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IMPLEMENTATION REPORT ON THE 2015 AND 2016 ANNUAL PLAN FOR THE EVALUATION OF THE QUALITY, IMPACT, EFFECTIVENESS AND EFFICIENCY OF THE ENTIRE VOCATIONAL TRAINING FOR EMPLOYMENT SYSTEM



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Previous note

This document is an Abstract of the Implementation Report elaborated between November 2017 and May 2018, following the methodology of the *2015 and 2016 Annual Plan for the Evaluation of the Quality, Impact, Effectiveness and Efficiency Assessment of the entire Vocational Training for Employment system*, which was submitted for consultation to the General Council of the National Employment System on 27th July, 2017. The Implementation Report, was also submitted for consultation to the General Council of the National Employment System on 7th November, 2018, in accordance with article 21.1 of the Law 30/2015, of 9 September. This document is available at www.sistemanacionalempleo.es.

The data included in this Report do not necessarily match those provided through other official sources, since they have been calculated using the specific methodology defined in the aforementioned *2015-2016 Annual Plan for the Evaluation of the Vocational Training for Employment*.

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1 Introduction

The *Execution Report of the 2015 and 2016 Annual Plan for the Evaluation of the Quality, Impact, Effectiveness and Efficiency Assessment of the entire Vocational Training for Employment system* marks the next step in a process initiated in 2010, which is carried out under the regulatory framework established by Royal Decree 395/2007, of 23rd March. Article 37 of this rule determines the development of an Annual Evaluation Plan by the Public State Employment Service, in collaboration with the corresponding bodies or entities of Autonomous Regions which may serve to introduce improvements in the functioning of the system.

The main novelties in relation to previous years of the 2015 and 2016 EAP are described below, and they correspond to Block II:

- The entry into force of **Law 30/2015**, of 9th September regulating the Employment-focused Vocational Training System in the workplace has brought about a far-reaching reform of the system. This reform has entailed a major effort to adapt to the new management, monitoring and control procedures for all the agents that make up the SNE. However, this situation has also led, in some cases, to significant delays in **public calls for subsidies**, or even the absence of such calls in 2015 and 2016.
- Beginning using the Integrated Employment-focused Vocational Training Information System-Common Training Data (CTD) as the primary source of information. Specifically, there are two Autonomous Regions, Catalonia and the Basque Country, which have already begun to use this new system.

The development of Block III includes proposals for improvement to establish new indicators which determine the impact of employment-focused vocational training on the competitiveness of companies, based on the analysis of the experiences developed in the academic world. In this study, a macro- and meso-economic analysis has been undertaken on the impact of employment-focused vocational training on business competitiveness in the period 2015-2016 for Spain and its Autonomous Communities. Through the model designed and developed, it is verified that employment-focused vocational training is a way to increase the competitiveness of companies and regions.

The purpose of block IV is to analyse and assess the conditions for the development of the training activity inherent to training and apprenticeship contracts during 2016. The methodology applied is based on the analysis of the current regulations, the comparison with the German vocational training model, combined with statistical analysis and fieldwork based on 32 semi-structured interviews.

Block V, on training programmed by companies (Fundae), evaluates the initiative as a whole to see if it meets the needs previously identified. The main conclusions and recommendations of the Evaluation of the Company-Planned Training Initiative (2015 and 2016) are included.

Two analysis objectives have been taken into account in the evaluation: on the one hand, to which degree this initiative contributes to meeting the strategic objectives of the reform of the job training system established in the Agreement of 29th July 2014 (structural objectives); and on the other, to what extent the changes introduced in the management of the initiative during the years 2015 and 2016, which were caused by the entry into force of the new regulations, explain or determine the results of the evaluation (short-term objectives).

2 2015-2016 EAP Indicators System

2.1 Methodology

As in previous reports, the 2015-2016 Evaluation Plan aims to design an assessment process that provides useful information to the National Employment System, in general, and to all the stakeholders and those responsible for the different training initiatives and modalities.

In this respect, it should be noted that the different phases and characteristics that make up the methodology used for the development of the Implementation Report of the 2015-2016 Annual Evaluation Plan (sources of information, data collection, obtaining the results of the various indicators, analyses and treatment of the results obtained from the indicators of the evaluation plan, as well as review and validation of the results by NES agents) have been the same as those used in the preparation of the 2014 Annual Evaluation Plan.

2.2 Implementation Report

2.2.1 Quality Indicators

| | |
|--------|---|
| QUAL01 | Overall satisfaction level of the participants who completed the courses |
| QUAL02 | % of professional certificates with certified centres |
| QUAL03 | % of full pathway training actions out of the total number of actions linked to obtaining professional certificates |
| QUAL04 | % of professional certificate training actions out of all training actions |
| QUAL05 | % of VET centres with certified quality certificates (EFQM, ISO or others) |

The general degree of satisfaction with the training received (**QUAL01**) is high and remains rather constant, around 3.50 during the 2010-2015 period. However, the data of satisfaction over the last year available, 2016, are slightly higher than those observed in the previous period, around 3.63. Disaggregating the data according to the training modality, the results obtained also reveal the same high degrees of satisfaction amongst participants, with remarkable satisfaction in training plans for employed people (Regional Programmes) and plans aimed at people in situation of freedom deprivation.

