Spain: Building a system for continuing education

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1. **An overview of cooperation**

Collaboration and establishing State-enterprise partnerships in Spain to develop support policies for training is only a very recent concept.

In recent years, however, important steps have been made in three areas:

a) setting up a global model of all vocational training systems;

b) quantitative and qualitative growth in this type of training; and

c) setting up a scheme for State-enterprise collaboration, with union participation, to manage an enterprise-based training system.

The scheme being carried out calls for the management of some 210,000 million pesetas (1,300 million ECU) by social actors (employers and unions) over the 1993-96 period, 25% of which flows from the European Social Fund. Between 1993 and 1994 one million workers took part in training under this scheme.

1.1 **Recent history of dialogue, cooperation and participation in vocational training systems**

Let us take a brief historical look at the short history of negotiation which led to the Continuing Education Agreements between employers, unions and government so we may understand what has been happening in the area of vocational training for the social actors involved in this process. We dedicate the following lines to them.

In the late 1970s and at the same time as democracy was becoming a stable process in Spain, relations between social actors and the government were normalized.

Vocational training is one of the most important elements which reappears repeatedly in social dialogue and it stands forth for all participants as a deficit which needs to be dealt with urgently and acting together. Since the mid-1980s, the chronology has been the following:

1984: Economic and Social Agreement (AES), which provides a set of objectives for vocational training.

1985: National Training and Employment Plan (Plan FIP), which includes training for employees.


1990: Agreements on vocational training (reforms of the Plan FIP and priorities for continuing education).

1992: National Continuing Education Agreement and Tripartite Agreement.
Therefore, since 1984 at least there has been specific talk of continuing education between social actors and government.

Discussion has taken place not only in ad hoc meetings, but also with enterprise associations and unions who have for years taken part in tripartite bodies managing the various public agencies and, more specifically, in the National Employment Institute (INEM), which was, until 1993, in charge of managing continuing education systems.

As well as participating in governing bodies charged with designing and implementing vocational training in Spain, in particular in INEM and, since 1986, in the General Council for Vocational Training, social actors have participated in managing a part of this vocational training through a Programme Contract with INEM and have implemented a large part of the entire training proceedings each year.

This is important to note as it infers that several years prior to the signing of agreements future signatories were managing training systems especially for workers. This implies that there were specific organizations implementing training, elaborating procedures and teaching materials and so on and, why not, returning accounts to the State for funds used.

1.2 Securing the Continuing Education Agreements

Social agents not only participate in designing training systems, they also implement specific training plans. The important difference that has taken place with the advent of these agreements is that responsibility and competence to carry out these procedures have moved from the Administration to these agents and that these are compulsorily based on cooperation and dialogue among the social agents.

1.2.1 Origin and organization of agreements

The origin of these agreements dates back to 1989, when this theme began to be discussed in the CGFP. However, if we must put a date on when the meetings which would end in the signing of the agreements were begun, that date would be 10 October 1991 when the Permanent Commission of the General Council agreed to form a round table on vocational training.

All the most representative enterprise associations and unions participated in this round table, i.e. those that had reached a certain level of representation in their respective fields. This meant that the ELA-STV union was represented even though then it did not later subscribe to the agreements.

From 10 October 1991 to December 1992 successive meetings were held by the social actors with the aim of formulating the text of the agreement. In early April 1992, trades unions, with the exception of the ELA-STV, and enterprise associations came up with a text of the agreement which remained nevertheless subject to negotiations to be held with the government on funding for the new system.

In the summer of 1992, the date set for meetings with representatives from the Ministry of Labour and Social Security, negotiations were interrupted by government policies adopted to deal
with public deficit. These brought with them increased labour costs arising from reforms to the General Social Security System. Because of this, enterprise associations had to suspend the meetings.

Union pressure and the fact that enterprise associations took stock of their position led to the Tripartite round table being reconvened and, in October 1992, there was bipartite agreement between the social actors. The funding scheme proposed by the government at this point prevented the agreement becoming three-way.

Finally, on 16 December, the social actors signed the National Agreement for Continuing Education - the first bilateral agreement signed for ten years.

On the other hand, unions, employers and the government immediately agreed on the Tripartite Continuing Education Agreement for Employees which provided for, among other things, a funding scheme using general State resources. This financial framework would come into force on 1 January 1993.

1.2.2 Main points of divergence

Basically there are two areas of divergence:

- **Social agents**: discussion is centred above all around the different degree of participation unions must have in elaborating enterprise-based training plans and their follow-up. Unions also have a very important role, particularly on the Enterprise and Sectoral Commission Committees, in terms of reporting favourably or unfavourably or even vetoing training plans that have been presented for funding under the new system.

  Another important factor was creating the new system of Individual Training Permission, provided for in the new agreement, which meant giving workers the right to have some time, remunerated or not according to the circumstances, for their own training.

- **Government**: discussion centred above all around how the system was to be funded rather than how it was going to take place. Here we must take into account that funding for the new agreement were to come from enterprise and workers taxes paid into a fund destined for vocational training in general and it was the government’s wish that a part of these continued to flow toward training for the unemployed rather than training for workers who already had jobs.

  Perhaps less importantly, incorporating the new system into the whole general framework of vocational training and consequently the need for corresponding certification mechanisms was another relevant issue.

