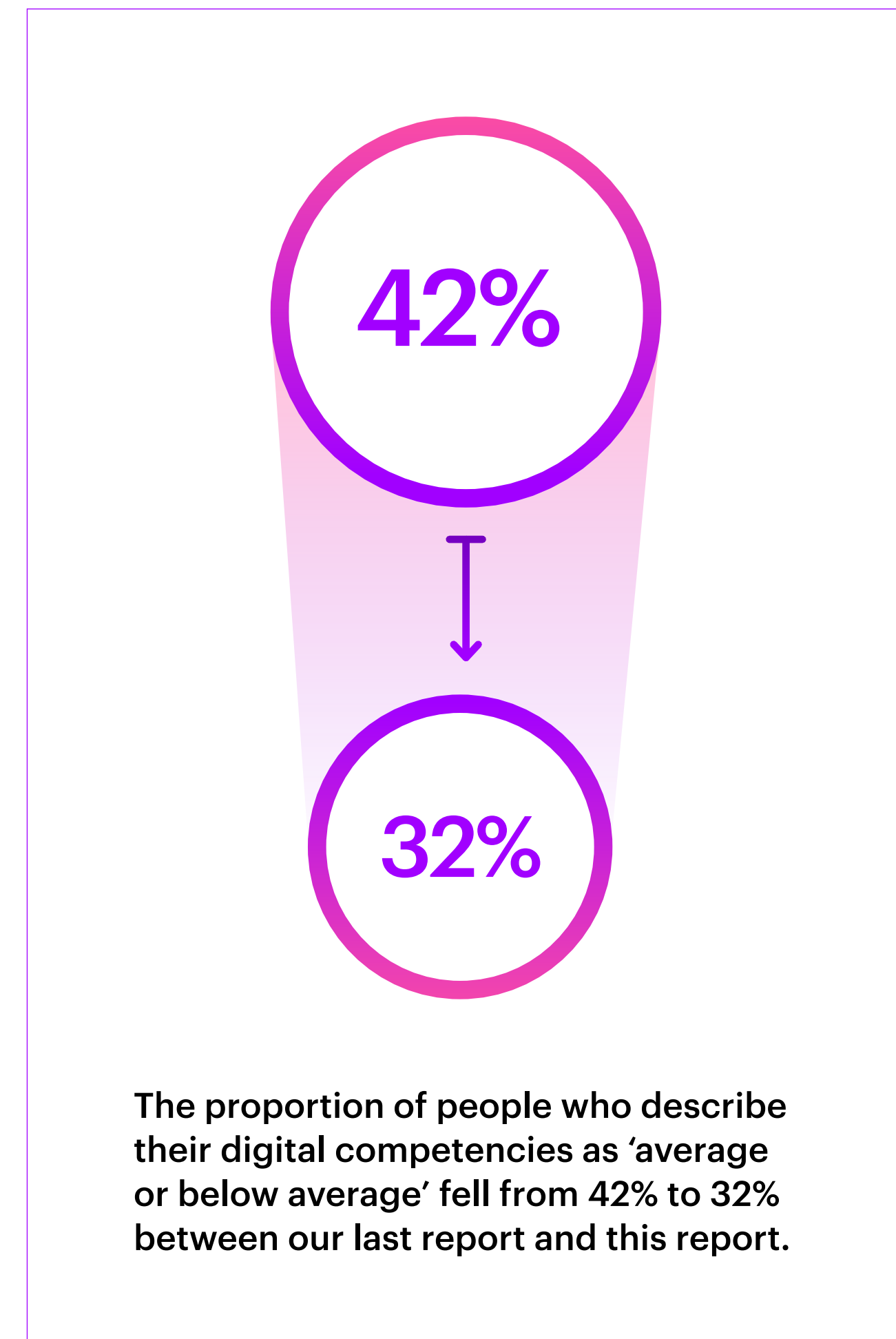
"The pandemic has accelerated how we rely on digital technologies in our professional and personal lives and high speed connectivity is more important than ever. As we look to the future post pandemic, we must embrace technology and invest in the infrastructure to support it.

For businesses, technology and connectivity will allow us grow and compete on the world stage, attract and retain talent and ensure we have the flexibility to offer our people hybrid working solutions."

Anne O'Leary, Chief Executive Officer, Vodafone

Emergence of a digital economy

Just as the industrial revolution brought sweeping changes to economic and social systems 200 years ago, what the World Economic Forum calls a fourth industrial revolution – one powered by digital technologies – will bring seismic change to this century. The trickle-down effect of large-scale industrial change on society is something that industry and governments need to plan for. There is already an understanding that digital literacy will be pivotal and that an even distribution of new skills will be needed to avoid deepening a digital divide.

"When you go beyond a certain level of digital literacy it improves your quality of life. You can book a restaurant and do your shopping online, which mean less time queuing at supermarkets and more time spent with your family."

Tomás Sercovich, Chief Executive Officer, Business in the Community

TRAINING…

ABSORBING…

Everyday digital skills proliferate

Whilst the barriers to digital engagement are coming down, skills gaps persist that will need to be filled to support Ireland's evolving digital economy. Simplifying engagement eliminates the need for advanced skills and helps close the digital divide.

Everyday digital skills have proliferated with online interactions principally taking place using mobile phones, while more advanced digital skills, associated with desktop computers, have stalled.

Mobile phones are used by 95% of survey respondents and loaded with apps that make light work of shopping, banking, messaging, and streaming entertainment. Computers, which are better suitedto document creation and writing CVs, are the least used devices among the economically disadvantaged - with only 39% of people in lower

socioeconomic cohorts using daily, compared with 61% in higher socioeconomic cohorts.

We know that the pandemic has played a part in advancing everyday skills because we have a 'before and after' view of the change. Surveys in Accenture's 2020 report, Bridging the Gap – Ireland's Digital Divide, took place four months before the pandemic reached Ireland; surveys for the 2022 Accenture Digital Index were carried out after lockdowns commenced.
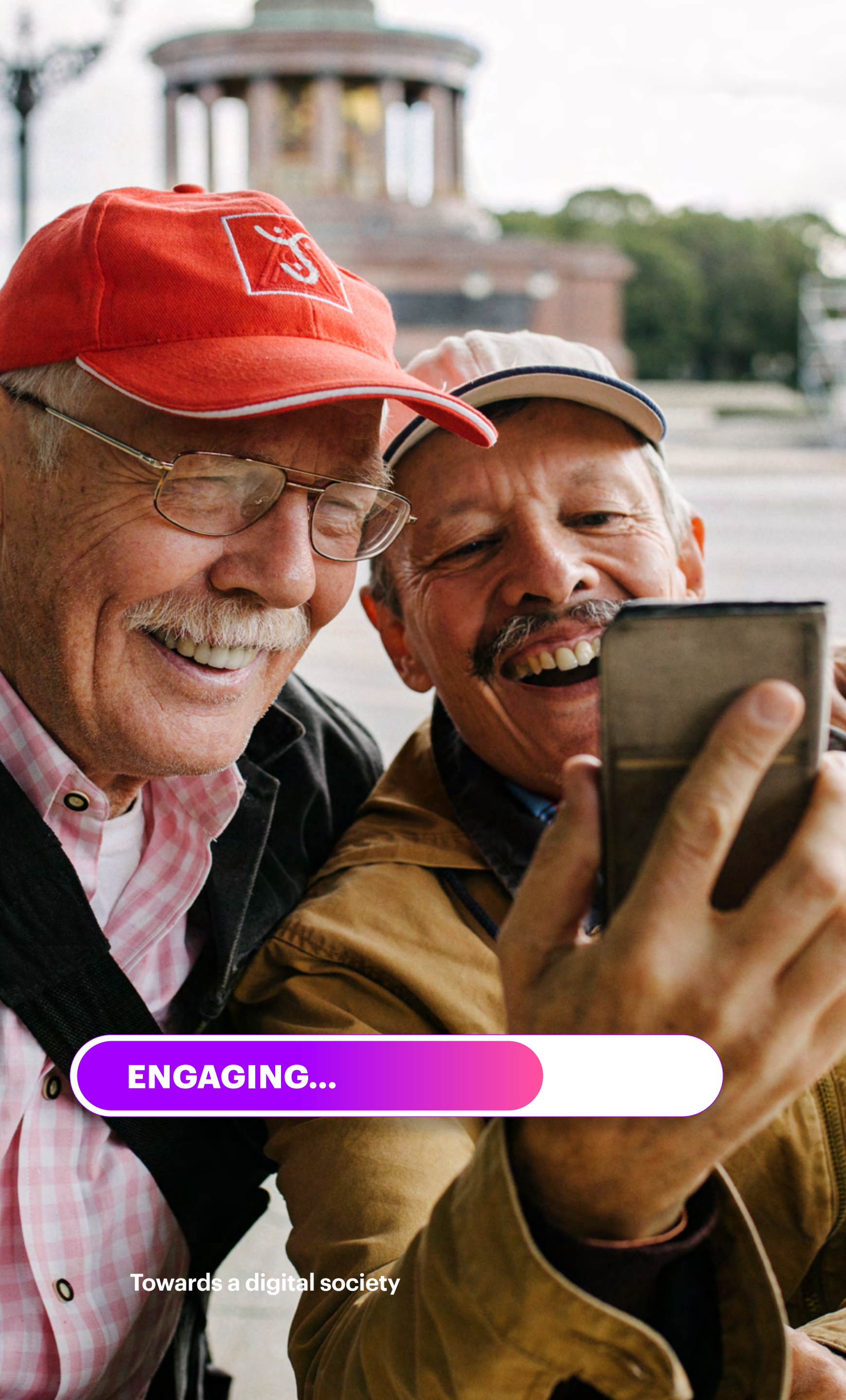
Issues around more advanced digital skills, however, have not changed. A quarter of respondents are not comfortable creating and editing documents, around the same as in the last survey. And just over a quarter (28%) are struggling to update CVs and use websites for job searches.