The effort in publishing certificates and certifying training centres remains high during the years of operation of the EAP, with a result of 87.99% and 90.57% of certificates amongst certified centres in 2015 and 2016, respectively (**QUAL02**).

During 2015, a considerable reduction of full pathway training actions is observed (**CAL03**) in relation to previous levels, to a total of 19,72%. However, the 2016 results show an increase of over 30 full percentage points, reaching 50.39%. Likewise, this trend remains considering the global percentage of full pathway training actions.

The presence of training actions leading to obtaining certificates of professionalism (**CAL04**) has increased substantially in each of the two years considered. Specifically, this percentage increased by more than 9 percentage points in 2015 to 41.89% and by just under 5 percentage points in 2016 to 46.79%.

The percentage of Vocational Training for Employment centres with quality certificates (EFQM, ISO or other) increased considerably in 2015, reaching 42.31% (**CAL05**). However, data for 2016 show a reduction of 13.48 percentage points from the previous year's levels, to 28.83%.

2.2.2 Implementation Indicators

| | |
|-------|--|
| REA01 | Participants in public employment-training programmes |
| REA02 | Total amount of participants in training actions |
| REA03 | Total amount of participants in actions for supporting and accompanying training |

During the years 2015 and 2016, a total of 10,965 and 11,765 people participated in public employment-training programmes (**REA01**), which represents a considerable reduction with respect to the participation observed in 2014.

Total participation in all Vocational Training for Employment reached 4,215,483 participants in 2015 (**REA02**), an increase of 5% over the participants observed in 2014. However, data for 2016 show a decrease of nearly 1.5% from the previous level to 4,152,983 participants. In this respect, it is necessary to mention that all training modalities, with the exception of in-company training actions, had a smaller number of participants in 2016 compared to the figure obtained in 2014.

The total amount of participants in actions for supporting and accompanying training in 2015 (**REA03**) continues the considerable downward trend that began in 2011. Specifically, the number of actions decreased by 17 compared to the volume observed in 2014. However, in 2016 there was a slight increase of 4 actions on the figure obtained in the previous year.

2.2.3 Effectiveness Indicators

| | |
|-------|--|
| ECT01 | Financial implementation rate |
| ECT02 | Average length of the training provided |
| ECT03 | Average length of Individual Training Permits |
| ECT04 | Average length of non-remunerated professional placements |
| ECT05 | Multi-participation rate |
| ECT06 | Percentage distribution by training delivery modality |
| ECT07 | Rate of unemployed participants engaged in non-remunerated professional placements |
| ECT08 | Dropout rate for hiring |
| ECT09 | Dropout rate for other reasons |
| ECT10 | Training success rate |
| ECT11 | Coverage rate for unemployed workers |
| ECT12 | Coverage rate for employed workers |
| ECT13 | Corporate reimbursement coverage rate |

In 2015, a generalised decrease in the degree of financial implementation (**ECT01**) can be observed in all types of training. However, the exception were training actions aimed primarily at the unemployed, which suffered a minimum increase, and at work-based learning, which experienced a remarkable increase with respect to 2014.

As for 2016, a general increase was observed in the degree of financial implementation in all types of training, with the exception of demand-side training and work-based training, which were down on the previous year (2015). This decrease was more marked in the case of the latter type of training.

With respect to the average length of training actions (**ECT02**), in all training modalities, the average length of the training delivered has been reduced over the years of the EAP. The only exception were the training plans for employed people (Regional Programmes), which in 2014 experienced a considerable increase in the average duration of their actions with respect to

2010. From that year onwards, in 2015 and 2016, the upward trend in the average length of training for employed people has continued (Regional Programmes).

With regard to individual training permits (**ECT03**), until 2012 a clear trend can be observed towards a reduction in the length of the ITP's granted. This decrease was less pronounced for women (8.76 hours) than for men (37.40 hours). From 2013 onwards, the duration generally increases, and in 2014, it continues to rise notably, especially in the case of men, with an extra 34.42 hours compared to the previous year. In 2015 and 2016, the upward trend that began in 2013 is once again reversed and the duration of the ITPs granted is reduced again, with a decrease of 4.64h. on the previous year in the case of men in 2015. The reduction in 2016 is similar for both genders.

The evolution of the multi-participation rate (**ECT05**) over the years of the EAP has been different for each training modality. In in-company training actions, the rate has been increasing over time. On the other hand, in training plans for employed people (National Programme), the rate decreased until 2013, only to slightly go up again in 2014 and 2015.