  The discussion also centred around other factors, including:
  - the agreements field of application. This resulted in leaving self-employed people out of the system as they do not contribute to social welfare for vocational training, and also bypassing civil servants. However, workers in the social economy (cooperatives and corporations) were included;
- minimum number of employees to be part of the plan. This relates to the number of employees in an enterprise on the payroll for the enterprise to have access to an enterprise-based or group training plan. The agreement finally set the number at 200 employees as the minimum for arranging a training plan, although later considerations have been flexible about this;

- capacity for developing inter-sectoral plans. This is settled by the most representative enterprise associations and unions acting as a monopoly to agree to proceedings.

Conclusion

One must point out that the most important factors contributing to the positive outcome of the agreements are:

- recuperating a certain climate for social dialogue;
- the undeniable advantage for social actors in acquiring a significant degree of competence from the State and the improvement in social representation in their respective spheres that this implies;
- the government's conviction that coordinated management of a system such as that currently underway would allow greater overlapping in the real qualification processes in enterprises.

2. General framework of the socio-economic context

It is important to provide the most relevant data to have a precise idea of context within which training policies in Spain are formulated, particularly partnerships between the State and enterprises in this area. To do so this report bases itself on two factors: available human resources and the structure of the productive system.

2.1 Human resources

Of the total population of Spain (39,143,000 people), the active population aged 16 years and over stands at 31,685,700,¹ which is distributed in terms of activity according to the following graph.

Distribution of working population (EPA. IV quarter 1994)

Population 16 years and older
31,685,700

<table>
<thead>
<tr>
<th>Active population</th>
<th>Inactive population</th>
<th>Other</th>
</tr>
</thead>
</table>

¹ Information used is found in the Survey on Active Population, fourth quarter of 1994, of the National Institute for Statistics.
As will be seen in this chapter, the two most distinguishing characteristics of the Spanish population in relation to activity (and at the same time the most worrying), are the low level of activity (48.8%) and the high level of unemployment (23.9%). Without going into too much detail, we shall list the most relevant data in relation to activity, work and unemployment.

**Activity**

Of the 15,468,400 active population at the end of 1994, around 38% were women with an activity rate of 35.8%, placing them last in the European Union, in spite of strong growth in this area seen in recent years and particularly since 1985. The fact that there are still many women waiting to join the workforce may aggravate the unemployment problem in coming years.

Another group that is starting to assume worrying proportions is that of those aged 54 years and older who are beginning to reduce their employment rate alarmingly. According to recent data, around 70% of employees retire before 65 with the subsequent increase in spending for the pension system that this implies.

**Work**

At the end of 1994 the number of people working did not even reach 12 million, there were precisely 11,770,000, of which 34% were women.

Of this total, only 3.5% followed any form of training and 70% of those for reasons of updating, recycling or others.

If the various studies are analysed we can see that 60% of those with jobs have, as a minimum, secondary or average education. Here the greater proportion of women with university education stands out with regard to the total.
Unemployment

This could be the most dramatic variable of all on the Spanish labour market. With more than three and a half million unemployed, almost one in every four of the active population, the Spanish economy holds the record for European Community countries.

Since the early 1970s and the oil crisis, unemployment has not stopped growing in Spain, except for short periods during economic recovery. But on top of times that have been in turn more or less favourable, one can see the lack of capacity in the Spanish economy to generate the necessary jobs. Suffice to say, in this context, that according to the 1995 ILO World Employment Report, the Spanish economy will have to grow more than 12% between 1995 and the year 2000 to reduce the current employment rate to 5%.

As in the rest of the European countries, unemployment is basically found among young people less than 29 years old, who make up 50% of the total number of unemployed. On the other hand, long-term unemployment does not stop growing, showing how permanent and enclosed the phenomenon is.

2.2 The structure of the productive system

In the current situation in Spain, six out of every ten people working are employed in the service sector, which seems to be the most dynamic in the economy and which presents the greatest potential for job creation.

At the end of 1994, this situation in relation to the other large sectors was as follows:

**Distribution of jobs by economic sector and gender**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Agriculture</th>
<th>Industry</th>
<th>Construction</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both</td>
<td>100</td>
<td>9.4</td>
<td>21.1</td>
<td>9.3</td>
<td>60.2</td>
</tr>
<tr>
<td>Men</td>
<td>100</td>
<td>10.5</td>
<td>25.1</td>
<td>13.6</td>
<td>50.9</td>
</tr>
<tr>
<td>Women</td>
<td>100</td>
<td>7.4</td>
<td>13.5</td>
<td>0.9</td>
<td>78.2</td>
</tr>
</tbody>
</table>

The current tendency continues to be one of losing workers in the agricultural sector and gaining in the other sectors, above all in the leisure and tourism industry and services to enterprises.

But perhaps one of the most important peculiarities of the Spanish productive system is its contraction, the largest of all European Union countries: approximately 95 out of every 100 Spanish enterprises employ less than 10 workers.
A recent study attests to this statement: of almost two million enterprises, 1,904,474 (93.07%) have no employees or have ten or fewer. Only 0.17% of enterprises have more than 250 employees.

<table>
<thead>
<tr>
<th>Total enterprises</th>
<th>No. employees</th>
<th>1 - 10</th>
<th>11 - 250</th>
<th>More than 250</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,904,474.00</td>
<td>1,293,868.00</td>
<td>478,532.00</td>
<td>128,914.00</td>
<td>3,160.00</td>
</tr>
<tr>
<td>(100%)</td>
<td>(67.94%)</td>
<td>(25.13%)</td>
<td>(6.77%)</td>
<td>(0.17%)</td>
</tr>
</tbody>
</table>

Data covers the whole of Spain, not including the Basque Country, the Canary Islands and Navarra.

