

Published by the Learning for Well-being Foundation www.l4wb-magazine.org

Bruggeman, F. (2018) 'Has French Decentralization Fostered Systemic Approaches to Employment, Training and Guidance? The Example of Further Vocational Training,' in Learning for Well-being Magazine, Issue 5, published by the Learning for Well-being Foundation.

# Has French Decentralization Fostered Systemic Approaches to Employment, Training and Guidance? The Example of Further Vocational Training

By Frédéric Bruggeman

#### Introduction

This article sets out to present a specific example of how the very entrenched habit of working in 'silos' makes it exceedingly difficult to design and implement public policies for something like vocational training because the beneficiaries of the training do not all fall into a 'one size fits all' category. They may be employed with low-level skills, needing to learn new or more complex skills; unemployed and in need of further or different training in order to find a new job; workers who want to undertake further training in order to change jobs or to improve their chances for career development, women returning to the labour market having raised children, workers and job seekers with a disability, migrants and refugees, etc. Imagining and implementing new approaches that are systemic in their vision, that seek to bring together all the key actors and cross the borders of the different professional ways of working is far from simple. Developments in the multifaceted training sector in France provide a timely example.

France is well known for being a centralized country. It nevertheless decided to decentralize in the mid-1980s by turning the existing administrative regions into political bodies with an elected regional council. Their political power has since been reinforced twice (in 2005 and in 2015). As the process began nearly 40 years ago, it is now possible to understand what will probably be achieved: transforming the old French political organization of centres of power – one state, 100 departments (counties) and 36,000 or so communes (municipalities) – into a new organization. Soon, a (less powerful?) state should be ruling France liaising with

13 regions and 1,266 EPCI,<sup>1</sup> of which the 19 biggest already have the special status of 'métropoles' (metropolitan areas). If the French decentralization process has triggered a real 'deconcentration'<sup>2</sup> of the state and progressively reinforced regional political power, fostering approaches that are less fragmented than previously has proved much more difficult. This article proposes to briefly examine why the French further vocational training system (1) became less and less effective, (2) what has recently been done to put things right, and (3) what could be done to further improve the situation.

## Further vocational training in France: a very complicated situation

In France, as probably in many other countries, public policies are sharply divided into separate fields: employment, training, guidance, economic development. This division of public policies into different fields is often called 'silos' to underline the difficulties it creates for cross-cutting approaches, such difficulties being propped up by the practice of segmenting the workforce<sup>3</sup> into different target audiences such as low-skilled workers, job seekers, young people (under 26), older workers (over 50). The further vocational training system is a good example, having of course 'benefited' from this kind of treatment.

The French further vocational training system was born in 1971 through, as is usually the case in France, a collective bargaining agreement at national level<sup>4</sup> followed by a law swiftly incorporated into the Labour Code. It worked quite well as long as full employment went along with relatively linear career paths inside the same company or corporation but has been heavily criticized for its inability to properly foster professional transitions as well as to efficiently equip low-skilled people with skills demanded on the labour market. In other words, the 'French further vocational training system is fragmented, unequal since it favours the main core of salaried employees and made of several weakly coordinated actors.' (Tuchszirer, 2017).

Two mistakes were probably made at the very beginning of the process (Freyssinet, 2013). The first one when the state decided to embed the right to further vocational training into labour laws. It created a link between the existence of a labour contract and the right to benefit from further vocational training. Consequently, when unemployment began to grow and when vocational training became necessary for people without labour contracts (namely job seekers) specific provisions were designed and responsibility for their training was given to the national employment agency (the then ANPE and today's Pôle Emploi). Further vocational training for job seekers and employed people was therefore split into two separate fields steered by different rules and organizations. One might accidently remark that a working individual who became unemployed was the same person but the system as it had been designed was not able to recognize this. Two small examples

<sup>&</sup>lt;sup>1</sup> Depending on its size, an EPCI (établissements publics de coopération intercommunale) is a public body for cooperation at local level. They can have different names.

<sup>&</sup>lt;sup>2</sup> Difficult to translate. Decentralization refers to the process of transferring political power to the newly created regions while deconcentration refers to a process through which the different ministries create regional bodies to implement their policies.

<sup>&</sup>lt;sup>3</sup> Reminder: job seekers belong to the workforce.

<sup>&</sup>lt;sup>4</sup> When successful, the result of this kind of collective bargaining is called 'Accord National Interprofessionnel' (ANI).

illustrate the kind of problems it raises. First, the right to benefit from vocational training for a casual worker whose working life is made up of successive short-term contracts with spells of unemployment in between, changes overnight at the end of each contract when he or she becomes unemployed. Second, workers laid off by big companies will benefit from the advice and support of outplacement cells, which are very often granted lump sums to finance training. But for a very long time it has been difficult for a worker who had engaged in training before being laid off, to enrol as a job seeker and be paid his job-seeker allocation, since he or she was not immediately available for a new job.