In the training managed by Autonomous Regions, the results also vary. Although in 2012 both modalities show an increase with respect to 2011, in the training plans for employed people from 2012 onwards there is a decrease that is itself reversed in 2015 and 2016. Finally, in training actions aimed primarily at the unemployed, in 2015 the rate rises with respect to the previous year, whereas in 2016 it falls again.

As for the percentage distribution of hours by delivery modality (**ECT06**), generally speaking, it can be said that there is considerable stability in the percentage distributions during the four years of analysis. No single delivery modality shows a generalised increase or decrease; only according to the year or delivery modality in question.

From 2012 to 2016, the percentage of unemployed participants who undertake non-remunerated professional placements (**ECT07**) has shown generalised oscillations in the modality of actions aimed primarily at the unemployed, regardless of gender.

The rate of training dropout owing to hiring in training actions aimed primarily at the unemployed (**ECT08**), between 2011 and 2013, indicates a homogeneously negative trend among men and women. This situation is reversed in 2014 and 2015 and slightly went down again in 2016. The evolution by gender is similar to that of the overall rate.

In the evolution of the indicator of dropout rate for other reasons (**ECT09**), a clear negative trend can be observed from 2014 onwards. Indeed, there were gradual increases in the dropout rate for other reasons in 2015 and 2016 in all types of training, except in specific programmes (National Programme) and in training actions aimed primarily at the unemployed.

As for the training success rate (**ECT10**), the global evolution of the indicator shows a clear downward trend in 2015 in relation to the previous year, and a slight increase in 2016 in relation to 2015. A similar tendency can be observed in the 2015 and 2016 evolution of training actions primarily aimed at the unemployed.

The analysis of the evolution of the coverage rate for unemployed workers (**ECT11**) shows a constant decrease from 2012 onwards, which is accentuated in 2016 with respect to 2015. In 2015, there was a slight increase over the figure for 2014, but rates fell again in 2016. The rate of training actions aimed primarily at the unemployed reached its second maximum in 2015 in the AEP seven-year series.

As for the coverage rate for employed workers (**ECT12**), it shows a decrease from 2011, which continued over the years, until reaching the lowest value of the series in 2015. In 2016,

however, the rate analysed experienced a sharp growth of almost 10 percentage points with respect to 2015.

The overall corporate reimbursement coverage rate (**ECT13**) went up until 2012, when it reached its maximum value, only to then systematically decline from 2013 to 2016.

The analysis of the evolution by sector shows that in 2015 the rate fell in all sectors compared to the data obtained in the previous year, except in the hotel and catering sector. 2016 the fall in the rate materialised in all sectors.

2.2.4 Efficiency Indicators

| | |
|-------|--|
| ECI01 | Average cost per finalised participant and training hour in supply-side training |
| ECI02 | Average cost per finalised participant and training hour in demand-side training |

The average cost per finalised participant and training hour in supply-side training (**ECI01**) went down in 2015 in all training modalities, with the exception of the training actions mainly aimed at the unemployed. It amounted to 2.89 euros for the whole initiative. In 2016, however, the results show an increase in all training modalities considered, with an average cost of 5.41 euros for all supply-side initiatives.

On the contrary, in demand-side training, the average cost per participant and training hour (**ECI02**) reached 15.04 euros in 2015, which represents an increase of 7.6 euros on the previous year. This growing trend is also observed in 2016, where results reveal a 3.42 euros increase in the average cost, up to 18.46 euros.

2.2.5 Impact Indicators

| | |
|-------|---|
| IMP01 | Rate of employment continuation |
| IMP02 | Rate of labour insertion for employees in non-certifiable training |
| IMP03 | Rate of labour insertion for employees in certifiable training |
| IMP04 | Percentage of participants in certifiable training |
| IMP05 | Percentage of labour insertion for employees in public employment-training programmes at the end of the project |
| IMP06 | Rate of labour insertion according to Social Security affiliation |

The rate of employment continuation for in-company training actions (**IMP01**) has remained more or less stable at around 94% during the two years analysed. Specifically, this rate stands at 93.73% and 94.04% in 2015 and 2016, respectively.

The rate of labour insertion obtained in non-certifiable training (**IMP02**) rose considerably in the two years analysed, reaching an increase of more than 12 percentage points from 2014 to 2016. Specifically, the insertion rate rose from 28.65% in 2014 to 35.18% in 2015, and finally to 40.82% in 2016.

In the case of the rate of labour market insertion for employees in certifiable training (**IMP03**), there was a slight increase in global terms, from 39.49% in 2014 to 41.33% in 2016.

The percentage of participants in certifiable training out of the total number of participants (**IMP04**) reached 41.01% of all supply-side programmes in 2015, almost 10 percentage points higher than in 2014. This growing trend continues in 2016, when the rate stands at 49.66%.

Disaggregating by training modality, and with the exception of training actions aimed primarily at the unemployed, the results show a higher percentage of participants in 2016 than in 2015.