3. General framework of vocational training policies

3.1 Historical view and current situation of the vocational training system

Similar to other European countries, vocational training in Spain has been divided into two major sections: formal vocational training within the formal education system and informal occupational vocational training within the labour sphere.

This report deals with occupational vocational training and, to do so, we must look back to the end of the 1960s when strong economic growth led to important changes in the productive structure of the country. The weight of the primary sector in the economy began to decrease and the need for qualified labour in industry meant that a training system to de-agriculturalize the rural population and help their move to the city and into the industrial, construction and service sectors had to be developed.

The Labour Administration was responsible for implementing this process and to do so it formed an institution which, in time, became part of the Public Employment Services.

Since 1986, and with considerable help from the European Social Fund, there has been a notable increase in the number of people taking part in vocational training. The number of people passing through the system increased five-fold between 1986 and 1988 to 300,000 a year.

The appearance of unemployment as a massive phenomenon of European society - and particularly serious in the case of Spain - since the early 1970s, meant the occupational vocational training system became a way of fighting fundamental unemployment.

It was not to satisfy demand for labour arising from a development boom, but rather an endeavour to miss not even one job position through lack of the necessary qualifications.

The difference in character between both subsystems: that of formal vocational training and occupational vocational training, which obviously carries with it differences not only in teaching content but also in the learning process and practical and formal apprenticeship results, lies in
whether training is job-oriented or profession-oriented. In a very simplified way we can say that occupational vocational training is much more specific, lasts less time, is highly practical and currently without the benefits of certification.

In March 1993 the government, with approval from the National Vocational Training Programme (PNFP), produced a document setting out a scheme for the organization of and responsibility for vocational training in Spain. The PNFP resulted from the mandate produced several years ago in the General Council for Vocational Training, a tripartite organization where enterprise associations, unions and State Administration are represented.

Since then all factors which, until now, had operated in a vocational training frame of reference were brought together in one model.

- **Educational framework**: defined by the Law for General Ordination of the Educational System (LOGSE) and run for formal vocational training students. It is the responsibility of the Ministry of Science and Education and, in some cases, the Autonomous Communities (Regional Governments) competent in this field.

- **Labour framework**: established under the National Training and Employment Plan (Plan FIP) and aimed at training the unemployed. This comes under the Public Employment Services, i.e. the National Employment Institute (INEM) or the Autonomous Communities competent in this field.

- **Business framework**: arising from agreements on continuing education (where they speak of continuing) aimed at employees. This comes under those enterprise associations and unions which have signed the National Continuing Education Agreement (ANFC). There is no competent body for this in the Autonomous Communities.

The PNFP, which lasted until the end of 1996, presents a series of objectives and programmes to be implemented which would take too long describe at this point. However, it should be pointed out that the fundamental component of the programmes is the National System for Vocational Qualifications (SNCP).

In short, what the SNCP tries to do is create a global reference point within which all available qualifications through whichever of the subsystems that play a part in the PNFP fall.

This global framework would allow a system for recognition of titles or certificates to be circulated among the subsystems for those participating in the various training processes. This would effectively mean that each system had its own catalogue or repertoire of titles or certificates. Then it would be possible, for example, for workers trained in an enterprise-based system to obtain certification through a cross-crediting system allowing them to obtain a particular title from the education system and complete their professional and educational goals.
3.2 Enterprise-based continuing education

In Spain investment for continuing education is still very low particularly when comparing the
cost of vocational training of Spanish enterprises with that of other industrialized countries. Until
only very recently Spain was last of all the European Union countries in all activity sectors, with
an average global spending of 0.2% of the labour cost compared to 1.5% of enterprises in other
EU countries.

And compared with OECD countries, the amount invested in vocational training in relation to
GDP is half on average of that earmarked in all countries belonging to it.

In all safety we can say that this situation will have changed for the better with the advent of the
continuing education agreements even though there are still no valid studies allowing us to
quantify this improvement.

In terms of enterprise size it is clear that investment in vocational training is almost exclusively
concentrated in the large corporations. There is, then, a direct relationship between the number
of employees and the amount of spending on training, although this hardly even reaches an
acceptable level in enterprises with more than 500 employees. In small and medium-sized
enterprises this spending is practically nil, which is particularly worrying as these enterprises are
the main component of the Spanish productive web.

In the productive sectors, most spending takes place in the services sector. The fact that this is
currently the most dynamic sector of our economy once more confirms the close relationship
between continuing education, innovation and competitiveness.

Sector by sector and within each sector it is evident that spending on training is greater in areas
where there is greater capitalization (for example, financial and insurance enterprises in the
service sector or energy in the industrial sector) and less where there are more intensely manual
activities (hotels and trade in the service sector and in most of the manufacturing industry).

A recent survey carried out by the Association for Training and Development in Enterprises
(AFYDE) in 7,568 enterprises with more than 50 employees shows the basic characteristics of
the current situation:

- Training is ranked sixth in enterprise priorities.
- The main training lack is in job retraining, cultural change in management and
  training in global strategy.
- The most important benefits of training are motivating and increasing job
  satisfaction, increasing productivity and encouraging integration and
  collaboration.
- Compared to product innovation, which is planned well in advance, training
  activities are largely undertaken after the need arises.
- As regards explicit training requirements, material considered relevant are
  computer skills, managing new robotics systems, languages, administration,
  legislation and finance.
Those who have received some type of training are 70% technicians, 64% middle management, 50% directors, 45% traders and sellers and 38% administrators and workers.