The second mistake was when the social partners (employers and trade unions) did not agree on the negotiation of training plans at company level since it is up to the employer to decide what training is useful and for whom. As a counterpart, it was decided that a right to individual training be granted to employees. However, since then, a full disconnection has existed between business company training plans and individual training leave.

The field of further vocational training is nevertheless one of the few in which the social partners decided to work together through bodies called OPCA<sup>5</sup> that are in charge of collecting funds for training from companies belonging to the same collective bargaining agreement. Again, this works quite well as long as what is at stake is to organize training for people who will go on working in the same company or the same sector. But when the workforce is shrinking in a given sector (textiles or metalworking industry for example), OPCAs tend to consider that it is up to someone else to finance training for workers leaving (even compulsorily through redundancies) the companies belonging to the collective agreement by which they are financed.

At the beginning of the 21<sup>st</sup> century, after 30 years or so, the system had become complex. Around 80 or so OPCAs were in charge of financing the further vocational training of workers through company training plans, around 30 others were in charge of financing individual training leave of employed people, while the national employment agency was in charge of organizing and financing vocational training for unemployed people. Of course, the right to be trained and receive a training allowance for unemployed people was not the same as for those who were employed, and among job seekers training opportunities and payments were different depending on whether they were young or old, with or without job-seeker's allowances. To complete the picture, further vocational training and employment policies were weakly linked and guidance was deemed as a separate activity, carried out in different spaces by separate organizations. Numerous organizations existed, each one with its own rules, knowledge and know-how, most of them ignoring what was done by the others.

At first the rise of the regions did not change anything except add a level of complexity to the system. In the field of vocational training the state first transferred to regions the responsibility for vocational training of young people in the 1990s and then in 2005 enlarged it to unemployed adults (to be coordinated with the national employment agency whose role had been – and still is – unchanged). In 2015, full responsibility for vocational

<sup>&</sup>lt;sup>5</sup> Organismes Paritaires Collecteurs Agréés.

training was given to the regions along with the French Ministry of Education (for initial vocational training) and the national employment agency.

## Recent developments

As they were new centres of power, regions engaged in a process of coordinating regional stakeholders and in the middle of the 2000s some of them took a new step in the slow process of coordinating stakeholders and the various service providers in the field of further vocational training. There were 22 regions at this time and not all of them did it and none of them did it the same way. But it can nevertheless be said that an initiative was taken by the regions to coordinate the social partners, the state and the region itself to organize a kind of territorial dialogue in the field – among others – of vocational training. Through a lengthy process it has given birth through legislation in 2014 to the creation of two different types of bodies, in each and every region as well as at national level, and it can be said that 'local initiatives have played the role of spur in the engaged reforms' (Tuchszirer, 2017 *op.cit.*).

The first one<sup>6</sup> is dedicated to social dialogue and gathers trade unions and employers' organizations and, among other things, they have been given the power to establish the national and regional lists of training courses that are eligible for the various vocational training funds. The second one, linked to the first since it integrates the social partners, is a committee for employment, guidance and vocational training.<sup>7</sup> At first glance, this is not a big deal in itself since, congruent with French culture, the second type of body is merely consultative, both at national and regional levels. It nevertheless gathers all the partners that one way or another are involved in initial and further vocational training, employment or guidance and it creates a space where these partners can simultaneously embrace public policies in these different fields. Believe it or not, it is the first time ever.

During the same period of time, the number of sectoral funding bodies for training (OPCA) has been severely reduced and three different devices have been set up or transformed:

- 1. Careers Guidance Counsellors<sup>8</sup> have been created and a right has been granted to all employees (whether they work for a public body or private company) to consult one and benefit from their advice.
- 2. The existing 'right to individual training' which could not be transferred from one company to another has been turned into a 'Personal Training Account' that can be used whatever company a given person works for and the status (working or unemployed) he or she has.

 $<sup>^{6}</sup>$  COPAREF in regions, stands for Joint Employment and Training Regional Committee for and COPANEF.

 $<sup>^{7}</sup>$  CREFOP in regions that stands for Regional Committee for Employment Vocational Training and Guidance) and CNEFOP at national level. There are 13 regions and then 13 CREFOP and one CNEFOP.

<sup>&</sup>lt;sup>8</sup> Conseil en Évolution Professionnelle (CEP).

<sup>9</sup> Droit Individuel à la Formation (DIF).

<sup>10</sup> Compte Personnel Formation (CPF).

3. Last, it has been made compulsory for companies to organize a 'Professional Interview,' every two years, with all their employees to discuss their career opportunities inside or outside of the company. This is intended to take into account careers that develop through working in several companies and different jobs and to foster the habit of deeming professional mobility a normal element of human resource management. Undoubtedly, progress has been made toward a greater coordination between actors in charge of further vocational training, guidance and employment and the three new measures are heading in the right direction. Moreover, they are better than the older ones where professional transition and risks of career discontinuity are at stake, and if the empowerment of the individuals is an objective.