28% of people have problems with using websites for job searches/ updating CVs

IMPROVING...

In the 'carrot versus stick' debate on driving digital engagement, the pandemic has proved to be the ultimate stick. It shows that people are more than capable of integrating digital into their daily lives. The caveat is that advances have largely been confined to everyday skills and there appears to be little appetite for acquiring more advanced skills.
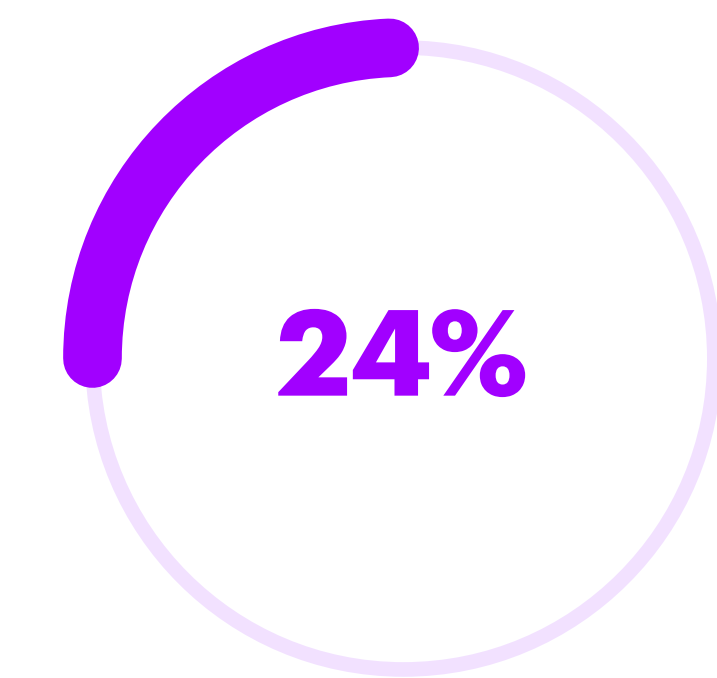
Around a third of people (35%) don't see a need to improve their digital skills, almost identical to the earlier survey (34%); and around a quarter say there is nothing that would motivate them to get better.

People are at risk of being left behind

35%
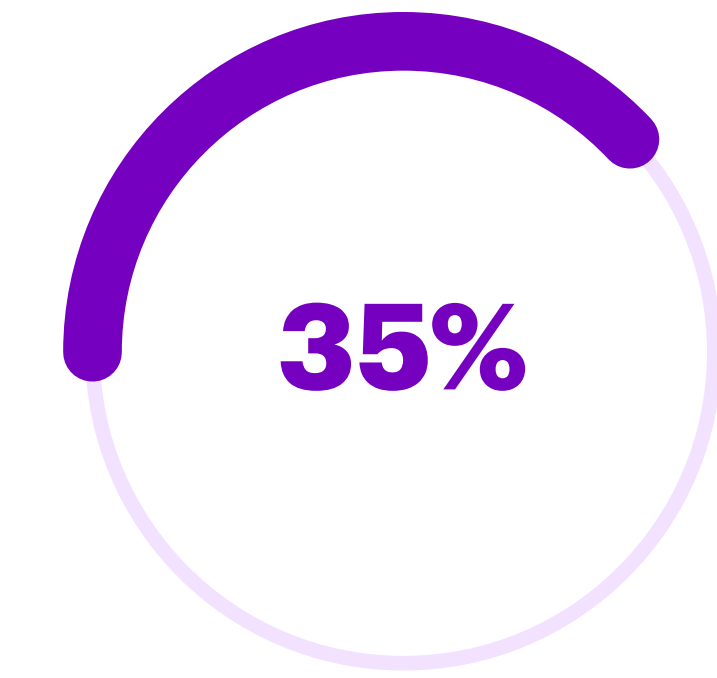
of people don't see a need to improve their digital skills

24%

of people say there is nothing that would motivate them to get better

**ENGAGING...**

Towards a digital society

Advanced digital skills stall

When 35% of all survey respondents say there are no areas of digital skills that need improving – in their personal or professional lives – the prospect of closing gaps when it comes to advanced skills becomes more of a challenge. When that figure rises to 45% amongst the 45-54 age group, it becomes a cause for concern. Time was ranked as the most significant barrier to developing digital skills (30%), with other factors like access to nearby training, broadband, and cost, all registering under 5%.

A lack of interest in improving skills could be interpreted as apathy or it might be that a large group of people are satisfied that they have the level of skills needed to do the things they want. This is a problem for industry, education, and government stakeholders looking to upskill people to work in an emerging digital economy.

The biggest skills deficit is in being able to create documents with a quarter of respondents not at all comfortable doing it, around the same as in the last survey. Just over a quarter (28%) have similar problems with using websites for job searches and updating CVs. The 18-34 category ranked consistently lower than the next older group (35-44) when it came to using websites to search for jobs, creating and editing documents (54% vs 60% being completely comfortable with this) or updating their CV (54% vs 59% being completely comfortable with this).