Now that we have presented this concise view of the Spanish vocational training model and its rate of incidence in enterprises, let us pass to the following section to describe and evaluate the specific situation dealt with in this report, i.e. partnerships between the State and enterprises in the field of vocational training as already referred to in the Continuing Education Agreements.

4. An analysis of the Spanish situation: the Continuing Education Agreements

As seen in the previous section, the ANFC is an integral part of the existing vocational training system in Spain. This section is dedicated to these agreements and the tripartite agreement which complements them, to describing them, how they are implemented, how they are managed, methods of application and results and evaluations.

4.1 General description of the continuing education system

The ANFC was signed in December 1992 by the CEOE and CEPYME enterprise associations and the CCOO, UGT and CIG unions.

It has been in force since 1 January 1993, with an extendable mandate of four years. Its sphere of application extends over the whole country.

Its application, complemented by funding through the Tripartite Agreement reached between these organizations and the government, is the culmination of a process which tries to give enterprises and workers access to a new vocational training system based on social cooperation and direct responsibility of economic activity leaders themselves.

The agreement is in itself an important outcome of social cooperation. For the first time in many years, organizations representing workers and employers have crystalized in an agreement a series of measures aimed at encouraging competitiveness in the productive system as a whole.

Moreover, the agreement must contribute as it develops to joint decision-making within enterprises as specific training plans are going to require a high level of consensus and therefore an effective effort in the search for similarities of objectives between enterprises and workers.

The fact that vocational training for employees is now the responsibility of the social actors directly involved implies that decisions about what to teach, how to teach it and on behalf of whom are now the domain of those involved.

The agreement tries to develop a series of measures that will allow workers to obtain a better level of qualification in order to:

- promote their personal and professional development;
- improve enterprise competitiveness;
- adapt human resources to technological innovation; and
- encourage the development of new economic activities.

All enterprises and agencies developing training ventures according to the terms laid down by the agreement can be part of the ANFC, as can all employees through the individual training permission contemplated in the agreement.

Training ventures that can compete for funding will be those specifically aimed at employees in enterprises.

4.2 Ways of implementation

To deal adequately with demands arising from the current configuration of the Spanish productive system, the ANFC distinguishes between the different types of training plans looking basically at the four following objectives:

- to reinforce the level of qualifications of the different sectors from a global point of view;
- to respond to the specific needs of large enterprises;
- to encourage small and medium-sized enterprises to be more competitive and to contribute to palliating the effects of excessive shrinking in numbers of employees; and
- to provide for workers individual training requirements.

Actions planned in order to reach these objectives:

Enterprise-based training plans

These are mainly aimed at enterprises with at least 200 employees which have designed their own Training Plan on a yearly basis. In 1995 the size prerequisite was introduced and widened to encompass those enterprises with a Training Plan of at least 500 hours or affecting 50% of the company workers.

To obtain funding from the ANFC for activities making up their annual quota, enterprises must present their Training Plan.

Group Plans

These are aimed at groups of enterprises which individually do not reach the aforementioned numbers of staff and whose activities fall into one sector. These plans are considered advisable for these types of enterprises with no teaching structure of their own.

Enterprises involved in each Group Plan must comprise, in total, at least 200 workers. These plans must be promoted by enterprise associations and/or unions.

Intersectoral plans
The most representative enterprise associations and unions in the Mixed State Commission for Continuing Education can draw up Training Plans which transcend the sectoral division and affect training ventures which naturally have a common component for various sectors of activity.

Individual Training Permission

This is so workers can freely participate in officially recognized training with attested diplomas and qualifications. These may last no more than 150 hours and for workers to participate they must have worked in the sector concerned for at least one year and six months with the enterprise.

4.3 Funding the system

According to the Tripartite Agreement, ANFC funding comes mainly from the current vocational training quota collected by Social Security from enterprises and workers.

The current taxation quota (0.7% on accident and sickness insurance) is, in principle, invariable although it can be changed on request of the organizations signatory to the ANFC.

The overall amount is distributed in two parts: one for funding training for employees and one for funding training for unemployed. Should an increase in the quota happen, the amount is wholly destined for continuing education.

The following scale applies:

<table>
<thead>
<tr>
<th>Year</th>
<th>Continuing education for employees</th>
<th>Training for the unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>0.1%</td>
<td>0.6%</td>
</tr>
<tr>
<td>1994</td>
<td>0.2%</td>
<td>0.5%</td>
</tr>
<tr>
<td>1995</td>
<td>0.25%</td>
<td>0.45%</td>
</tr>
<tr>
<td>1996</td>
<td>0.3%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Social Security continues to be in charge of collecting these funds, as it is INEM that yearly transfers the corresponding amount to the Mixed State Commission for Continuing Education.

The other important source of funding for ventures contemplated in the ANFC comes, as has been already mentioned, from European Union structural funds and more specifically from the European Social Fund. It is therefore important to point out that in Objective 4, aimed at adapting workers to industrial change, FORCEM is the one and only advocate, whether acting within or from outside Objective 1.
4.4 Organization and participation by social actors

4.4.1 Parties involved

Mixed State Commission for Continuing Education

The signatory organizations (CEOE, CEPYME, CCOO, UGT and CIG) to the ANFC formed a joint entity of 16 members: eight from the employers' organizations and eight from the unions, for the development of the Agreement.