But altogether, it is very unsure that the further vocational training system is set to drastically reduce its shortcomings and ensure systemic approaches for the individuals who enter it. It is very unclear for example whether the Professional Interview, however good the intention, will be useful to employees and companies or deemed to be this kind of crazy obligation nobody really wants to bother with. And if it is useful, will it be implemented in small and medium companies or not? The success or failure of Careers Guidance Counsellors depends a lot on whether working employees will be given easy access or not, whether the companies will liaise with those counsellors or not. One of the main criticisms of the system is that it fails to address the people who need it most, namely workers with low-level skills and people for whom the internet and computers are more a problem than a solution. In this field, everybody knows that creating a new right may change nothing and that nearly everything depends on the way the different actors liaise and the kind of practical device that is built to encourage people to use it and support those who do so. In other words: what is now needed is actors' cooperation around common projects to accompany individuals in using their rights.

## Old habits are difficult to get rid of

There is in France a consensus on the idea that an exceptional effort has to be made in the field of education in general and vocational training in particular. This is the reason the so-called 500,000 plan<sup>11</sup> was launched in 2016 and a High Commissioner for Skills Investment<sup>12</sup> recently nominated to propose a Skills Investment Plan that will be implemented in collaboration with the regions. More than EUR 15 billion should be spent during the four next years; this plan represents then a real effort and could be an opportunity to change habits. It nevertheless has to be observed that the aim of the plan is to train unemployed people. As said above, further vocational training was first established for working employees and collecting funds has been split in several OPCA. A special system was set up afterwards for unemployed people and even though the number of OPCA has been reduced there are still 20 or so of them. A habit of working in silos was therefore created that is still valid 50 years later, embedded in various interactions and organizations whose very existence depends on their ability to simultaneously innovate and stay in the same framework. This underlines the importance of the period when devices and

 $<sup>^{11}</sup>$  The name tells the story: the objective was to train 500,000 unemployed people during the year.

<sup>12</sup> Haut commissariat à l'investissement dans les compétences.

rules are first created as well as the power of path dependency. It also raises questions: how can a given system evolve toward a more systemic approach taking into account the needs of individuals, rather than the status he or she has for a given period of time. A question that is as easy to ask as it is hard to answer. In the absence of a radical or revolutionary move, one of the possible ways is to foster experiments. What is then at stake is to gather the various actors and service providers involved in a given field, set up a common project and find a budget to implement it.

In the field of further vocational training and in the context of the French culture that is a big challenge. Contrary to Germany or Sweden, where different shapes of co-decision-making exist, social dialogue in France is only about providing information with a view to consultation. In other words, social partners have been used to receiving information and being consulted, but not to setting up and implementing projects together, let alone with the state and a region. The state has always been used to deciding and implementing alone whatever has been decided and the regions are keen to consider they should do the same in the fields they are responsible for. Furthermore, social dialogue as well as public policies tend to pay attention to sectors defined by collective bargaining agreements and to big companies whatever is said about the importance of SMEs (small and medium-sized enterprises).

It is nevertheless possible to be cautiously optimistic for two reasons. First the need for change is more and more obvious; second territorial approaches are more frequent. The latter is important since looking at problems or situations from a territorial point of view gives a far broader view of what is at stake than when things are observed from any other points of view. When a given company closes down for example, subcontractors are also hit, as are the areas where the people made redundant live (e.g. local shops and service providers) and the problems are best addressed with a multi-actor approach. The same is true when development is at stake and this is why various kinds of territorial dialogue have developed during the last 20 years or so in various countries (Gazier and Bruggeman, 2016). In the field of further vocational training the combination of a big national training effort and a territorial approach could make it possible to implement a kind of job rotation – a system in which job seekers are trained to replace working employees attending trainings. This kind of experimentation would both allow different actors and service providers to work together, and for them to concretely experience the problems that fragmented approaches create and look for a way to overcome them. It would also demonstrate the interest in no longer considering further vocational training provisions for job seekers and for working people separately but addressing them as being linked within an interlinked system.

#### Author

<u>Frédéric Bruggeman</u> is a consultant who specialized in restructuring and economic change. After three years dedicated to the economic and financial study of companies and sectors of activity for banks, he has worked with work councils which were confronted with restructuring and change at company level, conducting business diagnostics focused on anticipating risks. He then led a team to capitalize on know-how and formalize the

methodological tools for managing restructuring. From late 2004 to mid-2007, he was international coordinator of the project 'Monitoring Innovative Restructuring in Europe' (FSE art.6), the results of which are published as a collective work: Restructuring Work and Employment in Europe: Management and Policy Responses Labor and Employment in Europe, public policies and managerial responses), Edward Elgar, 2008. Since 2007 he has worked at territorial level and has monitored several experiments dedicated to multi-actors' anticipation and management of economic change.

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