On the other hand, in public employment-training programmes (**IMP05**), the rate of labour market insertion for employees in 2015 was 31.37%, which represents a significant increase with respect to the rate obtained in 2014 (17.30%). If 2016 data are analysed, the results show an increase of almost 10 percentage points over the rate of the previous year, up to 41.11%.

Finally, the percentage of participants who successfully completed their training and had joined the Social Security within 6 months of its completion reached 40.87% in 2015. In 2016, this percentage decreased slightly to 39.66% (**IMP06**). Both data refer to the global mean for the training modalities considered.

3 Proposals to establish new indicators for determining the impact of work-based Vocational Training for Employment on the competitiveness of companies

3.1. Phases

An academic paper has been developed with the aim of proposing new ways of determining the impact of vocational training for employment on improving the competitiveness of companies.

- First, the literature was reviewed on experiences developed in the academic world that seek to determine the impact of vocational training on business competitiveness.
- Based on those bibliographical references, a theoretical evaluation model was defined and working hypotheses have been formulated.
- Then, the applied approach to the model was designed, selecting the possible analysis variables, both explanatory (relating to in-service vocational training) and explained (defining competitiveness).
- Once the variables had been determined, the database was elaborated through the compilation of statistics from official sources of information, for Spain and its Autonomous Regions, for the years of analysis 2015 and 2016 (see Annex to block II).
- With the data collected, the model was executed by comparing the working hypotheses.
- Finally, conclusions are presented, on the basis of which recommendations for future evaluation are proposed.

3.2. Methodology

To begin with, it was necessary to reflect upon the very concept of competitiveness and its measurement. The result of this initial phase has been, in practice, the decision on how to measure competitiveness, assessing and taking into account the following alternatives:

- Measuring competitiveness through existing composite indices, including the Regional Competitiveness Index (RCI) published by the European Commission. Data are available

at the Autonomous Region level for 2016. It is the most comprehensive reference in terms of all the elements that determine competitiveness.

- A second, complementary alternative is the measurement of competitiveness through proxies, using different indicators that support, under theoretical approaches, the notion of competitiveness.
- On the other hand, the variables that make up vocational in-service training have been selected including information on various aspects, such as: companies and students in vocational training for employment, company expenditure on training, public budgets for training, training contracts and accreditations.
- In relation to the relationship between the two variables (competitiveness and vocational training for employment), there is extensive literature on how training (in its most general and undistinguished concept) influences employment, wages, business performance and, above all, added value and productivity. However, the lack of studies specifically measuring the relationship between in-service vocational training and corporate competitiveness is manifest. The objective of the model developed here is to try to alleviate a double deficiency: on the one hand, training variables are specified in indicators related to vocational training for employment; on the other, all the dimensions on which the concept of competitiveness is based are covered.

20 indicators have been selected for the variable explained and 12 for the explanatory variables. Then, data have been duly searched for and compiled, providing that they were available for Spain and its Autonomous Regions in 2015 and 2016.

On the basis of existing theories, the main working hypotheses are put forward:

The first set of assumptions relates to the concept of company competitiveness:

- ↳ Competitiveness and productivity behave in a similar way, so that they can be treated indistinctly, as reported in empirical papers of academic literature.
- ↳ Competitiveness is closely related to regional GDP.
- ↳ Innovation is a fundamental part of the company competitiveness.

A second set of working hypotheses relates in-service training in employment to competitiveness.

- ↳ In-company training leads to improved regional competitiveness.
- ↳ People's employability, through training for employment, leads to increased competitiveness.

Thus, the main hypothesis is followed:

- ↳ The more vocational training for employment, the stronger the competitiveness.

The model is based on a linear dependency analysis, using the specified database. It consists of two parts:

- a. Contrast of the relationship, through observed correlations, between the Regional Competitiveness Index (RCI) with the proxy variables (for 2016, the last year for which the RCI has data) and between the dependent variables themselves (for 2015).
- b. Once the previous correlations are known, a correlation analysis is applied between the selected dependent variables (on competitiveness) and the independent variables (on

training). Using a simple linear regression model, the most significant relationships for 2015 and 2016 are extracted.

Through the model designed and developed, the working hypotheses are contrasted. By integrating the results, it can be deduced that in-service vocational training improves competitiveness and regional GDP per capita, as well as productivity, verifying that in this case vocational training for employment is a way of increasing the competitiveness of companies and regions.

3.3. Conclusions

A macro- and meso-economic analysis has been undertaken on the impact of in-service vocational training on business competitiveness in the period 2015-2016 both for Spain and its Autonomous Regions. One of the conclusions obtained leads to understanding that the model, albeit useful, is only partial and insufficient for further measurement. The two main shortcomings are described below.

First of all, the way of measuring business competitiveness requires knowing the perception of companies on this variable. The existing published information does not accurately reflect the company's perception of its own competitiveness. It is recommended that a microeconomic analysis be considered in the future, in which companies define "their own competitiveness" and express their perception of it.