Its functions are:

- to see the ANFC is carried out
- to resolve differences in its application
- to administer the funds available for financing training ventures
- to establish criteria for choosing training plans
- to evaluate results of training plans on a global scale

Sectoral Joint Commissions

There are also joint commissions in the sectors created specifically within each area with the following functions:

- to apply the agreement in each sector in the most appropriate way using the orientation criteria called for;
- to resolve discrepancies arising between enterprises and workers in designing enterprise-based training plans;
- to approve the requests of the Group Plans with collective agreement or specific agreement on a State level;
- to draw up sectoral studies and investigations into requirements for continuing education.

So far, around 40 Sectoral Commissions have been created.
Territorial Bodies

The Mixed State Commission for Continuing Education will decide the constitution of the territorial bodies that best contribute to the development of the National Agreement. So far, six Territorial Commissions in six Autonomous Communities have been created. Their functions are similar to the Sectoral Commissions but reduced in geographical scale.

The National Tripartite Monitoring Commission

The signing of the Tripartite Agreement between enterprise associations and unions and the government (as a complement to the National Agreement) led to the creation of this Commission charged with monitoring the whole process, particularly in the area of funding and establishing ways of collaborating among the Administration and social actors that improve the chances of fulfilling the main objectives of the Bipartite Agreement. This collaboration is mainly based on centres transferring development of training initiatives, providing teaching materials, elaborating studies and statistics and so on.

4.4.2 Funding for continuing education

The signatories to the ANFC created the Foundation for Continuing Education (FORCEM) as joint state entity responsible for organizing, managing and implementing training ventures considered in both the Bipartite and the Tripartite Agreement.

4.4.3 How plans are harmonized within the framework of collective negotiation

When it comes to setting priorities and specific criteria that must be covered in drawing up specific training plans, collective negotiation at its various levels must play a determining role:

- at State level questions relating to the application of the ANFC can be covered by the State Sectoral Collective Agreement or be the object of a Specific Agreement on Continuing Education between enterprise associations and unions in each sector. These sectoral collective agreements and specific agreements must deal with:
  - development priorities in training ventures
  - targeting groups of workers particularly affected
  - listing centres available
  - regime of individual training permission
  - competence of the corresponding Sectoral Joint Commission
  - within the Collective Enterprise Agreements, i.e. when there is no collective or specific sectoral agreement, agreements which favour drawing up Continuing Education Plans for workers can also be established
  - for Training Plans that have no specific framework of reference in any of the stated collective bargaining processes, cooperation between employer and worker
representatives will take place within the framework of their own collective agreements or those of the State Mixed Commission.

4.5 Management of the ANFC: procedures and methodology

Let us now describe the management process for training plans which arrive at FORCEM. It must be noted that these procedures refer to the 1994 financial year and, as such, may vary somewhat. We have confined ourselves here to highlighting the fundamental points.

4.5.1 Procedures

This deals with a system that injects public funds in the form of capital grants to enterprises, groups of enterprises or individual workers trying to put together training ventures. The general framework of standards applies for any type of Spanish public subsidy and plans must comply with certain specific requisites and be submitted to different tests. These are the following:

- General State intervention
- INEM inspection
- The Audit Offices of both the Spanish Government and the European Union

The steps that must be taken to fulfil requests and resolutions for help from FORCEM for an Enterprise Training Plan are:

a) Notice of funding availability. This is carried out through FORCEM in the Official State Bulletin (BOE) and sets out conditions for participating and receiving funds.

b) Request by an enterprise or enterprise group. Within the time limit laid down by the notice of funding availability, the enterprise (for Enterprise Plans, see 4.2.) or enterprise group (for Group Plans) will present a request. This request must be accompanied by a Training Plan as well as other documentation testifying that the prerequisites for receiving funding have been fulfilled. It is important to indicate that:

- Enterprise plan requests must include the Report from the Legal Representation of Workers (RLT) on the Training Plan;
- Group Plan requests must prove that each enterprise in the group has informed its respective union representatives.

b) Plan analysis and submission to the Sectoral Joint Commissions. Once requests have been received, along with their corresponding plans, they are evaluated by a FORCEM team when a funding proposal is made and are sent to the Sectoral or Territorial Joint Commission concerned for their information or decision. It must be remembered that these Commissions play an important role in having the ability to approve or reject Group Plans.
c) Plans returned by the Joint Commissions and the outcome. The Joint Commissions return the requests to FORCEM with the corresponding report or decision in each case, and the definitive decision proposal is then drawn up. This is made by the FORCEM governing body which comprises equal representation from enterprises and unions.

d) Monitoring and inspection. Once the enterprise or enterprise group has been informed of the decision and has received the subsidy they must jointly carry out with FORCEM a monitoring process of the training venture and justify the use of the funding they received in accordance with established procedures.

e) Final evaluation: once training plans have been implemented there is an evaluation by an external FORCEM team which tries to measure the impact of the ANFC as a whole on enterprise reality.

The procedure is somewhat different for Individual Training Permission (PIF) as the person requesting funding is the employee and approval comes from the enterprise. As seen previously the employee must first be aware of the notice of funding availability carried out by FORCEM, following which the employee makes a PIF request to the enterprise specifying the reason for permission, length of leave, etc. Once permission is granted by the enterprise a funding request is sent to FORCEM which formulates a funding proposal equivalent to the average wage for the worker's category and including the corresponding social charges. The grant is then paid out and its use monitored.