This is bad news for businesses and a government that wants to make Ireland a leading digital economy. Well documented skills shortages in information worker roles and increased automation replacing task-based jobs, will create a demand for more digitally skilled people. The Accenture Digital Index shows that a desire to learn more and be part of an emerging digital economy appears to be absent from a large cohort of people and they risk being left behind.
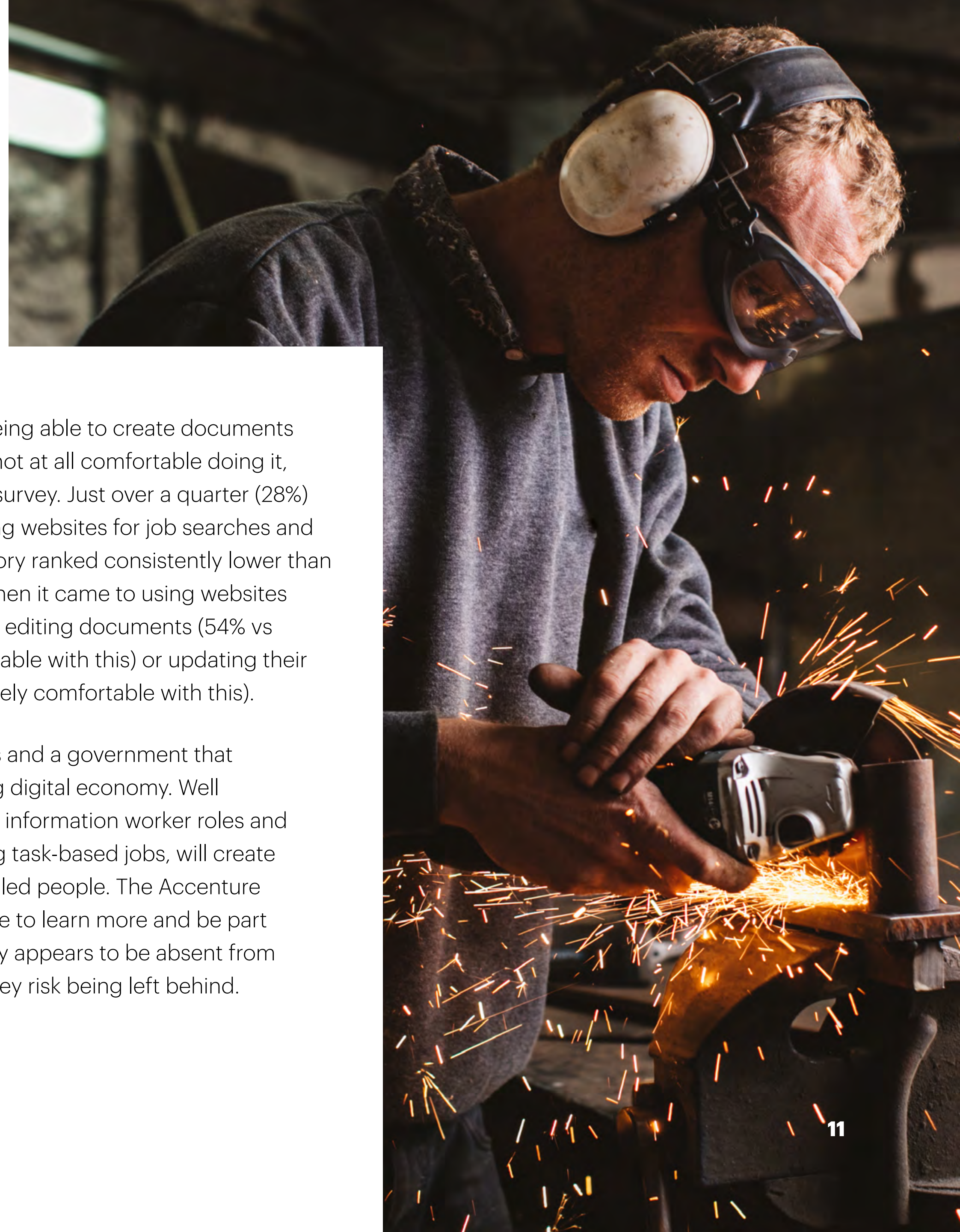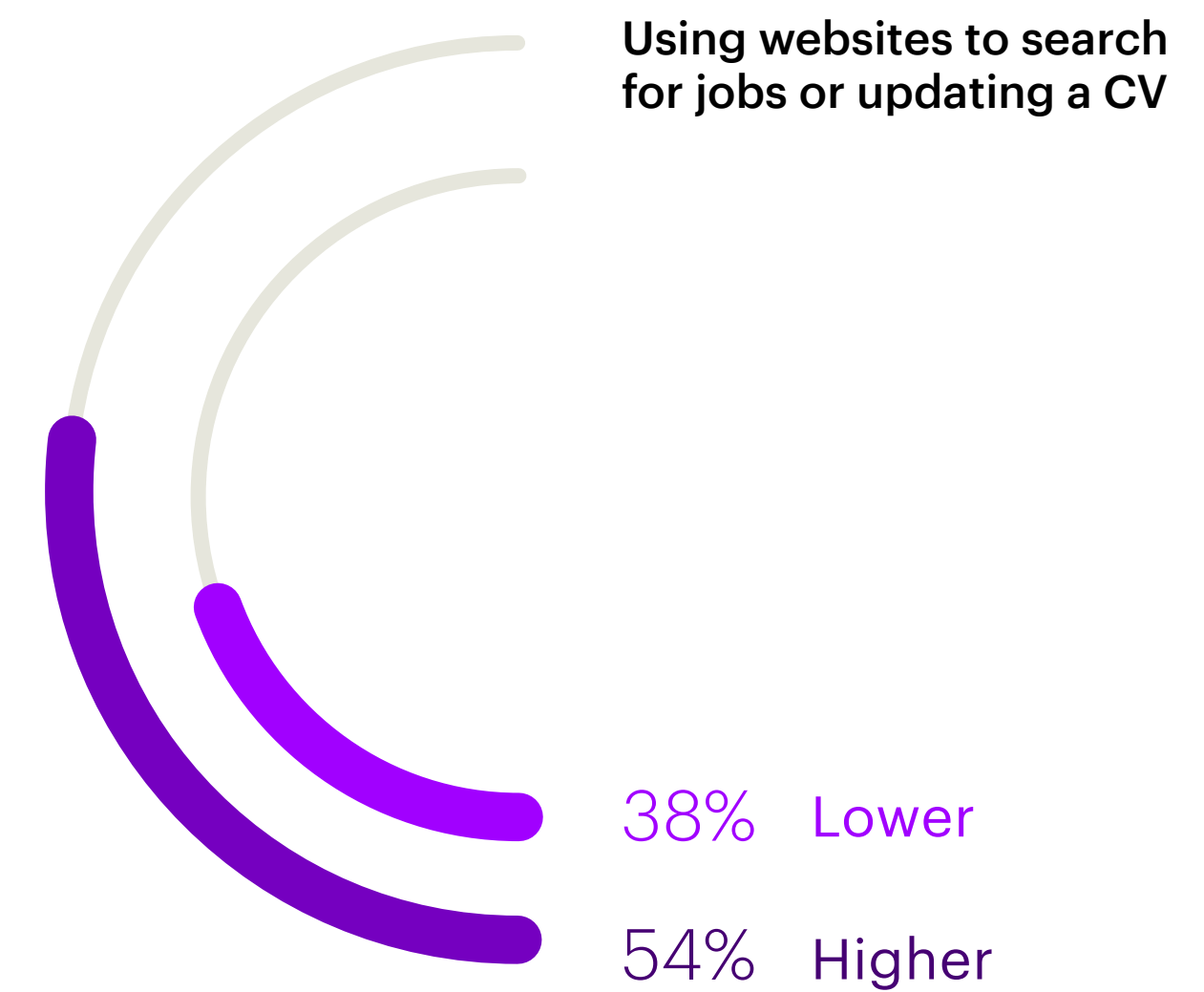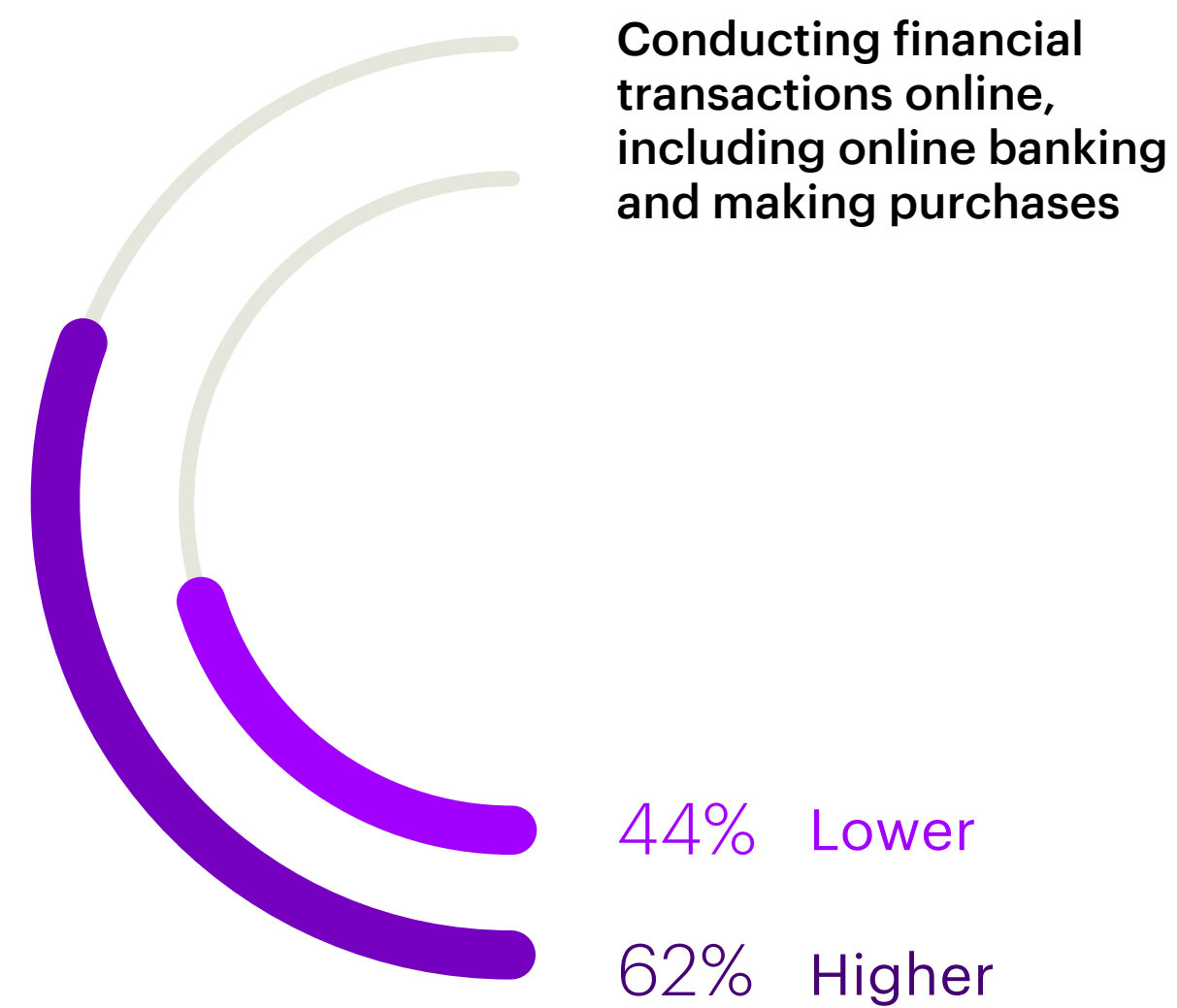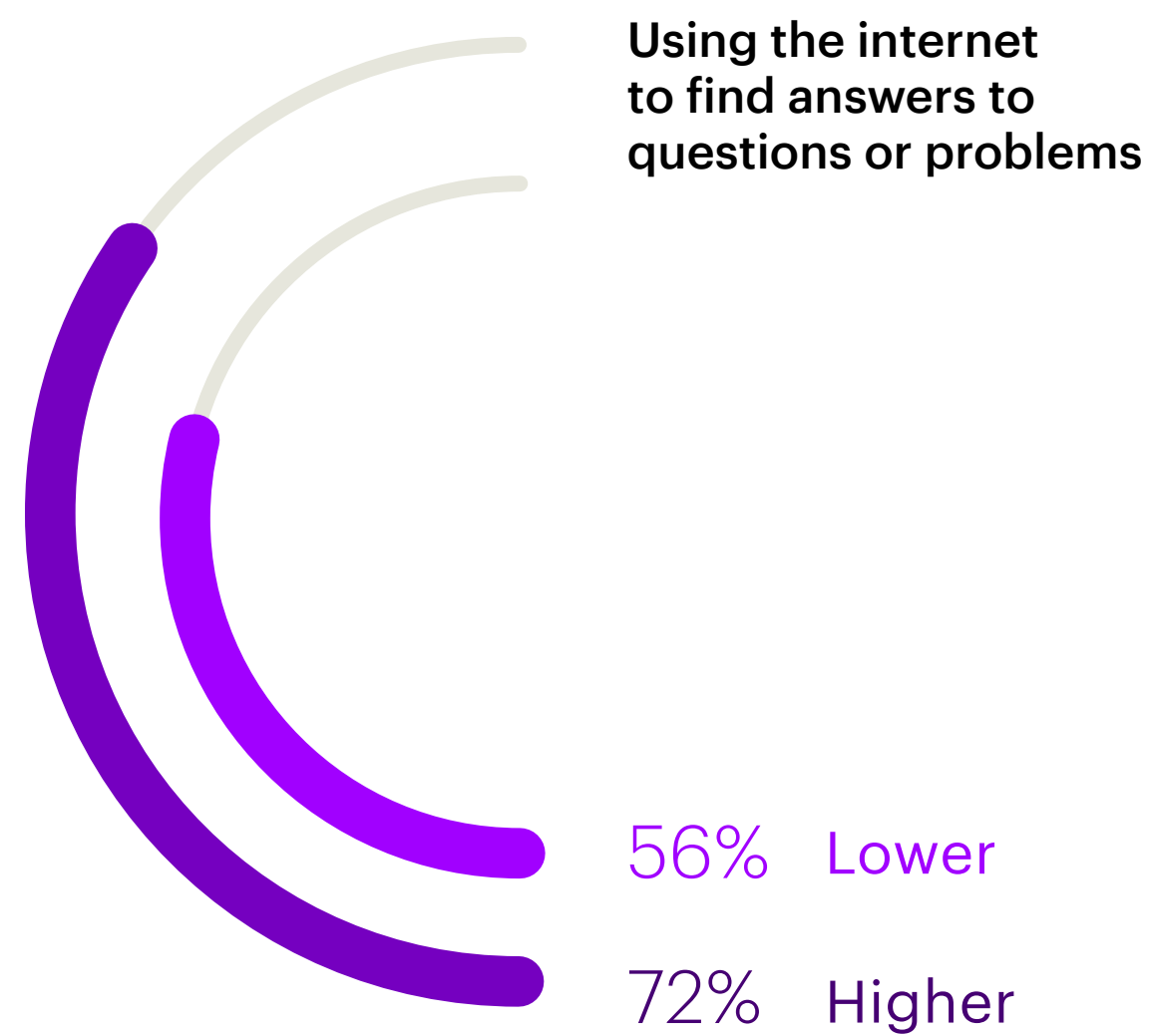
SHARING...