Therefore, it is necessary to complement the analysis with a microeconomic model. In this paper we only outline some elements of what it would be. We propose the need to carry out fieldwork (with a survey) for the future, where a quantitative analysis can be performed based on a qualitative analysis.

This solution also overcomes the obstacle posed by a second problem: the limited presence of vocational training for employment in the Spanish productive fabric. The results of the model show that only one of the explanatory variables (measured by the number of participants in in-company training for employment) is related to regional competitiveness and its proxies. It is concluded that many of the elements relating to in-service vocational training are not so widespread in the Spanish productive fabric as to have an impact on the joint competitiveness of the region.

A micro (company) level would make it possible to identify a sample of businesses and students who have used the vocational training system for employment. Thus, it is necessary to obtain a representative sample from a register of companies that use any of its modalities. Samples obtained from any other database would lead to inaccurate conclusions.

In this paper, there is only the possibility of suggesting the analysis proposal, but under no circumstances of applying this evaluation model, since there are no adequate databases that meet the characteristics described.

In a further step, the qualitative information from the fieldwork could be added in order to propose the design of two synthetic indicators (training and business competitiveness) at the microeconomic level. These indices would incorporate the variables used and might be the basis for a quantitative analysis. The aim would be to bring the analysis closer to the reality to be addressed.

Finally, it is important to add that fieldwork would make it possible to determine whether the results of in-service vocational training on company competitiveness would be altered according to: the data of the company (location, size, activity sector, technological level, etc.); the data of the people undergoing training (sex, age, educational level,

occupation, etc.); and the data of the training itself (demand-side, supply-side or dual, the duration of the training period, whether the training is generic or specialised, related to ICTs or languages, or to professional certificates). Fieldwork of this kind would make it possible to distinguish the impact of vocational training for employment on business competitiveness, on the basis of the above, offering the possibility of reaching more precise conclusions in the analysis.

4. Specific evaluation 2016 of the training activity inherent to training and apprenticeship contracts

4.1. Objectives

The purpose of block III is to analyse and assess the conditions for the development of the training activity inherent to training and apprenticeship contracts during 2016, based on the following objectives:

- Assessing the governance of the Dual Vocational Training system through:
 - Analysing its regulatory framework (RD 1529/2012).
 - Comparing it with the German Dual VET model.
 - Analysing the participation of the main actors: Central and Regional Administration, Employers' Organizations, Trade Unions and Training Bodies.
- Analysing the evolution and trends of Professional Certificates.
- Analysing the evolution and trends of Training and Apprenticeship Contracts.
- Evaluating the functioning of the Professional Certificates and Training Contracts, as constituent elements of the Vocational Training System for Employment in the Work Field.
- Presenting proposals for improvement based on the results obtained in the evaluation.

4.2 Methodology

The methodology applied is based on the analysis of:

- Regulations in force for the development and implementation of Dual Vocational Training, especially focused on the regulation of Professional certificates and Training and Apprenticeship Contracts.
- Review of Reports made by different public and private bodies in relation to the implementation process of Dual Vocational Training in Spain.
- Review of scientific articles specialised in the analysis of Dual VT success models in different countries.

- Review of specialized literature that allows the comparison of the Spanish and German dual VT systems.
- 32 semi-structured interviews conducted amongst the main stakeholders involved in the development of Dual Vocational Training in Spain, which will enable the application of a qualitative analysis, in the absence of other sources of information, due to the scarce institutionalisation of the system.

4.3 Conclusions

- The implementation of Dual Vocational Training in Spain amounts to 1.6% of the whole of the vocational training in the education system - which is consistent with the low level of attachment to this type of training in the country. However, it has made undeniable progress in all the elements that make it up. That is to say, the number of students increased from 4,292 in the first year of implementation in 2012 to 23,919 in the 16/17 academic year. In the same period that is covered by the sample, the number of centres increased from 173 to 894; and the number of companies participating in this modality rose from 513 to 9,916.
- On the implementation of dual vocational training, both in specialised literature and the interviews carried out, we have been able to find two conflicting positions: (a) Dual vocational training is clearly an innovation compared to previous proposals, since it has a specific methodology, is developed in the field of predominantly manufacturing companies and promotes practical learning in terms of professional relations (tasks) which provides a clear advantage for young people and also companies; (b) for a more critical segment, the lack of implementation of dual vocational training is due to the fact that "dual systems of training and employment" do not constitute a novelty, whereas "alternation" training for employment (or work-based learning) has been developed in Spain since 1985, when Occupational Workshops and Houses were created. Along the same critical stance, it is considered that Royal Decree 1529/2012 limits itself to regulating the "Vocational training for employment system", already provided for in Royal Decree 395/2007, of 23rd March, which regulates the vocational training system for employment (the background of which is previously set out in Royal Decree 15/1993), with the sole peculiarity of importing the features of the German Dual Vocational Training model.
- As regards the adaptation of the German model to the Spanish model, the experts' discourse shows that it is not only, or mainly, operational reasons (sectors of activity, size of companies, etc.) that make it difficult to implement a successful Dual Vocational Training model, but also, and above all, cultural and ideological aspects that prevent the articulation of a model of its own, adapted to the peculiarities of the country and capable of responding to its specific needs. In Germany, training is considered an investment because in the medium term the apprentice with the knowledge acquired "in the pit" will generate profits. In Spain, apprenticeships are seen more as a form of cheap labour, as demonstrated by the low degree of continuity - which is key to employability - after the period of training, by means of the signature of an ordinary contract.
- The study on the governance of Dual VET systems has become an area of research of growing interest because the success and effectiveness of dual vocational training systems depend to a large extent on the development of structures that favour the coordination and integration of the various institutions, activities and stakeholders that