4.5.2 Methodology

In this section we look at two of the methodologies that are particularly important throughout the whole process: evaluating plans and funding for them. We must also remember that both can vary according to experience.

a) How plans are assessed - in 1994 the methodology used followed a process through which four criteria were assessed:

Notice of funding availability and the sector where the training plan was developed. The plan's degree of adaptation is measured according to the priorities of the available training fund and, if relevant, of the sector, as regards training and the targeted collectives.

The following items to decide the degree of adaptation to the available funding criteria were taken into account:

- improvement in competitiveness and employment
- technological innovation and modernization plans
- suitability of labour organization
- training with multiple effects
- collectives with training needs
- balance between supply and demand of qualifications
- improvement in the management of small and medium-sized enterprises

Quality of the components of the training plan: here the fundamental components of the plan are analysed, including the following:

- strategic plan for human resources
- diagnostic of training needs
- objectives
- desired results
- evaluation of the plan
- coherence

Specifications of training ventures: from information in the plan itself, specifically the following points:

- objectives
- desired results
- contents of the training venture
- teaching means and materials
- implementation timetable
- place of training
- monitoring and evaluation mechanisms

Criteria for the training plan's impact, taking into account the following:

- effort
- extent
- average length of training venture
- certification

Global evaluation to a maximum of one, is determined by each of the four indices making up the final total. Should one or more of these be zero the plan does not fulfil the minimum criteria for quality in order to attract funding. In the remaining cases each index has a specific weight.

This technical evaluation is qualified by the number of staff in those enterprises forming an enterprise Group Plan. It was thought to provide incentives for Group Plans according to the average number of staff along the following lines:
- averaging 1-50 workers 1.3
- averaging 51-100 workers 1.2
- averaging 101-200 workers 1.1

The result of applying these coefficients in the technical evaluation process is the coefficient of the global evaluation of the assessment.

Finally, a qualitative report is carried out in which the most outstanding components in assessing the plan are summarized according to each assessor’s opinion, with reference to the incidences observed.

b) Funding for submitted training plans is different from the modular conception that reigned in training support systems. This conception established specific monetary support in pesetas/hour for each type of training activity. The system applied by FORCEM tries to approach a conception using the dimensions of the training plan as a reference point and, as a consequence, its real cost.

With this philosophy, in essence, the applied methodology looks at the following variables:

- Proportionality: the annual quota for vocational training paid by an enterprise or group of enterprises
- Quality: scoring obtained by the training plan (whether enterprise or enterprise group) in the technical evaluation phase carried out by FORCEM. This scoring basically refers to the quality of the plan submitted.
- Size: dimensions of the enterprise or average dimensions of the enterprise group in each case
- Effort: total number of training hours of the approved plan

The combination of these results aims to provide more generous funding for plans from small enterprises and of higher quality and this is achieved through constructing a double-entry quality/size table which produces some multiplier coefficients of the training quota paid by enterprises in that particular year.

From here, various restrictions or filters enter into the equation and these clearly specify that the amount of the subsidy will not be greater than:

- the total cost of training activities
- 75% of the total cost of the plan when it includes other costs
- the total cost of the plan minus subsidies received from other sources
- the amount requested

4.6 First results
The following are the results from 1993 and 1994. The time limit for the first published set of funding available for training for 1995 ended only recently which is why it is still too early to have data for this year.

During 1993 and 1994 2,290 training plans were approved and financed to the tune of around 50,000 million pesetas. This helped around one million workers.

<table>
<thead>
<tr>
<th>Year</th>
<th>Approved plans</th>
<th>Funding (pesetas millions)</th>
<th>Participants (approx.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>747.00</td>
<td>10,883.00</td>
<td>300,000.00</td>
</tr>
<tr>
<td>1994</td>
<td>1,543.00</td>
<td>38,863.30</td>
<td>700,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>2,290.00</td>
<td>49,746.30</td>
<td>1,000,000.00</td>
</tr>
</tbody>
</table>

Some significant variables from 1993 provide the following information. This information covers plans that have been approved but not yet implemented so there will probably be some changes which may diminish, above all, the data referring to Group Plans. This information lag is due to the time limit for implementing 1993 plans being extended to June of the following year.

Age and gender of participants. More than twice the number of men attended programmes than women. This factor was reflected by the same amount in the age span of 25-45 years old.

<table>
<thead>
<tr>
<th>Age</th>
<th>Men</th>
<th>Women</th>
<th>Both sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 25</td>
<td>4.7</td>
<td>3.8</td>
<td>8.5</td>
</tr>
<tr>
<td>25 - 45 years</td>
<td>48.3</td>
<td>22.7</td>
<td>71.0</td>
</tr>
<tr>
<td>More than 45</td>
<td>14.9</td>
<td>5.6</td>
<td>20.5</td>
</tr>
<tr>
<td>Total</td>
<td>67.9</td>
<td>32.1</td>
<td>100</td>
</tr>
</tbody>
</table>

Professional category and job description. The greatest number of participants were qualified workers and those from the production sector.

**Professional category**
- Directors: 5.1%
- Middle management: 18.8%
- Technicians: 19.2%
- Qualified workers: 32.7%
- Unqualified workers: 18.2%
- Unknown: 6.0%

**Job description**
Enterprise size: most participants came from enterprises with 10,000 or more workers. It is significant nonetheless that there was a strong concentration from enterprises with less than 10 employees, although definitive data on plan implementation is still pending, as it is highly probable that the rate of failed plans will be higher in smaller enterprises.