PROGRESSING...

Building bridges and breaking down walls

The digital divide is still evident and is widest among older age groups and poorer social classes. This is as true now as it was when the last survey took place

Socioeconomic barriers persist

The Digital Divide is evident on socioeconomic lines, with those in higher socioeconomic cohorts being more comfortable with certain digital tasks

Using the internet to find answers to questions or problems

56% Lower

72% Higher

Conducting financial transactions online, including online banking and making purchases

44% Lower

62% Higher

Using websites to search for jobs or updating a CV

38% Lower

54% Higher

Lower = Less Advantaged Socioeconomic Groups

Higher = Higher Socioeconomic Groups

*The percentage refers to the % of people who are completely comfortable with the task in question i.e 56% of people are completely comfortable

“We have seen during the pandemic how the groups that have fallen outside mainstream education, the elderly, single parents, people on the margins of digital access, are left furthest behind.”

Heydi Foster, Chief Executive Officer, An Cosán

Other societal issues highlighted in the Accenture Digital Index include the pitfalls of too much time spent online and the risks that come with it. Concerns around security and negative social interactions were prevalent in the qualitative interviews. Digital fatigue came up in the quantitative survey with 45% of respondents actively trying to reduce the amount of technology they use on a daily basis.

Age and socioeconomic barriers still exist, however, particularly when it comes to more advanced digital skills. For government, industry and stakeholders in education, upskilling must continue to be a priority but there is the challenge of engaging people who show little appetite for learning more.

The problem is not entirely socioeconomic. Levels of comfort with advanced digital skills that could be classified as transferable to jobs, such as document creation, were consistently lower among younger people (18-34) than the next age group (35-44). This suggests that more needs to be done to prepare them for the digital workplace.

" **Although digital skills are needed for everyday life, they are the least attended to in education. We need to provide the competencies to deal with information and know what is relevant.** "
Teresa Murphy, retired DEIS (Delivering Equality of Opportunity In Schools) Principal
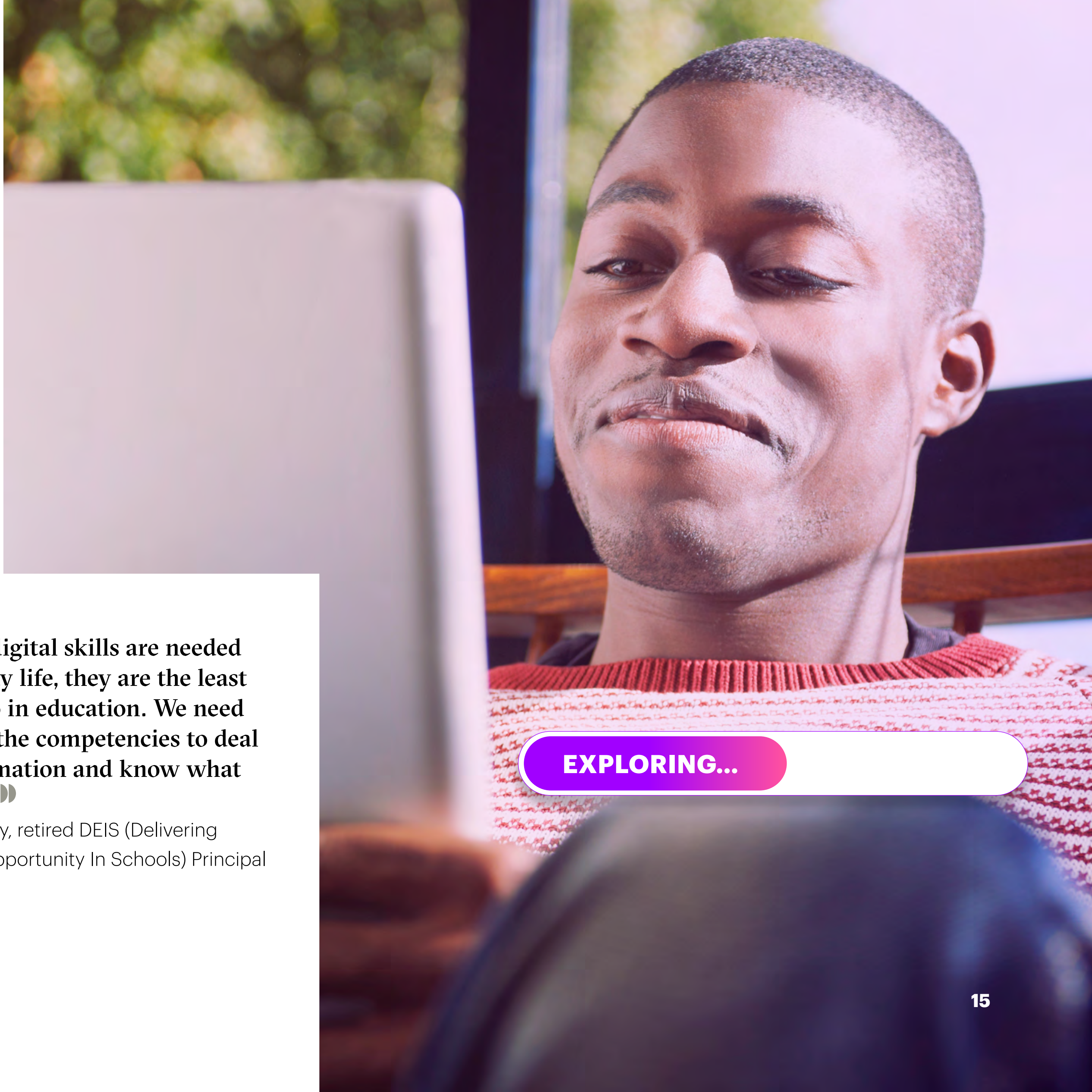
EXPLORING...