have interdependent relationships between them. Properly applied, these systems attract students, create value for employers and promote economic growth, but to achieve these objectives it is necessary to factor in cost-benefit sharing mechanisms between employers, trainees and public authorities.

- In order to give consistency to the regulation of dual vocational training, a common regulatory framework is necessary to allow for coordination of actions at all levels and, within the flexibility required by territorial planning, to establish consistent criteria, limiting the space for the interpretation of basic issues.
- As far as the participation of the various players is concerned, it does not seem necessary to resort to new ways of involving them, but to implement, in a coordinated manner, the existing measures. The implementation carried out so far constitutes a starting point, but it requires further development to establish a more specific definition of the constituent elements of the programme (type of relationship between the trainee/student and the company, type of cooperation between the school and the company, length of the work placement).

4.4 Proposals for Improvement

| DUAL VET GOVERNANCE ELEMENTS/AGENTS | PROPOSALS FOR IMPROVEMENT |
|-------------------------------------|--|
| Legal Framework | <p>-Separate regulation of Dual Vocational Training in the education system and in the workplace</p> <p>-Establishing a common basic regulation, structured around: sectoral scope, size of the company and geographical location.</p> <p>-Systematising the constituent elements of the Dual VET system:</p> <ul style="list-style-type: none"> • Regulating the training and apprenticeship contract as the only link between the apprentice and the company, both in the workplace and in education. • Defining the cooperation modalities between centres and companies and the length of internships by Autonomous Regions. This information must be available and updated on a website managed by the Public Employment Service. <p>-Simplifying the regulatory bases of the calls, so that their design "measures" the capacity of applicants to respond to training demands and not only to control possible fraud situations.</p> |
| Employers' Organisations | <p>-Professionalising the training and apprenticeship contract, diversifying the sectors in which it is signed and separating it from its concentration in low-skilled and highly temporary sectors.</p> <p>-Reducing the waiting time (maximum one month) for authorising the application for the training activity.</p> <p>-Ensuring effective funding through co-responsibility measures (sanctions for voluntary departure, etc.) and tax incentives for private co-financing.</p> <p>-Creating clusters of companies (shared training centres) that allow students' learning to be distributed among several companies, going beyond the workplace concept and facilitating access to the system</p> |

| | |
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| | <p>for micro- and SMEs.</p> <p>-Certification and follow-up, through a satisfaction and improvement survey, of:</p> <ul style="list-style-type: none"> • Company (material resources and guidance) • Position (existence of training content) • Person (technical qualification, pedagogical skills) <p>-Defining between training institutions and employers a number of overall learning outcomes guided not only by performance in the training position, but also by the development of transferable skills for the future employability of the learner.</p> |
| <p>Training Bodies</p> | <p>-Eliminating from the collective imagination the idea that training depends more on the supply of centres than on the qualification needs of productive sectors, through three measures:</p> <ul style="list-style-type: none"> • Providing flexibility to training linked to contracts for training and apprenticeship, by making visible the training pathways associated with the catalogue of specialities (less rigid, in terms of updating and adaptation, than the catalogue of occupations) • Guaranteeing from the Administration a minimum time for the delivery of courses when centres commit themselves to making an investment in equipment in order to be certified in the delivery of certain specialities. • Bridging the legal gap after Ruling TC 817/2017, of 22nd June, allowing to speed up the processes for certifying centres in the delivery of tele-training, and overcoming the difficulties for its implementation. |
| <p>Trade-union Organisations</p> | <p>-Attaching the contract for training and apprenticeship to collective bargaining at its different levels (state, sector, territory or company), with emphasis on:</p> <ul style="list-style-type: none"> • Its functionality as an excellent selection mechanism. • The importance of the continuity of the trainee after the training process in order to improve the competitiveness of the company. <p>-Participating in the definition of the content of the training position based on the above criteria.</p> |
| <p>Central & Regional Administrations</p> | <p>-Carrying out a dissemination campaign on the institutional development of Dual Vocational Training, after the transitional implementation period</p> <p>-Creating a "quality certificate" among the companies that join the CTA's to reward their contribution to improving the employability of young people and contribute to the dissemination of "good practices".</p> <p>-Disseminate measures aimed at:</p> <ul style="list-style-type: none"> • Inter-administrative coordination. • Simplification of the governance of the Dual VET system. • Alignment with the recommendations from the European Union. <p>-Disseminating among training entities and companies the annual <i>Report on Prospection and Detection of Training Needs</i> carried out by the Observatory of Occupations, so that the above bodies "exploit" the data, preventing the underuse of a large volume of information.</p> |