<table>
<thead>
<tr>
<th>Average no. of staff (employees)</th>
<th>Participants</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 5</td>
<td>60,842.00</td>
<td>60,842.00</td>
<td>10.8</td>
</tr>
<tr>
<td>6 - 10</td>
<td>53,444.00</td>
<td>114,286.00</td>
<td>20.3</td>
</tr>
<tr>
<td>11 - 25</td>
<td>18,344.00</td>
<td>132,630.00</td>
<td>23.5</td>
</tr>
<tr>
<td>26 - 50</td>
<td>9,895.00</td>
<td>14,225.00</td>
<td>25.3</td>
</tr>
<tr>
<td>51 - 100</td>
<td>1,083.00</td>
<td>153,358.00</td>
<td>27.2</td>
</tr>
<tr>
<td>101 - 200</td>
<td>17,721.00</td>
<td>171,079.00</td>
<td>30.3</td>
</tr>
<tr>
<td>201 - 300</td>
<td>12,681.00</td>
<td>183,760.00</td>
<td>32.6</td>
</tr>
<tr>
<td>301 - 500</td>
<td>26,891.00</td>
<td>210,651.00</td>
<td>37.3</td>
</tr>
<tr>
<td>501 - 750</td>
<td>18,907.00</td>
<td>229,558.00</td>
<td>40.7</td>
</tr>
<tr>
<td>751 - 1,000</td>
<td>31,238.00</td>
<td>270,796.00</td>
<td>46.2</td>
</tr>
<tr>
<td>1,001 - 2,000</td>
<td>49,170.00</td>
<td>309,966.00</td>
<td>54.9</td>
</tr>
<tr>
<td>2,001 - 5,000</td>
<td>70,973.00</td>
<td>380,939.00</td>
<td>67.5</td>
</tr>
<tr>
<td>5,001 - 10,000</td>
<td>52,214.00</td>
<td>433,153.00</td>
<td>76.8</td>
</tr>
<tr>
<td>More than 10,000</td>
<td>130,999.00</td>
<td>564,152.00</td>
<td>100</td>
</tr>
</tbody>
</table>

Length of training activities: one fourth of all training activities last between 30 and 40 hours.

<table>
<thead>
<tr>
<th>Average length of training (hours)</th>
<th>Participants</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
</table>

20
<table>
<thead>
<tr>
<th>Average no. of staff (employees)</th>
<th>Funding (in pesetas millions)</th>
<th>Total (in pesetas millions)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 5</td>
<td>2,108.90</td>
<td>2,108.90</td>
<td>19.4</td>
</tr>
<tr>
<td>6 - 10</td>
<td>1,103.30</td>
<td>3,212.20</td>
<td>29.5</td>
</tr>
<tr>
<td>11 - 25</td>
<td>445.30</td>
<td>3,657.50</td>
<td>33.6</td>
</tr>
<tr>
<td>26 - 50</td>
<td>268.80</td>
<td>3,926.30</td>
<td>36.1</td>
</tr>
<tr>
<td>51 - 100</td>
<td>257.50</td>
<td>4,183.80</td>
<td>38.4</td>
</tr>
<tr>
<td>101 - 200</td>
<td>175.40</td>
<td>4,359.20</td>
<td>40.1</td>
</tr>
<tr>
<td>201 - 300</td>
<td>209.60</td>
<td>4,568.80</td>
<td>42.0</td>
</tr>
<tr>
<td>301 - 500</td>
<td>536.30</td>
<td>5,105.10</td>
<td>46.9</td>
</tr>
<tr>
<td>501 - 750</td>
<td>388.00</td>
<td>5,493.10</td>
<td>50.5</td>
</tr>
<tr>
<td>751 - 1,000</td>
<td>353.70</td>
<td>5,846.80</td>
<td>53.7</td>
</tr>
<tr>
<td>1,001 - 2,000</td>
<td>949.10</td>
<td>6,795.80</td>
<td>62.4</td>
</tr>
<tr>
<td>2,001 - 5,000</td>
<td>1,116.50</td>
<td>7,912.30</td>
<td>72.7</td>
</tr>
<tr>
<td>5,001 - 10,000</td>
<td>979.90</td>
<td>8,892.20</td>
<td>81.7</td>
</tr>
<tr>
<td>More than 10,000</td>
<td>1,990.80</td>
<td>10,883.00</td>
<td>100</td>
</tr>
</tbody>
</table>
Cost structure for training activities: more than 50% of approved training costs were paid to trainers

<table>
<thead>
<tr>
<th>Cost structure</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trainers</td>
<td>50.8</td>
</tr>
<tr>
<td>Classrooms &amp; premises</td>
<td>7.2</td>
</tr>
<tr>
<td>Teaching material</td>
<td>13.2</td>
</tr>
<tr>
<td>Intangibles</td>
<td>4.9</td>
</tr>
<tr>
<td>Other costs</td>
<td>24.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

5. **Analysis: positive and negative points**

The experience of the two years of application of the Continuing Education Agreements has yielded without doubt a balance of light and shade which is not always easy to separate. However, we are going to attempt to do so knowing that this may produce a somewhat simplified look at the situation.