PACE scores highlight social inequality

Pandemic lockdowns have driven adoption but they have also highlighted inequalities and issues in the development of digital skills. We created an Index PACE scoreboard to explore digital traction around key behaviours.

Behaviours were grouped in four categories: **Protect, Access, Connect, Educate (PACE)**

PACE scores show substantial progress in digital engagement but across all four categories of behaviour, however, there are issues.

Protect

covering security-related behaviours, such as untrustworthy sources, fake news, and fraudulent emails.

Access

covering levels of comfort accessing online resources, such as online banking, job searching and engaging with government services.

Connect

covering usage of communication technologies, such as video, text, and messenger services.

Educate

covering the search for information and knowledge, and the ability to manage and collate information digitally.

PACE Index: Categories of behaviours

Overall, there were 12 behaviors which were assessed as part of the Index, which were grouped into 4 broader categories. People were asked their level of comfort on specific tasks.

Protect

- Installing software and applications onto phone, tablet, laptop or desktop computer
- Changing privacy settings on social media sites
- Protecting phone, tablet, laptop and desktop computer from viruses
- Identifying false or unreliable information, such as untrustworthy sources, fake news or fraudulent emails

Access

- Utilising online government services, like Revenue Online
- Conducting financial transactions online, including online banking and making purchases
- Using websites to search for jobs or update CV

Connect

- Keeping in touch with friends, family and colleagues online, through email and messaging services like WhatsApp, and video calling services like Skype and FaceTime
- Using software or apps on mobile phones, or social media sites like Instagram, Facebook, Snapchat and Twitter, to edit photos, video or audio files

Educate

- Using the Internet to find answers to questions or problems
- Finding reliable information online
- Creating and editing documents on a tablet, laptop or desktop computer

UNDERSTANDING...

Scoring reveals a significant gap between the social classes with better-off social groupings more skilled and engaged. This inequality is most pronounced when it comes to Access and least pronounced in relation to Connect.

Computers are associated with developing more advanced digital skills but are used less often by those in lower socioeconomic groups compared with higher socioeconomic groups. If someone is out of work and among the less well-off demographic, it's a vicious circle. Finding work will be harder because a good CV calls for computer skills that they probably lack.

A divide is also evident between those working full time and not working, with scores in relation to Protect and Access the most pronounced. Overall, across all four behaviours, students score highest and people not working the lowest. The gap between those living in urban and rural locations is less pronounced – urban dwellers are ahead on each of the four behaviours, but not significantly.

Asked how they would skill up if they decided to in the future: 38% of people said online courses; 25% would ask family or friends; 74% agreed with the statement that 'employers need to do more to make sure all their staff have a good level of digital skills'.

Perceived benefits from expanding their skills were about having greater overall confidence (20%); believing it would make them more efficient in their job (20%); and believing it might make more jobs available to them (12%).

« **When the world's changing this rapidly, government has an obligation to try to convince and facilitate people to acquire some degree of digital competence, just as governments did over the last 100 years when it came to increasing reading and writing competence.** »
Barry Lowry, Irish Government CIO at Department of Public Expenditure and Reform

"There is a significant opportunity for employers to use the power of digital to help unlock far greater opportunities for their workforces. By doing so we can not only help to close the skills and talent gap, but also vastly improve team performance and create a sense of belonging for people at work."

Audrey O'Mahony, Managing Director,
Head of Talent & Organisation Ireland, Accenture in Ireland

The PACE scores around the four groups of behaviours – Protect, Access, Connect, Educate – offer deeper insight into how socioeconomic status impacts skills. Marked out of 100, scores reveal that the better-off are significantly ahead, 80/100 compared to 68/100, a gap that is most pronounced when it comes to Access and least pronounced in relation to Connect.

Connect covers usage of communication technologies. Access covers attitudes to accessing online resources. This tallies with the survey where one of the biggest gaps between the classes was in using the internet to find jobs: 54% of the higher social class scored themselves 7-10 at this, compared to 38% in lower social classes.

The digital divide is not obvious, it's not black and white. Access is coming through loud and clear as an area where we need to level the playing field, but it's not the only thing. How and when you use the internet, or how and why you engage in digital, is much more nuanced.

Ryan Shanks, Managing Director, The Dock, Accenture in Ireland
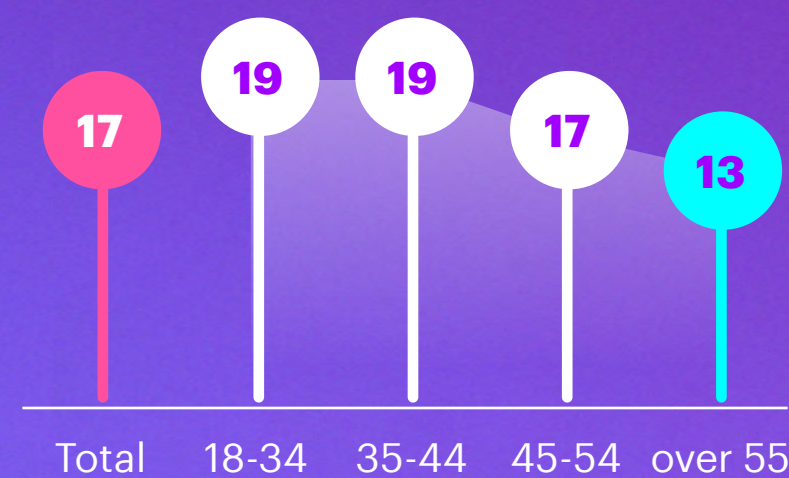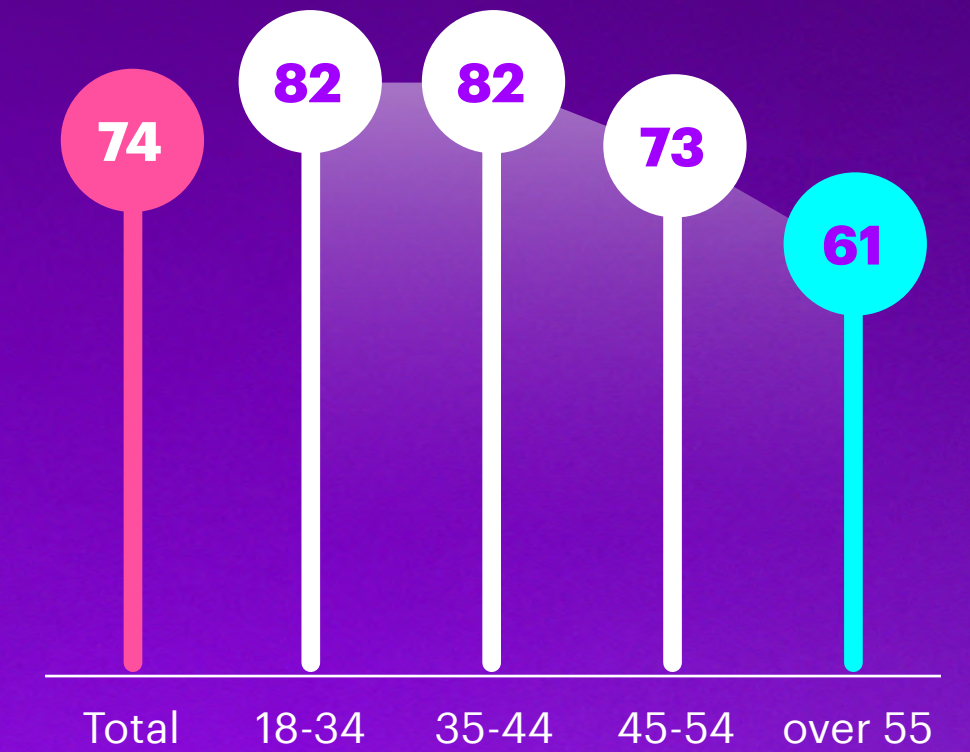
MENTORING...

ATTAINING...