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| <p>Where should the model head for?</p> | <ul style="list-style-type: none"> -Willingness to create our own model inspired by the dual vocational training systems of different countries (the German model is not universal), adapting those formulas that best meet our needs as a country. -Strengthening sectors/places where traditionally the relationship between centres and companies has been "natural" due to the existence of industrial fabric. (Mediterranean coast/shoes;) -Promotion of new sectors in the ICT area (E_commerce, videogames, Apps, etc.), through professional certificatesP specialized in these areas and agreements for internships or CTA's with start-ups and/or entrepreneurial SMEs, in those areas that need people specialized in newly created positions with little offer available. |
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5. Evaluation of company-planned training (Fundae)

5.1. Objectives

In company-planned training, an evaluation of the initiative as a whole is carried out to determine whether it responds to the needs previously detected, incorporating the results and conclusions of this evaluation into the Annual Plan of the Public State Employment Service.

Adapting to this regulation, the Annual Assessment Plan 2015-2016 includes the main conclusions and recommendations of the assessment of the training initiative programmed by companies (2015 and 2016), taken from the final report prepared by GROUPLANCE AM Servicios, S.L., on behalf of the State Foundation for Employment Training, as a collaborating entity of the State Public Service.

5.2. Methodology

In the evaluation of the training initiative planned by companies 2015-2016, two analysis objectives have been taken into account. On the one hand, assessing the degree to which this initiative contributes to the fulfilment of the strategic objectives of the reform of the system of training for employment established in the Agreement of 29 July 2014: **structural objectives**; and on the other, to what extent the changes introduced in the management of the initiative during the years 2015 and 2016, and caused by the entry into force of the new regulations, explain or determine the results of the evaluation: **short-term objectives**.

The methodological approach of the evaluation is explanatory and propositive, in order to make proposals for action based on the results obtained. To do so, it identifies the deviations and improvements with respect to the proposed objectives, as well as the causes that have motivated these results.

Finally, in this 2015-2016 edition, Fundae has carried out a specific analysis of the methodologies and results obtained in this and previous evaluations. Its objective is to establish a system of stable and systematic evaluation indicators for their continued application in future evaluations.

5.3. Conclusions

One of the aims of the evaluation of this edition was to know the degree of compliance with the strategic objectives under which the training programmed by the companies is to be developed, included in the Renewal of the Tripartite Training Agreement in accordance with the principles agreed in the Social Dialogue Table (Agreement on proposals for tripartite negotiations to strengthen economic growth and employment, 2014) included in Law 30/2015, which have been the **structural objectives** of the evaluation:

5.3.1. Guaranteeing the right to training for workers, particularly the most vulnerable ones

Analysing the degree of universalisation and extension of the training programmed by companies involves several tasks: studying the extent to which the initiative covers the potential of companies and workers; identifying the main difficulties of access to the initiative; analysing whether equal access and the right to training are offered, and, finally, identifying the elements that favour and hinder workers' access to training and the way in which these elements behave. This analysis makes it possible to assess the extent to which the initiative under consideration contributes to guaranteeing the right to training.

Based on all the indicators, we can see how micro-enterprises are at a clear disadvantage in the "Programme for Companies" Training. In order to address the objective of strengthening human capital and its employability programmed by companies, an analysis is carried out on the training provided by companies in the reference exercises and on the Individual Training Permits (ITP's) that have been carried out. Moreover, an evaluation was undertaken on the benefits of the Training programmed by companies in relation to the strategic objective.

As for the training provided, during the years 2015 and 2016, the Training programmed by companies saw a decrease in training actions, groups and hours which, along with the increase in participants, established a higher ratio of workers per group. The training has primarily a face-to-face character and a tendency towards the upper-middle level. In relation to the Individual Training Permits (ITP's), there is little participation and, in addition, in the years under evaluation there is a decreasing trend.

5.3.2. The contribution of training to companies' competitiveness

The training provided under this initiative offers several benefits, ranging from economic benefits for companies to improved planning, programming, work procedures, professional retraining, and meeting the training needs of companies and workers in order to compete in an increasingly demanding market.

As in any training process, the detection of existing needs should be the first step in the training process programmed by companies; however, there is general agreement that this process is not carried out.

For training to contribute to the competitiveness of the company, it must first and foremost respond to the real needs of organisations and their employees. The need to detect these

needs is generally recognised by all the stakeholders in the system, but not all of them do it, and those who do do not follow the same procedures. The proportion of companies lacking mechanisms and/or procedures for detecting training needs is very high.