5.1 Positive points

a) **A practical firming up of partnerships between the State and enterprises.** This is a fundamental element which has allowed State competence (managing the vocational training system) to pass to the end-user, i.e. enterprises.

Its importance is not only through its quantitative dimension (210,000 million pesetas in four years) but also through its qualitative importance represented by assuming responsibility for management of the national system.

b) **Extending cooperation and joint organization.** Another important success is having introduced the training element into collective negotiation in the sectoral, territorial and enterprise environment. It means involvement and agreement within the enterprise between employers and employees to achieve the best qualifications for human resources. This model has evolved through the creation of sectoral, territorial and enterprise joint commissions.

c) **Widening the field where training is carried out.** Before the Agreements only large enterprises had training programmes. Following the signing of agreements medium-sized enterprises (between 200 and 500 employees) became an important part of the training world. Moreover, small enterprises have begun to take part in this process, although sometimes with much difficulty and many false-starts.
d) **A change from supply culture to a demand culture.** Previously all training that took place was the only available training. This is also changing and enterprise demand for training, backed by requirements, is beginning to force training providers to adapt their products to these requirements.

e) **Introducing the concept of planning as opposed to training activities or courses concept.** Prior to the Agreements the system financially supported implementing courses. The ANFC advanced a new idea where it is the training plan which is worth something as a whole, in this way leading to a global vision of training implementation as an integral part of enterprises’ strategic plan. The practical response to this has been clear: 70% of plans approved extend their geographic implementation to more than one Autonomous Region.

5.2 Negative points

The fact that this section is longer than the previous one should not give the impression that these experiences have been more negative than positive. Rather, greater explanation of negative points is more to inform others of the mistakes and deficiencies found so that they can benefit from this and, at the same time, because they are part of future improvement or the basis for future implementation.

This being said, let us divide the negative points into two major groups: functioning and management of the system, and strategic content.

5.2.1 Functioning and management

a) Applying a policy of division rather than consensus: signatories (enterprise associations and unions) inability to agree has meant that problems and solutions are, in many cases, divided and shared out. The lack of an internal decision mechanism is part of the problem.

b) Organizations: part and parcel of the system: the Continuing Education Agreements envisages double participation by signatory organizations in their application and development. On one hand, they have decision-making competence on the strategic model and specific assignation of funds to enterprises; and on the other, mechanisms for signatories themselves to have the ability to directly promote training plans within the Agreements are included.

Furthermore, many Sectoral Joint Commissions, entrusted with approving Group Plans, also promote these thereby having decision-making capability on public subsidies in plans in which they have a direct interest. This distorts the role of these Commissions and does not favour the required cooperation process.

5.2.2 Strategic content
In this section there are several important problems:

a) **Lack of a quality plan for training** which includes a system of technical support and control. The surely well-defined priority of implementing the budget available should not exclude setting up a control mechanism and improving the quality of training. This has been, until now, an serious deficit in the system which has a negative impact on the move towards a complete model, not only in funding support but also in implementation and intervention mechanisms in content material of teaching ventures, technical assistance, etc.

b) **Insufficiency in the system with regard to small enterprises.** The Agreements themselves recognize that their success lies in how they are applied to small and medium-sized enterprises.

Large enterprises already have a reference structure for design and execution of training and FORCEM only provides financial help for training, which takes place regardless. It is not surprising therefore that in this segment there is practically unanimous recognition of the new model which is much more agile and flexible than the previous one in responding to needs. However, the application of the Agreement in small enterprises, in spite of the fact that it constitutes a really decisive and contrasting factor, leaves much to be desired.

Effectively and, as previously referred to, small and medium-sized enterprises have been increasingly taking part in group plans but the number of these plans that do not come to fruition or come about in a lesser way than expected is much higher than that which happens with enterprise plans. The reason for this is the lesser flexibility that small enterprises have to implement internal training programmes. The deficit in applying the ANFC is precisely in its not having designed and contrived support instruments and mechanisms to compensate for the differences between large and small enterprises.

c) No collaboration with public institutions. This collaboration is laid down in the Tripartite Agreement, however, initiatives in this area have not achieved the consensus required to progress.

In this way the non-use of public mechanisms and infrastructure such as observatories, networks of public training centres, teaching materials, etc., means the loss of an excellent opportunity to improve the vocational training system, at the same time as optimizing the use of already functioning public capacity.

d) **Lack of definition in a management model which takes territories into account.** Until now the ANFC has been managed on a centralized basis. This leads to a lack of definition with regard to implementing a model
which would harmonize the dichotomy between sector and territory. This dichotomy would need to be resolved from the global design point of view, with participation from the necessary sectoral/territorial elements and territorial management.

6. Looking to the future

Summing up this document we find there are five questions which could become recommendations for implementation:

a) It is important to preserve the spirit and practice of the Agreement and cooperation within the enterprise when dealing with human resources qualification;

b) The role of social interlocutors must become more a part of the design of the system and the elements which make it up, as well as guaranteeing neutral management, than in implementing training plans through its organizations;

c) The State, although not directly responsible for management, must retain a role which will allow it to ensure good use of public funds, best use of available resources and coherence in the national qualifications model;

d) The need to complete the current model which actually goes no further than a funding system with elements allowing an authentic training system (ways of anticipating the need for qualifications, definition of content, support in elaborating material, technical support to small and medium-sized enterprises, quality control and so on).

e) To finish defining an implementation model in the sense of separating the design of the system, which should respond to a global conception, from management which can and should be decentralized.