Age as a barrier to digital inclusion

Age is proving to be a consistent barrier for Digital Inclusion across all categories of our PACE Index and is of particular weakness for those aged 55+.
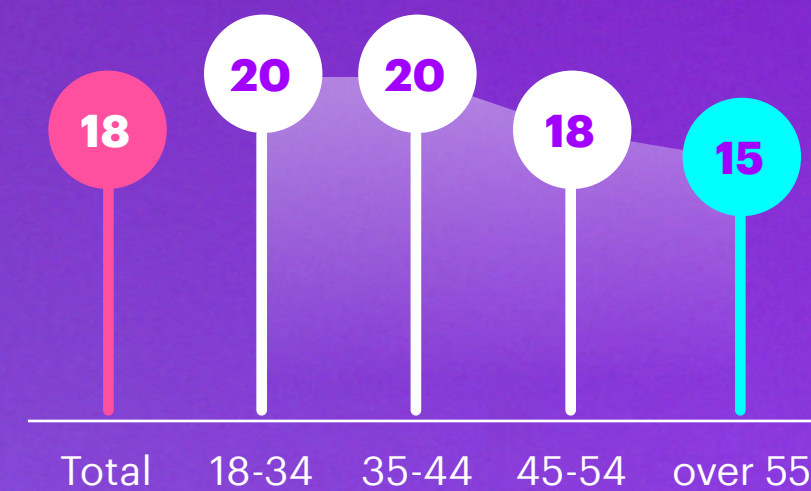
When it comes to skills levels by age, the 18-34 and 35-44 age groups perform ahead of the overall PACE score of 74/100, with those aged over 55 significantly under-performing. Each category of the PACE index (Protect, Access, Connect, Educate) is calculated out of 25, for an overall total PACE score out of 100.
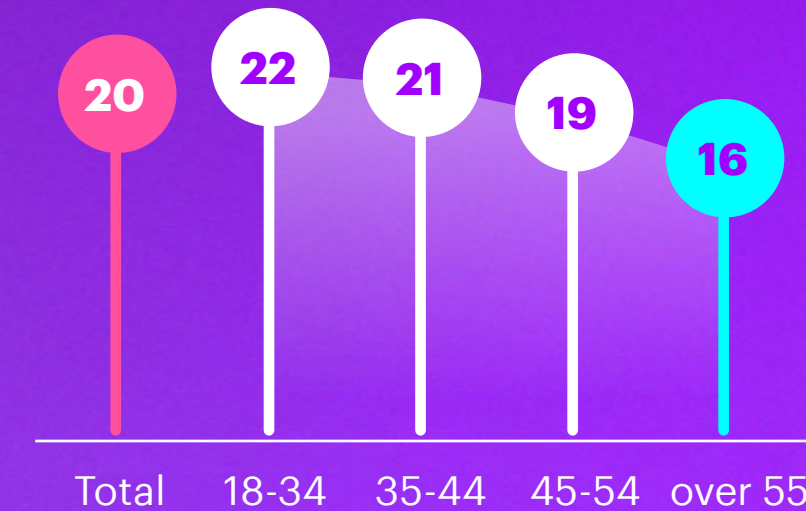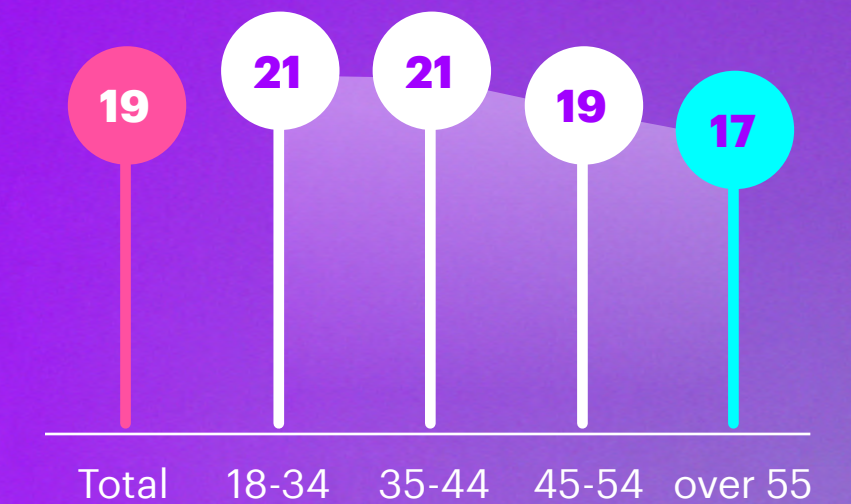
74

PACE Score out of 100

Total	18-34	35-44	45-54	over 55
74	82	82	73	61

Protect

Total	18-34	35-44	45-54	over 55
17	19	19	17	13

Access

Total	18-34	35-44	45-54	over 55
18	20	20	18	15

Connect

Total	18-34	35-44	45-54	over 55
20	22	21	19	16

Educate

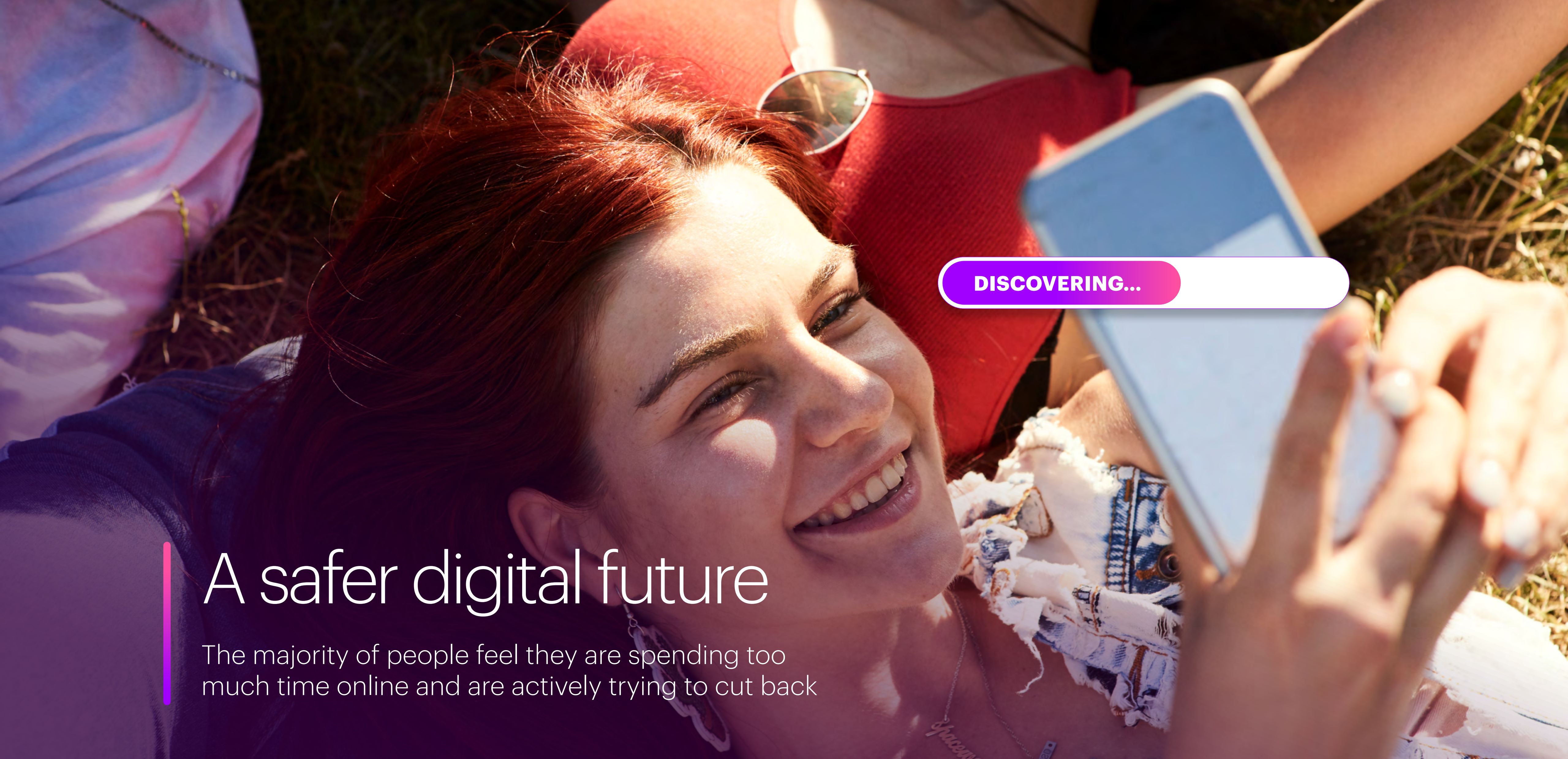| Total	18-34	35-44	45-54	over 55
19	21	21	19	17

DISCOVERING...

A safer digital future

The majority of people feel they are spending too much time online and are actively trying to cut back

When it comes to their attachment to technology and the internet, almost half of respondents say they find themselves online throughout the day, even if it's not completely necessary for work; 45% are actively trying to reduce the amount of technology they use each day. As soon as they finish work, 20% of people try to get away from technology.

One of the biggest negative issues, evident in the PACE Protect behaviour scoring, was low comfort levels in installing applications and changing privacy settings on social media sites. There was less of a gap across age and social class when it came to identifying false or unreliable information, such as untrustworthy sources, fake news, or fraudulent emails.