In the training programmed by companies, very different business models coexist, according to the procedures they use for the management of their employees' training, not obtaining the same results in terms of competitiveness that this training can bring to companies. The differences are established, firstly, by the availability of economic and human resources (almost always linked to the size of the company). Therefore, those with greater resources have greater capacity to organise training more in line with the real needs of the company than those which, lacking these resources, must resort to an external entity that carries out this work - with greater or lesser adjustment to the specific and special needs of the company.

Once the necessary training has been identified, it must be implemented in the company through a training plan. In this sense, 33,11% of those training companies surveyed that participated in the reference exercises have a Training Plan.

5.3.3. Strengthening collective bargaining and adapting training offer to the requirements of the productive system

The evaluation analyses the extent to which training contributes to strengthening collective bargaining, as well as the importance of Legal Representatives of Workers in the training programmed by companies and its adaptation to production requirements.

65,08% of the companies that participated in the initiative in 2015 and 2016, and that have legal representation of workers, consider that training is an element that promotes and strengthens collective bargaining within the company.

According to the experts interviewed, there are few agreements that include anything other than the provisions of the Workers' Statute. Training is seldom a key element of collective bargaining.

The workers participating in the training actions under evaluation and their companies do not know for the most part (around 75% of the participants and almost half of the companies) if their collective bargaining agreement specifically includes a training clause, but when this is known, as they indicate, the clauses are normally complied with.

Almost 89% of the companies surveyed that had Legal Representatives of Workers said that, in addition to reporting on the Training Plan, they also reported on the results of its evaluation. Needs analysis (47,62% of cases) and training evaluation (25,40%) are the two functions in which there is greater involvement of workers' representatives, above the design, organisation and delivery of training.

Given that the existence of Legal Representatives of Workers is closely linked to the size of the company, in the exercises evaluated, the increase in the participation of large companies in subsidized training entails a greater presence of LRWs in this initiative.

5.3.4. Efficiency and transparency in the management of public resources

To finance the costs of training, companies have an annual "training credit". The total of this training credit is obtained on the basis of the amounts paid by each company in the previous year as part of the vocational training quota and the percentage which, depending on its size, is established in the General State Budget Law for each financial year.

Based on the assigned credit, considered as the total amount that corresponds to the company for financing the training of its employees, both for actions and for ITP's, the use of the credit of the training companies is analysed, factoring in the credit withdrawn, the subsidised credit and the reimbursed credit, also analysing the degree of efficiency of the credit assigned to the training companies.

The behaviour of costs is also analysed, and the main factors are identified which hinder training, establishing typologies of companies based on efficiency.

Despite the fact that, especially in 2016, the proportion of training companies in relation to all those registered increased slightly, the final results (companies that train their workers, apply their credit and are reimbursed) are slightly lower.

The rate of coverage of companies, according to whether the withdrawn credit is reimbursed or not, on the total number of training companies decreases each year. In general, there is a relationship between the size of the company and the fact that the economic resources available for training are used: as the size increases, there is a greater chance that the company will train its workers and that the credit will be subsidised.

The data reflect a mismatch in the efficiency of the system, which, instead of using more and more of the funds allocated, is doing the opposite because the system is losing companies.

Throughout this evaluation, it has been verified how the availability of economic and human resources for the management of training in the company is the variable that determines to a greater extent the access, efficiency and effectiveness of training companies.

While the credit allocated, withdrawn, subsidised, and reimbursed analysed has decreased over the years, the average costs of public aid and the average real costs have gone up. Therefore, less training is done, although the training that is done is more expensive.

On the other hand, if we analyse the data also factoring in investment in training (understood as the total volume of financing of training actions with the credit available plus the private contribution of companies), we also observe a fall in investment in training in 2016 with respect to 2015.

5.3.5. Assessing to what extent the changes introduced in these exercises (2015-2016) in the design, processes and management tools of the initiative determine the results obtained from the evaluation

The exercises evaluated are undergoing major changes in the organisation of company training. They have two different legislative references (Law 30/2015 and those included in its predecessor RD 395/2007), so the modifications introduced in the initiative by Law 30/2015 affect part of 2016 in a special way. There are incidences regarding changes related to the organization of training, external entities, training modalities and timetables, and credit.

High scores have been obtained in the evaluation of the degree of general satisfaction with the training carried out, organisation, the composition of the training group, contents, the relationship between theory and practice, the length of the training action and the timetable, trainers and tutors, their way of teaching and their knowledge, didactic resources, as well as facilities and technical resources, the applicability to the job of what they have learned, the degree of satisfaction with the skills and competences obtained. The same goes for the increase in knowledge and the degree of satisfaction of the workers involved with the possibilities that the training offers them to change jobs, as well as the contribution of the training to their personal development.

The data from the satisfaction questionnaires show a small improvement in practically all the items in 2016, but so small that the quality, measured in these terms, can only be considered high and stable, so these data cannot lead to conclude that the regulatory and organisational changes have influenced the quality of the training programmed by companies.