There were mixed messages on misinformation: younger people were more confident in their skills than older age groups, with the 18-35 category scoring 78/100 in their comfort level around being able to identify false or unreliable information, compared to 62/100 of over 55s.

"Teachers tell us primary school age kids are coming in tired and stressed because they were on their devices late into the night and were, in some cases, experiencing cyberbullying or being exposed to inappropriate content. Schools with tech savvy teachers are supporting children where they can, to learn the skills of navigating the online world safely and responsibly, but it's a core life skill that everyone needs to learn."
Alex Cooney, Chief Executive Officer, CyberSafeKids
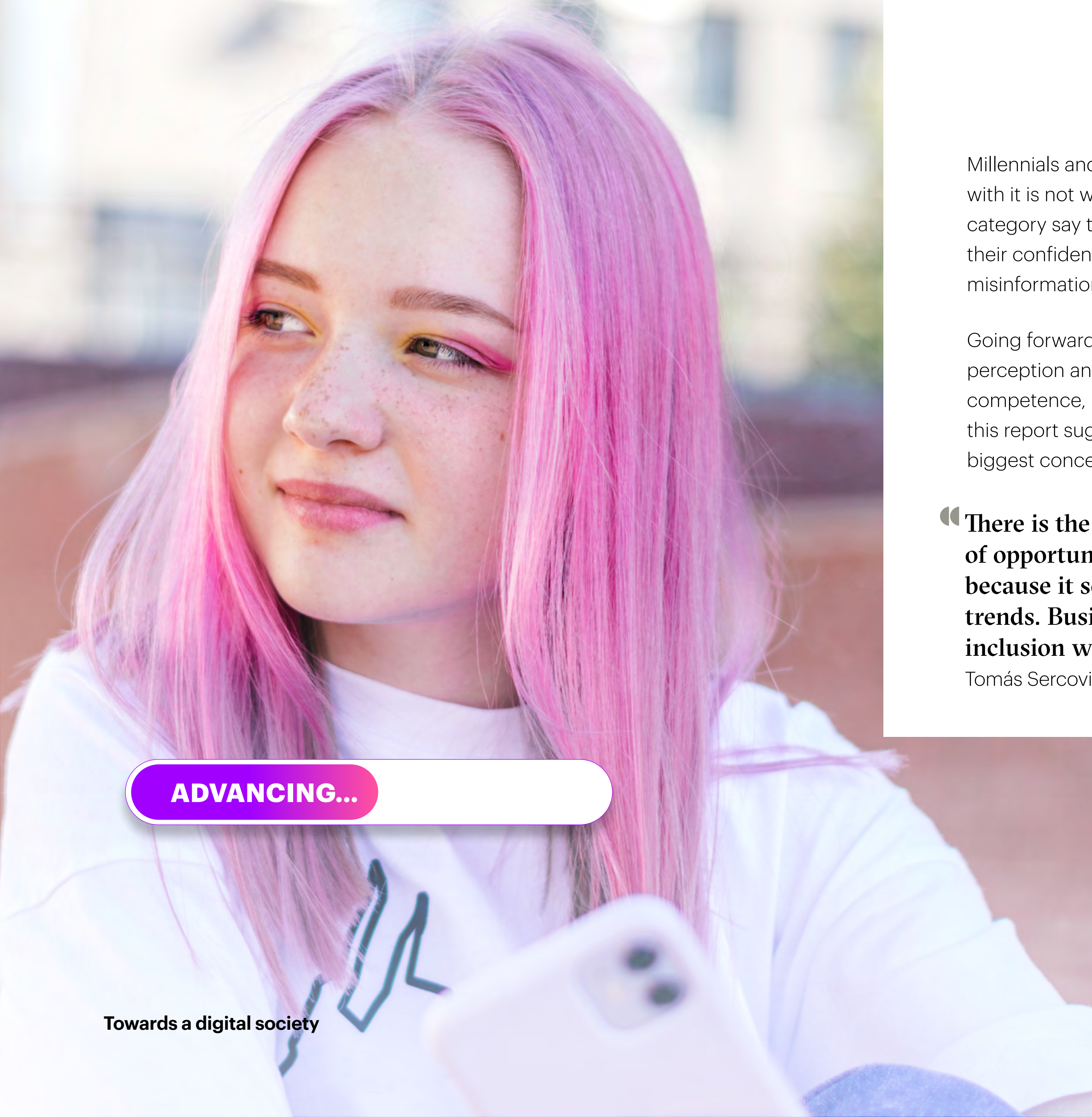
Millennials and Gen Z are driving the transition to a digital society but their relationship with it is not without its challenges. Nearly two-thirds of respondents (61%) in the 18-34 category say they could definitely spot 'fake news' online. Widespread research shows their confidence may be misplaced: tech-savvy younger people are more susceptible to misinformation than older age groups.

Going forward, another type of digital divide will need to be tracked – the gap between perception and reality when it comes to individuals assessing their own digital competence, particularly pertaining to fake news and cyberthreats. Early indicators in this report suggest that digital fatigue and issues around personal security may be their biggest concerns.

> **There is the need to make sure that this is a fair society with equality of opportunity and access. Government has the main responsibility because it sets the educational curriculum which should reflect digital trends. Businesses are second; they have to understand the importance of inclusion within services, product design, and access.**
> Tomás Sercovich, Chief Executive Officer, Business in the Community

Millennials and Gen Z are driving the transition to a digital society, but their relationship with it is not without its challenges

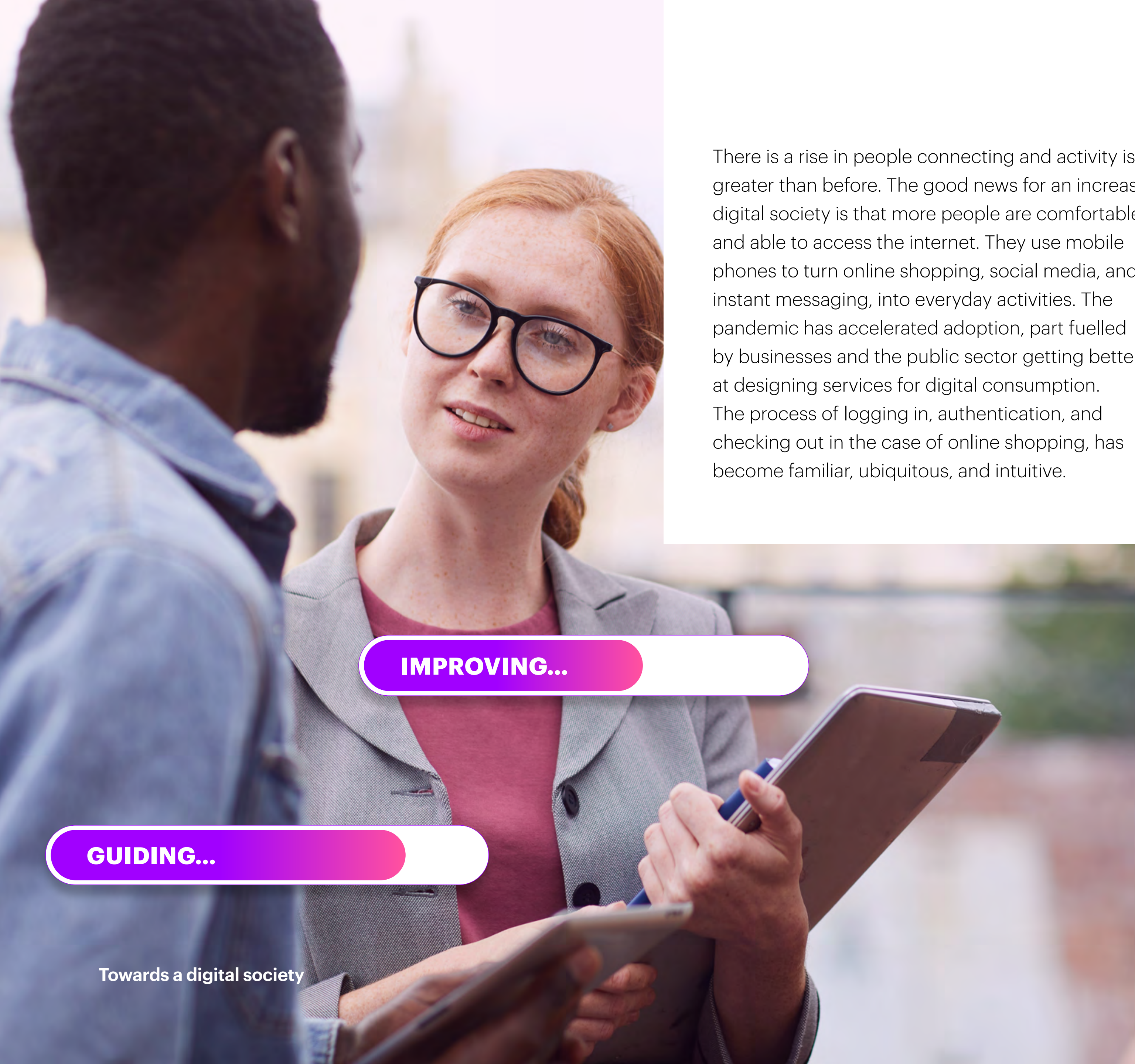**ADVANCING...**

ENCOURAGING...

ENLIGHTENING...

Conclusion

Working together for a better tomorrow

Fears of a digital divide have been around for as long as the internet, but inequities and their impact have changed

There is a rise in people connecting and activity is greater than before. The good news for an increasingly digital society is that more people are comfortable and able to access the internet. They use mobile phones to turn online shopping, social media, and instant messaging, into everyday activities. The pandemic has accelerated adoption, part fuelled by businesses and the public sector getting better at designing services for digital consumption. The process of logging in, authentication, and checking out in the case of online shopping, has become familiar, ubiquitous, and intuitive.

Perhaps the reason that a third of people are content to stick with their level of digital skills is that they can accomplish everything they need to. They have become proficient enough to adapt what they know to engage with service offerings or rely on friends and family for support if they get stuck.

There are many positives in the 2022 Accenture Digital Index in terms of people being comfortable with the move towards a more digital society. However, with a greater demand for more digitally skilled people and an emerging trend in digital jobs, businesses, government and educators need to continue to work together to prepare people for the future. This will require a focus on the cohort who are being left behind: to encourage them, incentivise them and upskill them so we prepare people for the future digital workplace.

IMPROVING...

GUIDING...

> **The gap between those who have access and those who don't may be a function of income. This type of market segmentation is classic economics and it's part of the digital divide.**

Danny McCoy, Chief Executive Officer, Ibec

Towards a digital society

Jen Speirs

Digital Divide Sponsor for Accenture in Ireland and Executive Creative Director within Accenture Interactive, comments:

"Unless we take action to address what is essentially a socioeconomic divide, a group of people risk being left behind in Ireland. We have to get better at conveying to them the importance of having more advanced digital skills and competencies that will help them succeed in a digital workplace and participate more broadly in society.

We have seen, for example, a lack of progress among certain groups in being able to create documents, including CVs, which are table stakes for getting a job. Government, education, and business will have to continue to be creative in how we reach this audience. We need to come up with inventive ways to engage with them, improving their prospects while at the same time benefitting Ireland's increasingly digital economy."

CONNECTING...
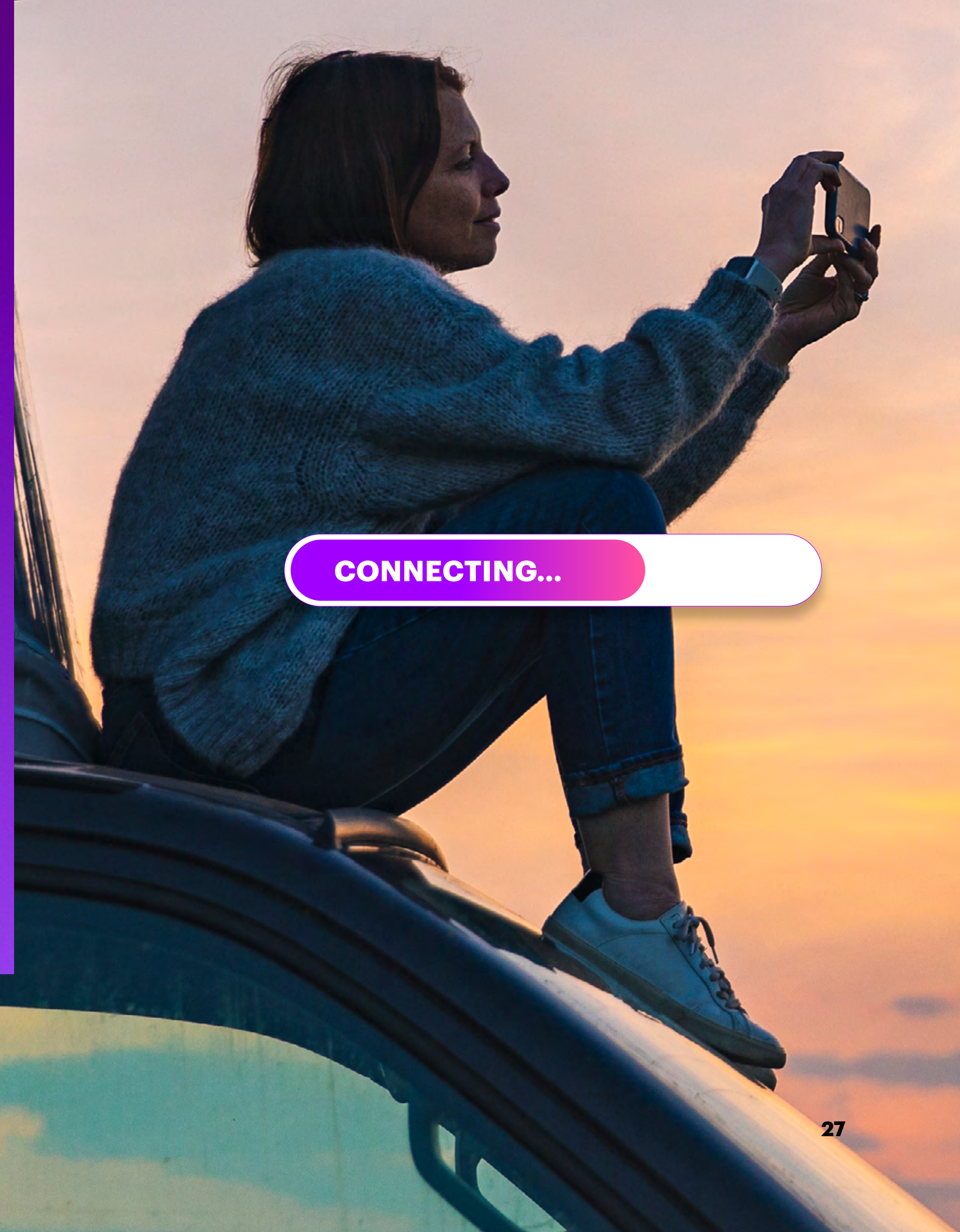
Accenture Social Impact Programme

At Accenture, we innovate to build more inclusive societies. With the boundless talents of our people, our capabilities, experience and the latest technology, we are creating social impact, empowering individuals around the world and improving millions of lives, now and for the next generations.

Our global Skills to Succeed initiative is about supporting and empowering people to take on the shifting workforce landscape. Through this, we have equipped more than 5.8 million people worldwide with the skills to make substantive improvements to their lives. In Ireland, we are continually evolving Skills to Succeed to meet changing local market needs and support people throughout their career journey—from young students to new graduates to more experienced workers. Our supports to address societal challenges, including the bridging of the digital divide, range from partnering with community organisations, bringing the expertise of our people through volunteering and collaborating across our ecosystem.

Combined with our human ingenuity, technology as an enabler is also at the heart of our Skills to Succeed initiative in Accenture in Ireland. We believe that our efforts can help people learn new skills more experientially, which is particularly beneficial for those re-entering the workforce. The online learning platforms Skills to Succeed Academy and Accenture Digital Skills, established as part of this initiative, help people develop beneficial skills to progress in their careers and excel in the digital economy. We have launched the Skills to Succeed Academy and Accenture Digital Skills with a range of partners, including the Department of Social Protection, Fastrack to IT, Junior Achievement Ireland and An Cosán.

INSIGHTFUL...

About Accenture

Accenture is a leading global professional services company, providing a broad range of services in strategy and consulting, interactive, technology and operations, with digital capabilities across all of these services. Our purpose is to deliver on the promise of technology and human ingenuity as we embrace the power of change to create long-lasting value in every direction for our clients, people and communities.

We combine unmatched experience and specialised capabilities across more than 40 industries – powered by the world's largest network of Advanced Technology and Intelligent Operations centres. With 674,000 people serving clients in more than 120 countries, Accenture brings continuous innovation to help clients improve their performance and create lasting value across their enterprises.

Visit us at **www.accenture.com**

Survey Methodology

There were three phases of research carried out by Empathy Research, spanning August–December 2021. First, there was a national CATI (Computer Assisted Telephone Interviewing) survey of n=1,000 adults aged 18+. Quotas were placed on gender, age, social class, and region to ensure a representative sample was collected. In-depth stakeholder interviews were conducted via telephone or video call and took place after the quantitative research. In-depth consumer interviews were conducted via a one-on-one telephone call and covered a range of age groups, social classes, as well as being split in terms of gender, region, and levels of digital competency.

For PACE scores, 12 behaviours were grouped into four broader categories (Protect, Access, Connect, Educate) and each participant was scored on their level of comfort. A total category score was calculated based on the sum of the scores in each category. Each total category score was then combined to arrive at our overall PACE score.